



**INDEPENDENT CONTRACTOR SERVICES AGREEMENT  
OFF HILL STRATEGIES, LLC CONSULTING SERVICES**

**EFFECTIVE DATE: JULY 1<sup>ST</sup>, 2018**

**THIS INDEPENDENT CONTRACTOR SERVICES AGREEMENT (the "Agreement")** is made by and between **THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO (the "Board")** created by the Puerto Rico Oversight, Management, and Economic Stability Act, 48 U.S.C. chapter 20 ("PROMESA"), and **OFF HILL STRATEGIES, LLC, (the "Contractor")**. The Board and Contractor hereby agree as follows:

**1. Engagement of Services.** The Board may offer Project Assignments to Contractor in the form attached to this Agreement as *Exhibit A ("Project Assignment")*. Subject to the terms of this Agreement, Contractor will render the services set forth in Project Assignment(s) accepted by Contractor by the completion dates set forth therein.

**2. Compensation.** The Board will pay Contractor the fees set forth in each Project Assignment for services rendered pursuant to this Agreement. Contractor is responsible for all reasonable expenses incurred in the performance of services under this Agreement. Contractor will be reimbursed only for expenses which are expressly provided for in a Project Assignment or which have been approved in advance in writing by the Board. Contractor must furnish all documentation for authorized expenses the Board reasonably requests. Payment of Contractor's fees and expenses will be in accordance with terms and conditions set forth in the applicable Project Assignment. Upon termination of this Agreement for any reason, Contractor will be paid fees on the basis stated in the Project Assignment(s) for work which has been completed.

**3. Independent Contractor Relationship.**

**3.1** Contractor's relationship with the Board is that of an independent contractor, and nothing in this Agreement is intended to, or should be construed to create a partnership, agency, joint venture or employment relationship. Contractor is not authorized to make any representation, contract or commitment on behalf of the Board unless specifically requested or authorized in writing to do so by the Board.

**3.2** Contractor shall be responsible for exercising independent discretion and judgment to achieve the results specified in this Agreement and in any Project Assignments, and no member, officer, agent or employee of the Board shall have the authority to direct Contractor as to the manner or means employed to achieve such results.

**3.3** Contractor shall be responsible for providing all tools and equipment necessary to perform services under this Agreement and any Project Assignments. Contractor shall bear all expenses associated with the provision of services under this Agreement and in any Project Assignments, except as otherwise agreed to pursuant to Section 2 of this Agreement.

3.4 Contractor will not be entitled to any of the benefits that the Board may make available to its employees, including, but not limited to, group health or life insurance, profit-sharing or retirement benefits.

3.5 Contractor is solely responsible for, and will file, on a timely basis, all tax returns and payments required to be filed with, or made to, any applicable tax authority with respect to the performance of services and receipt of fees under this Agreement.

3.6 Contractor's compensation will be subject to withholding by the Board for the payment of any applicable income taxes.

3.7 Any employees or agents of Contractor shall be the sole responsibility of Contractor, and shall not be employees or agents of, or paid by, the Board. Neither the Contractor nor its employees or agents are entitled to invoke any of the laws or protections that may apply to employees of the United States government or the Commonwealth of Puerto Rico. Contractor shall have full liability for their acts. Contractor shall bear all expenses associated with the employment of such individuals, and assume sole responsibility for compliance with applicable laws, rules, regulations and orders regarding Contractor's employees.

#### 4. Nondisclosure.

4.1 **Recognition of Board's Rights; Nondisclosure.** Contractor understands and acknowledges that the Board has a protectable interest in its Confidential Information (defined below). At all times during the term of this Agreement and thereafter, Contractor will hold in strictest confidence and will not disclose, use, lecture upon or publish any of the Board's Confidential Information, except as such disclosure, use or publication may be required in connection with Contractor's services for the Board, or unless the Board expressly authorizes such in writing. Contractor will obtain the Board's written approval before publishing or submitting for publication any material (written, verbal, or otherwise) that relates to Contractor's services for the Board and/or incorporates any Confidential Information. Contractor hereby assigns to the Board any rights Contractor may have or acquire in such Confidential Information and recognizes that all Confidential Information shall be the sole property of the Board and its assigns. Contractor will take all reasonable precautions to prevent the inadvertent or accidental disclosure of Confidential Information.

4.2 **Confidential Information.** The term "Confidential Information" shall mean any and all confidential and/or proprietary knowledge, data or information of or used by the Board, whether having existed, now existing, or to be developed during the term of this Agreement. By way of illustration but not limitation, "Confidential Information" includes (a) trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, know-how, improvements, discoveries, developments, designs and techniques and any other proprietary technology and all Proprietary Rights therein (hereinafter collectively referred to as "Inventions"); (b) information regarding research, analysis, development, business plans, budgets and unpublished financial statements, licenses, prices and costs, margins, credit terms, forecasts, future plans and potential strategies, financial projections and business strategies, operational plans, financing and capital-raising plans, activities and agreements, internal services and operational manuals, methods of conducting Board business, suppliers and supplier information, and purchasing; (c) information regarding any of the Board's contractors, vendors, or representatives and their services, including names, representatives, proposals, bids, contracts and their contents and parties, the type and quantity of products and services received by the Board, and other non-public information relating to Board contractors, vendors, or representatives; and (d) information regarding personnel, employee lists, compensation, and employee skills. Notwithstanding

the foregoing, it is understood that, at all such times, Contractor is free to use information which is generally known publicly or in the trade or industry through no breach of this Agreement or other act or omission by Contractor.

**4.3 Third Party Information.** Contractor understands, in addition, that the Board has received and in the future, will receive from third parties, including the Commonwealth of Puerto Rico, confidential and/or proprietary knowledge, data, or information ("**Third Party Information**") subject to a duty on the Board's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of this Agreement and thereafter, Contractor will hold any Third Party Information disclosed by the Board or obtained in connection with its work in the strictest confidence and will not disclose to anyone (other than Board members and personnel who need to know such information in connection with their work for the Board) or use, except in connection with Contractor's services for the Board, Third Party Information unless expressly authorized by the Executive Director or a member of the Board in writing. Contractor shall comply with all applicable laws, rules, and regulations concerning confidentiality.

**4.4 Term of Nondisclosure Restrictions.** Contractor understands that Confidential Information and Third-Party Information is never to be used or disclosed by Contractor, as provided in this Section 4. If, however, a court decides that this Section 4 or any of its provisions is unenforceable for lack of reasonable temporal limitation and the Agreement or its restriction(s) cannot otherwise be enforced, Contractor and the Board agree that the two (2) year period after the termination of this Agreement shall be the temporal limitation relevant to the contested restriction, provided, however, that this sentence shall not apply to trade secrets protected without temporal limitation under applicable law.

**4.5 No Improper Use of Information.** During the term of this Agreement, Contractor will not improperly use or disclose any Confidential Information or trade secrets of any person or entity to whom Contractor has an obligation of confidentiality, and Contractor will not bring onto the premises of the Board any documents or any property belonging to any person or entity to whom Contractor has an obligation of confidentiality unless consented to in writing by that person or entity. During Contractor's engagement as an independent contractor performing services for the Company, Contractor may also have access to "Inside" or non-public information about one or more companies associated with the Board's work. Use of "Inside," Confidential Information or Third-Party Information in making any investment is absolutely prohibited, and Contractor represents and warrants that Contractor will comply with all applicable securities laws and regulations.

**5. Records.** To the extent that Contractor is required to develop, review and/or analyze Confidential Information or Third-Party Information, Contractor further shall to store and maintain all Confidential Information in a secure place. Such material shall at all times remain the exclusive property of the Board and/or the applicable third party, unless otherwise agreed to in writing by a Board member or the Board's Executive Director.

**6. Return of Board Property.** On the earlier of termination of this Agreement or a request by the Board's Executive Director, Contractor shall return to the Board all the Board property which Contractor obtained from the Board or created in the course of any Project Assignment, including any Confidential Information and Third-Party Information. Contractor acknowledges that all such property shall at all times remain the exclusive property of the Board, unless otherwise agreed to in writing by a Board member or the Board's Executive Director.

**7. No Conflict of Interest.** During the term of this Agreement, Contractor will not accept work, enter into a contract, or accept an obligation from any third party, inconsistent or incompatible with

Contractor's obligations, or the scope of services rendered for the Board, under this Agreement or any Project Assignment. Contractor shall not take actions during the term of this Agreement or any Project Assignment that would constitute or could create the appearance of a conflict of interest with the Board's mission or the work performed by the Contractor for the Board. Contractor represents that Contractor's performance of all the terms of this Agreement and any accepted Project Assignment does not and will not breach any agreement or obligation of any kind made prior to the execution of this Agreement, including any noncompete agreement or any agreement to keep in confidence information acquired by Contractor in confidence or in trust. Contractor has not entered into, and Contractor shall not enter into, any agreement either written or oral in conflict herewith. Contractor shall indemnify the Board from any and all loss or liability incurred by reason of the alleged breach by Contractor of any services agreement with any third party. Contractor, after the termination of this Agreement, shall not provide services on the matters on which Contractor was engaged to others having interests adverse to the Board's interests.

**8. Compliance with Laws, Regulations, and Vendor Code of Conduct.** While providing services for the Board, Contractor shall comply with all applicable laws, rules and regulations, as well as all applicable Board policies and rules, including without limitation the Board's Vendor Code of Conduct and its disclosure certification. A copy of the Vendor Code of Conduct and its Vendor Code of Conduct Disclosure Certification is attached as *Exhibit B* hereto.

**9. Term and Termination.**

**9.1 Term.** Unless earlier terminated as provided in this Agreement or by mutual written agreement of the parties, this Agreement shall expire on June 30, 2019. The parties may renew the Agreement for an additional time period by mutual, written agreement prior to the expiration of the term.

**9.2 Termination by Board.** The Board may terminate this Agreement or any Project Assignment upon the earlier of (i) thirty (30) days written notice, and (ii) Contractor's material breach of either Section 4 ("Nondisclosure") or section 10 ("Noninterference with Business") of this Agreement. Termination shall neither eliminate accrued amounts owing to Contractor nor any amounts owing to the Board due to Contractor's breach.

**9.3 Termination by Contractor.** Contractor may terminate this Agreement or any Project Assignment upon thirty (30) days written notice in the event of a material breach by the Board of this Agreement or any Project Assignment.

**9.4 Survival.** The rights and obligations contained in Sections 4 ("Non-Disclosure") of this Agreement and 10 ("Noninterference with Business") shall survive the termination or expiration of this Agreement regardless of the reason, and the assignment of this Agreement by the Board to any successor in interest or other assignee.

**10. Noninterference with Business.** During this Agreement, and for a period of two (2) years immediately following its termination, Contractor shall not interfere with the business or activities of the Board in any manner. By way of example and not of limitation, Contractor shall not:

**10.1** solicit, induce, encourage, or participate in soliciting, inducing, or encouraging any employee of the Board to terminate his or her relationship with the Board;

**10.2** hire, or employ, or attempt to hire or employ any person employed by the Board or who has left the employment of the Company within the preceding six (6) months or discuss any potential employment or business association with such person, even if Contractor does not initiate the discussion or seek out the contact;

**10.3** solicit, induce or attempt to induce any consultant or independent contractor with whom Contractor had direct or indirect contact or whose identity Contractor learned as a result of Contractor's engagement with the Board, to terminate, diminish, or materially alter in a manner harmful to the Board its relationship with the Board; or

**10.4** for two years after the termination of this Agreement, represent or provide assistance pertaining to matters on which Contractor was engaged to any other entity or person having interests adverse to the Board's interests.

**11. Successors and Assigns.** Contractor may not subcontract or otherwise delegate its obligations under this Agreement without the prior written consent of the Executive Director of the Board. Subject to the foregoing, this Agreement will be for the benefit of the Board's successors and assigns, and will be binding on Contractor's assignees. Notwithstanding the foregoing, nothing in this Agreement shall prevent Contractor from utilizing Contractor's employees to perform services under the Agreement or any Project Assignment.

**12. Indemnification.** Contractor shall indemnify and hold harmless the Board and its members, officers, directors and employees from (a) all taxes, penalties and interest the Board may be required to pay as a result of Contractor or any of Contractor's personnel being deemed an employee of the Board; (b) any other tax liability or payments related to or resulting from this Agreement or the services rendered by Contractor for the Board; (c) any claims, losses, actions (including attorney's fees) or liability resulting from or related to any action taken or omitted by Contractor or any of its personnel. In no event will the Board be liable for any consequential, indirect, exemplary, special or incidental damages arising from or relating to this Agreement. The Board's total cumulative liability in connection with this Agreement, whether in contract or tort or otherwise, will not exceed the aggregate amount of fees and expenses owned by the Board to Contractor for services performed under this Agreement.

**13. Non-Disparagement.** Contractor will not, during the term of the Agreement, and for two (2) years thereafter, disparage the Board, its members, officers, or employees. Contractor shall indemnify and hold the Board, its members, officers, directors, and shareholders harmless from and against any and all losses, claims, damages, or expenses, (including attorneys' and experts' fees) arising from or growing out of any disparaging statement made by Contractor in violation of this Section 13.

**14. Reasonableness of Restrictions.**

**14.1** Contractor has read this entire Agreement and understands it. Contractor acknowledges the restrictions contained in this Agreement are reasonable, proper, and necessitated by the Board's legitimate business interests.

**14.2** In the event that a court finds this Agreement, or any of its restrictions, to be ambiguous, unenforceable, or invalid, Contractor and the Board agree that this Agreement will be automatically modified to provide the Board with the maximum protection of its business interests allowed by law and Contractor shall be bound by this Agreement as modified.

**15. Legal and Equitable Remedies.**

**15.1** Contractor acknowledges it may be impossible to assess the damages caused by Contractor's violation of Sections 4 ("Non-Disclosure") and 10 ("Noninterference with Business") of this Agreement. Any threatened or actual violation of such Sections of this Agreement will constitute immediate and irreparable injury to the Board and the Board shall have the right to enforce those Sections

of this Agreement by injunction, specific performance or other equitable relief, without bond and without prejudice to any other rights and remedies that the Board may have for a breach or threatened breach of those Sections or any other Section of this Agreement.

**15.2** If the Board is successful in whole or in part in any legal or equitable action against Contractor under this Agreement, the Board shall be entitled to payment of all costs, including reasonable attorneys' fees, from Contractor.

**15.3** In the event Company enforces this Agreement through a court order, the restrictions of Section 10 shall remain in effect for a period of twelve (12) months from the effective date of the Order enforcing the Agreement.

**16. Notices.** Any notices required or permitted hereunder shall be given to the Board at its primary office location, at Contractor's address as listed below, or at such other address as the party shall specify in writing. Such notice shall be deemed given upon personal delivery to the appropriate address or three (3) days after the date of mailing if sent by certified or registered mail.

**17. Governing Law; Consent to Personal Jurisdiction; Waiver of Jury Trial.** This Agreement shall be governed by the laws of the Commonwealth of Puerto Rico independent of its choice of law principles. This Agreement is not a United States government contract or contract of the Commonwealth of Puerto Rico. Consequently, United States and Commonwealth contracting and contract protest laws do not apply to this Agreement. Any action against the Board shall be brought in accordance with PROMESA § 106. Contractor hereby expressly consents to the personal jurisdiction and venue of the federal court in Puerto Rico. The Board and Contractor each waive all rights to jury trial under Commonwealth of Puerto Rico law and federal law.

**18. Severability.** In case any one or more of the provisions, subsections, or sentences contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. Moreover, if any one or more of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, geographical scope, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear.

**19. Waiver.** No waiver by the Board of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by the Board of any right under this Agreement shall be construed as a waiver of any other right. The Board shall not be required to give notice to enforce strict adherence to all terms of this Agreement. Nothing herein waives any exemption from liability or other rights of the Board under PROMESA.

**20. Entire Agreement.** This Agreement is the final, complete and exclusive agreement of the parties with respect to the subject matter hereof and supersedes and merges all prior discussions between the parties. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the party to be charged.

*[Signature Page Follows]*

In Witness Whereof, the parties have executed this Agreement as of the date first written above.

**THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO**

By: *Natalie A. Jaresko*

Name: Natalie A. Jaresko

Title: Executive Director

**OFF HILL STRATEGIES, LLC  
Contractor**

By: *Frederick Baird*

Name: Frederick Baird

Title: Principal

Address: 637 25<sup>th</sup> St. S  
Arlington, VA  
22202

**PROJECT ASSIGNMENT #2  
UNDER INDEPENDENT CONTRACTOR SERVICES AGREEMENT  
OFF HILL STRATEGIES, LLC**

**DATED: JULY 1<sup>ST</sup>, 2018**

**PROJECT:**

Contractor shall render such services as the Board may from time to time request in connection with government affairs efforts in Washington, D.C., including, without limiting the generality of the foregoing:

1. Achieve favorable action by the Federal Government with respect to the recommendations to the Federal Government described in the Board's Annual Report for Fiscal Year 2017;
2. Work closely with the Board and its advisors to promote federal legislative action and administrative policies to stimulate economic growth in Puerto Rico.
3. Advocate before the Federal Government, including the Executive Branch, the House Representatives, and most particularly, the Senate;
4. Support outreach efforts related to Washington based think tanks, associations and interest groups;
5. Monitor relevant federal legislation, Congressional hearings, agency hearings, and meetings of interest to the Board;
6. Work with the Board and senior staff to prepare for any Congressional or administrative hearing, or rule making proceeding; and
7. Assist the Board with the coordination and scheduling of appointments or meetings between the Board and the Federal Government.

Any work performed by the Contractor outside the scope of services or not approved in writing by the Executive Director of the Board or her designee shall not be paid by the Board.

**SCHEDULE OF WORK:**

The work commenced or will commence on July 1<sup>st</sup>, 2018 and shall end on June 30<sup>th</sup>, 2019 unless extended by parties.

**FEES AND REIMBURSEMENT:**

- A. Fixed Fees: \$15,000 per month, subject to the maximum charge below.
- B. Reimbursement at cost for reasonable out of pocket expenses such as (a) filing fees or Internal Revenue Stamps or vouchers incurred on your behalf with any United States, Puerto Rico or state (a) photocopying charges; (b) fax charges; (c) long distance telephone charges; (d) delivery



expenses and the like; none of which will be incurred unless necessary to provide the above services.

Contractor shall invoice the Board monthly for services and expenses and shall provide receipts, copies of time records showing portions of days worked and services performed by Contractor and such other documentation of expense as the Board requests.

Payment terms: Net Thirty (30) days from receipt of invoice for all valid charges. Contractor shall invoice the Board on or before the tenth day of each month for services rendered and expenses incurred during the previous month.

- C. Maximum amount chargeable by this Contractor on this Project Assignment: \$180,000, unless changed in a writing signed by the Executive Director of the Board.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the parties have executed this Project Assignment as of the date first written above.

**THE FINANCIAL OVERSIGHT AND MANAGEMENT  
BOARD FOR PUERTO RICO**

By: *Natalie A. Jaresko*

Name: Natalie A. Jaresko

Title: Executive Director

**OFF HILL STRATEGIES LLC  
CONTRACTOR**

By: *Frederick Bard*

Name: Frederick Bard

Title: Principal

## APPENDIX A

### [VENDOR/CONSULTANT/REPRESENTATIVE CODE OF CONDUCT]

The Financial Oversight and Management Board for Puerto Rico (the "Board") is committed to ethical and lawful behavior, and to acting professionally and fairly in all of its business dealings and relationships. The Board seeks to maintain high ethical standards and to comply with all applicable laws and regulations. The Board expects its vendors, consultants, and representatives to embrace this commitment to ethical and lawful behavior by complying with and training its employees on the Board's Vendor Code of Conduct. The Board also expects its vendors to have their own codes of conduct that ensure ethical business conduct and practices.

#### **I. Compliance with the Vendor Code of Conduct**

All vendors, consultants, and representatives and their employees, agents, and subcontractors (collectively referred to as "Vendors") must adhere to this Code of Conduct while conducting business with or on behalf of the Board. Vendors must promptly inform the Executive Director, the General Counsel, or a member of the Board when any situation develops that causes, or may cause, the Vendor to violate any provision of this Code of Conduct. Although Vendors are expected to self-monitor and demonstrate their compliance with this Code of Conduct, the Board may audit Vendors and/or inspect Vendors' facilities and records to confirm compliance.

The Board may require the immediate removal from any project or engagement of any Vendor representative(s) or personnel who behave in a manner that is unlawful or inconsistent with this Code of Conduct or any Board policy. Compliance with this Code of Conduct, as well as attendance at any training on this Code of Conduct as may be offered by the Board, is required in addition to any other contractual obligations a Vendor may have to the Board.

#### **II. Legal and Regulatory Compliance Practices**

Vendors must conduct their business activities on behalf of the Board in full compliance with the letter and spirit of all applicable laws and regulations.

- **Anti-Corruption.** The Board takes a zero-tolerance approach to bribery and corruption, and it requires its Vendors to do the same. Vendors must not participate in bribes or kickbacks of any kind, whether in dealings with the Board, government and public officials, or individuals in the private sector. Vendors must also comply with all applicable anti-corruption and anti-money laundering laws, as well as laws governing gifts and payments to public officials, political campaign contribution and lobbying laws, and other related regulations. In particular, Vendors must not:
  - Offer, promise, or allow anything of value (including travel, gifts, hospitality expenses, and charitable donations) to be given on behalf of the Board to influence a business or government decision, gain an improper advantage, or otherwise improperly promote the interests of the Board in any respect;
  - Offer, promise, or allow anything of value to be given to a Board member or employee to influence a Board decision or otherwise gain an improper advantage; or

- Ask for or accept anything of value which the Vendor knows or suspects is being offered to influence a Board decision or otherwise obtain an improper advantage in connection with the Vendor's work with or on behalf of the Board.
- **Antitrust/Fair Business Practices.** Vendors must conduct their business in full compliance with antitrust and fair competition laws that govern the jurisdictions in which they conduct business. Vendors must also uphold all standards of fair dealing and abide by all fair business practices, including truthful and accurate advertising.
- **Trade.** Vendors shall comply with all applicable trade controls, as well as any applicable export, re-export, and import laws and regulations. Vendors must not knowingly employ or do business with anyone reasonably suspected of being connected with criminal or terrorist activities or who is otherwise subject to applicable trade sanctions.
- **Freedom from Unlawful Harassment and Discrimination.** Vendors shall provide a workplace free from harassment and/or discrimination in hiring, compensation, access to training, promotion, termination, and/or retirement on the basis of race, color, creed, religion, sex, gender identity or expression, sexual orientation, pregnancy, status as a parent, age, marital status, national origin, ancestry, citizenship status, physical or mental disability or serious medical condition, protected genetic information, political beliefs, status as a veteran, or any other characteristic protected by law. Vendors shall further prohibit any form of reprisal or retaliation against any employee for reporting harassment or discrimination in good faith or for participating in good faith in a harassment or discrimination investigation.
- **Wages, Benefits and Working Hours.** Vendors must comply with local applicable laws regarding wages, overtime hours and mandated benefits. Vendors must also communicate with workers about compensation, including any overtime pay, in a timely and honest manner.
- **Freely Chosen Employment.** No Vendor shall use any form of indentured, slave, or forced labor, including involuntary prison labor. Vendors are also prohibited from supporting or engaging in any form of human trafficking of involuntary labor through threat, force, fraudulent claims, or other coercion.
- **Child Labor.** Vendors shall comply with all local and national minimum working age laws or regulations and not use child labor. All employees shall be age 18 and over unless: (i) a country's legal age for employment or age for completing compulsory education is under 18; and (ii) the work is non-hazardous.

### III. Business Practices and Ethics

Vendors must conduct their business interactions and activities with integrity.

- **Honesty and Integrity.** Vendors must at all times be honest, direct, and truthful in discussions with the Board, its staff and agents, regulatory agency representatives, and government officials.
- **Business and Financial Records.** The Board expects Vendors to timely, honestly, and accurately record and report all business information, including without limitation any invoices for payment, and comply with all applicable laws regarding their creation, completion, accuracy, retention, and disposal. All invoices must be (i) timely submitted, (ii) itemized, (iii) supported by appropriate documentation, and (iv) must comply with all other requirements as set out in the relevant contract(s).

- **Conflicts of Interest.** Vendors shall scrupulously avoid any conflict, real or perceived, direct or indirect, between their own individual, professional, or business interests and the interests of the Board. Among other things, Vendors must not deal directly with any Board member or *ex officio* member or employee whose spouse, domestic partner, or other family member or relative is associated with and/or holds any ownership or other financial interest in the Vendor. In the course of negotiating the Vendor agreement or performing the Vendor's obligations, dealing directly with a Vendor personnel's spouse, domestic partner, or other family member or relative employed by the Board is also prohibited. Complying with this requirement includes, but is not limited to, each Vendor's completion of the Vendor Conflict of Interest Disclosure Certification attached as Appendix A hereto.
- **Gifts and Entertainment.** Vendors should avoid any actions with Board members or *ex officio* members or employees during any vendor selection or re-selection process that could give others the impression of favoritism or other improper advantage. Furthermore, Vendors should not offer, and Board members, *ex officio* members, and employees must not accept, gifts or entertainment that might compromise, or appear to compromise, the Board member or employee's judgment or independence. Even a well-intentioned gift might constitute or be perceived to be a bribe under certain circumstances, or create a conflict of interest or the appearance of a conflict of interest. Board employees are required to conduct all business and interactions with Vendors in strict compliance with the applicable provisions of the Board's business ethics and conflict of interest policies.
- **Confidentiality, Privacy and Data Security.** Vendors shall, at all times while they are engaged by the Board and thereafter, (i) hold all proprietary and confidential information of the Board in strictest confidence, (ii) not use or disclose for any purpose any proprietary and confidential information of the Board to any person, business or entity, except as specifically authorized in writing by the Board, and (iii) not disclose for any purpose any non-public information concerning their retention by the Board or their services for the Board, except as specifically authorized in writing by the Board. Vendors shall abide by all Board requirements and procedures for protecting the proprietary and confidential information of the Board, including signing and abiding by the Board's confidentiality agreements. Vendors who handle proprietary and confidential information on behalf of the Board or belonging to the Board must apply and maintain sufficient privacy and information security safeguards. Vendors shall also be subject to an information and data security assessment.
- **Media.** Vendors are prohibited from speaking to the press or making any public statements, oral or written, concerning their work for or on behalf of the Board without the express written authorization of the Board.
- **Reporting Concerns.** Vendors shall maintain a hotline or other reporting system for their workers to confidentially and anonymously report any information or concerns about suspected non-compliance or violations of law or improper conduct by any Vendor employee or agent without threat of reprisal, intimidation or harassment. If concerns are reported, Vendors shall promptly and thoroughly investigate any such report and take corrective action as necessary and appropriate.

[Signature Page Follows]

I certify that the information provided is true and correct by my signature below:

Frederick B. Q.  
Signature of Vendor Authorized Representative

07/05/18  
Date

Principal, Principal  
Printed Name of Vendor Authorized Representative

**APPENDIX B**

**IVENDOR CONFLICT OF INTEREST DISCLOSURE CERTIFICATIONI**

All vendors, consultants, and or experts (“Vendors”) interested in conducting business with the Financial Oversight and Management Board for Puerto Rico (the “Board”) must complete and return this Vendor Conflict of Interest Disclosure Form to be eligible for a contract award. Disclosing a potential conflict of interest will not automatically disqualify the Vendor. The potential conflict of interest will be investigated to determine whether it precludes the contract award. In the event, however, that the Vendor does not disclose potential conflicts of interest and they are discovered by the Board, the Vendor will be barred from doing business with the Board.

Please note that all Vendors must comply with the Board’s Vendor Code of Conduct as stated within the certification section below.

**No Conflict of Interest:** Except as otherwise fully disclosed below (attach additional pages as needed), the Vendor affirms, to the best of its knowledge, information and belief, that no Interested Party (as defined in Schedule A hereto), nor any person associated with any Interested Party, is an employee, Director or Trustee, Officer or consultant to/of, or has any financial interest, direct or indirect, in the Vendor, or has received or will receive any financial benefit, directly or indirectly, from the Vendor or from the contract associated with this certification.

For the purposes of this certification, “associated” persons include: a spouse, domestic partner, child, parent or sibling of an Interested Party; a person with whom an Interested Party has a business or other financial relationship, including but not limited to employees of an Interested Party and/or a spouse, domestic partner, child, parent or sibling of such employees; and each firm in which an Interested Party has a present or potential interest.

No.	To the best of your knowledge:	YES	NO
1	Is any Interested Party, or any person associated with any Interested Party, associated with any employee, Director or Trustee, Officer or consultant to/of the Vendor?		X
If you answered “yes” to Question 1, please identify the names of the persons who are associated and describe the nature of their association below:			
No.	To the best of your knowledge:	YES	NO
2	Does any Interested Party, or any person associated with an Interested Party, have an ownership interest in the Vendor’s company?		X

If you answered "yes" to Question 2, please identify the name(s) of the person(s) who has/have such an ownership interest and describe the nature of the interest:

No.	To the best of your knowledge:	YES	NO
3	Has any Interested Party, or any person associated with an Interested Party, received, or will any Interested Party, or any person associated with an Interested Party receive, a financial benefit from the Vendor or from this contract?		X

If you answered "yes" to Question 3, please identify the name(s) of the person(s) who have received or will receive such a financial benefit and describe the nature of the benefit below:

No.	To the best of your knowledge:	YES	NO
4	Is any Interested Party, or any person associated with an Interested Party, contemporaneously employed or prospectively to be employed with the Vendor?		X

If you answered "yes" to Question 4, please identify the name(s) and title(s) of the person(s) who are or will be so employed below:

No.	To the best of your knowledge:	YES	NO
5	Is any Interested Party, or any person associated with an Interested Party, acting as a consultant for the Vendor?		X



If you answered "yes" to Question 5, please identify the name(s) of the person(s) acting as a consultant and describe the nature of his/her/their consulting services below:

No.	To the best of your knowledge:	YES	NO
6	Has the Vendor provided, or will the Vendor provide, any gifts or hospitality of any dollar value or any other gratuities to any Interested Party or elected official to obtain or maintain a contract?		X

If you answered "yes" to Question 6, please describe the nature of such gifts, hospitality, or other gratuities below, including (1) the recipient(s) of such gifts, hospitality, or other gratuities; (2) the date(s) on which such gifts, hospitality or other gratuities were provided; and (3) the exact (if possible) or approximate dollar value of such gifts, hospitality, or other gratuities:

No.	To the best of your knowledge:	YES	NO
7	Has any Interested Party, or any person associated with an Interested Party, provided any gifts of any dollar value or any other gratuities to Vendor?		X

If you answered "yes" to Question 7, please describe the nature of such gifts, hospitality, or other gratuities below, including (1) the recipient(s) of such gifts, hospitality, or other gratuities; (2) the date(s) on which such gifts, hospitality or other gratuities were provided; and (3) the exact (if possible) or approximate dollar value of such gifts, hospitality, or other gratuities:

I certify by my signature below that I have received and reviewed, and am authorized on Vendor's behalf to agree that Vendor shall abide by this Code of Conduct:

Vendor Name: **OFF HILL STRATEGIES LLC**

Frederick Baird  
Signature of Vendor Authorized Representative

07/05/18  
Date

Frederick Baird, Principal  
Printed Name and Title of Vendor Authorized Representative

## SCHEDULE A

For purposes of the Financial Oversight and Management Board for Puerto Rico (the ("Board")'s Vendor Conflict of Interest Disclosure Certification, the following entities and individuals are Interested Parties:

Natalie Jaresko, Executive Director of the Board

Jaime A. El Koury, General Counsel of the Board

Andrew G. Biggs, Member of the Board

Jose B. Carrión III, Member of the Board

Carlos M. Garcia, Member of the Board

Arthur J. Gonzalez, Member of the Board

José R. González, Member of the Board

Gov. Ricardo Rosselló Nevares, Ex-Officio Member of the Board

Ana J. Matosantos, Member of the Board

David A. Skeel Jr., Member of the Board

Ellías Sánchez Sifonte, Former Ex-Officio Member of the Board as representative of the Governor

Christian Sobrino Vega, Ex-Officio Member of the Board as representative of the Governor

Commonwealth of Puerto Rico (Primary Government)

9-1-1 Service Governing Board

Additional (Electronic) Lottery

Agricultural Enterprises Development Administration

Automobile Accidents Compensation Administration

Cardiovascular Center Corporation of Puerto Rico and the Caribbean

Commonwealth of Puerto Rico Regional Center Corporation

Company for the Integral Development of the "Península de Cantera"

Corporation for the "Caño Martín Peña" Project (ENLACE)

Corporation of Industries for the Blind and Mentally Retarded and Incapacitated Persons of Puerto Rico

Culebra Conservation and Development Authority

Economic Development Bank for Puerto Rico

Employees' Retirement System (ERS)

Employment and Training Enterprises Corporation

Farm Insurance Corporation of Puerto Rico

Fine Arts Center Corporation

Fiscal Agency and Financial Advisory Authority (AAFAF)

Governmental Development Bank for PR (GDB)

Institute of Puerto Rican Culture

Institutional Trust of the National Guard of Puerto Rico

Judiciary Retirement System (JRS)

Land Authority of Puerto Rico

Local Redevelopment Authority of the Lands and Facilities of Naval Station Roosevelt Roads

Model Forest

Municipal Revenue Collection Center (CRIM)

Musical Arts Corporation

Port of the Americas Authority

PR Aqueduct and Sewer Authority (PRASA)

PR Electric Power Authority (PREPA)

PR Highways and Transportation Authority (HTA)

PR Infrastructure Finance Authority (PRIFA)

PR Maritime Shipping Authority

PR Medical Services Administration (ASEM)

PR Sales Tax Financing Corporation (COFINA)

Public Building Authority (PBA)

Public Corporation for the Supervision and Deposit Insurance of Puerto Rico Cooperatives (COSSEC)

Puerto Rico and Municipal Islands Transport Authority

Puerto Rico Conservatory of Music Corporation

Puerto Rico Convention Center District Authority (PRCCDA)

Puerto Rico Council on Education

Puerto Rico Health Insurance Administration (HIA / ASES)

Puerto Rico Industrial Development Company (PRIDCO)

Puerto Rico Industrial, Tourist, Educational, Medical, and Environmental Control Facilities Financing Authority (AFICA)

Puerto Rico Integrated Transit Authority (PRITA)

Puerto Rico Land Administration

Puerto Rico Metropolitan Bus Authority (AMA)

Puerto Rico Municipal Finance Agency (MFA)

Puerto Rico Ports Authority

Puerto Rico Public Broadcasting Corporation

Puerto Rico Public Private Partnerships Authority (PPP)

Puerto Rico School of Plastic Arts

Puerto Rico Telephone Authority

Puerto Rico Tourism Company

Puerto Rico Trade and Export Company

Solid Waste Authority

Special Communities Perpetual Trust

State Insurance Fund Corporation (SIF)

Teachers' Retirement System (TRS)

The Children's Trust Fund (CTF)

Traditional Lottery

Unemployment Insurance Fund

University of Puerto Rico (UPR)

University of Puerto Rico Comprehensive Cancer Center

APPENDIX C

CONTRACTOR CERTIFICATION REQUIREMENT

The following certification shall be provided to the Oversight Board by each contractor under contracts submitted for review:

1. The contractor's subcontractor(s) in connection with the contract is (are) the following:
  
2. Neither the contractor nor any of its owners, directors, officials or employees, has agreed to share or give a percentage of the contractor's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract, except as follows:

(Name of individual or firm, including names of principals or owners of the latter) (Principal terms and conditions of the compensation sharing arrangement)

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law.
  
4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with the purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under the contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).
  
5. Neither the contractor, nor any of its owners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or

indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract.

The above certifications shall be signed by the Chief Executive Officer (or other officer with equivalent position or authority to issue such certifications) of the contractor.

In the event that a contractor is not able to provide any of the above certifications, such contractor shall provide a written statement setting forth the reasons therefor.

*[Signature Page Follows]*

I certify by my signature below that I have received and reviewed, and I am authorized on Vendor's behalf to agree that Vendor shall abide by Contractor Certification Requirement:

Vendor Name **OFF HILL STRATEGIES LLC**

  
Signature of Vendor Authorized Representative

07/05/18  
Date

Frederick Buid, Principal  
Printed Name and Title of Vendor Authorized Representative



## APPENDIX D

### [FOMB EXPENSE REIMBURSEMENT]

#### **Financial Oversight and Management Board for Puerto Rico**

*June 30, 2017*

#### **Expense Reimbursement Policy**

##### **1. Introduction**

The Board of Members of the Financial Oversight and Management Board for Puerto Rico (“the Board”) recognizes that board members, officers, staff, and contractors\* of the Board may be required to travel or incur in other expenses from time to time to conduct Board business.

The Reimbursed Expenses Policy (the “Policy”) is designed to govern the reimbursement of reasonable, defined expenses incurred on authorized Board activities. Consequently, all reimbursed expenses must be consistent with a business objective and carried out in a timely and cost-effective manner.

This Policy applies to board members, officers, staff, and contractors\* who incur authorized and approved travel and other expense items in the context of the Board’s business. While exceptions are not normally permitted, there is clear recognition of certain special business needs. In any such exceptional situations, all board members, officers, staff, and contractors\* are expected to apply a high degree of common sense and good judgment.

##### **2. Purpose of the Policy**

The purpose of this policy is to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by the Board. It is the policy of the Board to reimburse only reasonable and necessary expenses incurred by board members, officers, staff, and contractors.

##### **3. Principles of the Policy**

The Policy aims to provide a flexible framework for travel and other expenses based on the following principles:

- 3.1** This Policy applies to board members, officers, staff, and contractors\* undertaking travel other expenses on Board business and for the purposes of this Policy, the term “staff” shall mean employees of the Board.

- 3.2 It is the responsibility of board members, officers, staff, and contractors\* to ensure the selection of the most direct and economical travel options and that all expenses are attributable to a valid Board business purpose.
- 3.3 Board members, officers, staff, and contractors\* shall be entitled to reimbursement of expenses on production of supporting vouchers and invoices meeting the requirements of an "Accountable Plan" provided under Regulation No. 8297 dated December 18, 2012 issued by the Puerto Rico Department of Treasury. No expense reimbursement will be allowed for amounts in excess of actual expenditures incurred. No expense reimbursement will be allowed for estimates of expenditures incurred. This includes coach-class airfare or train fare (or business class train fare if rates are comparable); and hotels and transportation (e.g. taxis).
- 3.4 It is the responsibility of the Board members, officers, staff, and contractors\* to obtain travel authorization from the Chairman of the Board, the Executive Director or Authorized Representative prior to organizing or incurring any travel costs [See Appendix A for Authorization Authority]. Expense reimbursement is subject to having received prior authorization. Exceptions shall be made under the consideration of the Chairman, Executive Director or Authorized Representative.
- 3.5 The use of video and telephone conferencing instead of travel should always be considered to reduce travel expenses.

#### **4. Travel Expenses**

##### **4.1 Air Travel**

- 4.1.1 Costs for air travel will be reimbursed on an actual cost incurred basis.
- 4.1.2 For all flights, board members, officers, staff, and contractors\* are required to travel in a cabin class no higher than premium economy class and, when possible, the cheapest fare in this class.
- 4.1.3 Flights should be booked to provide the best value/lowest cost and fit between cost and convenience. Board staff shall book flights through the Board's Executive Assistant. Board members may book flights through the Board's Executive Assistant or independently. Board contractors must book flights independently, though they are allowed to consult the Board's Executive Assistant on fares the board members, officers, and staff are using.
- 4.1.4 The Board will not reimburse costs incurred due to deviations from the most direct routes taken for personal travel reasons. In such cases, if the Board purchased the ticket, the traveler must reimburse the Board for any additional costs over and above the authorized travel.

\*Expense policy applies only to contractors whose contracts specify they will be able to reimburse listed expenses.

4.1.5 Any alteration to original travel plans must be justified and approved in accordance with the Policy.

#### **4.2 Train Travel**

4.2.1 The Board may reimburse travelers for their economy train fares or business class train fares when those fares are comparable to the equivalent, economy class airfare on the same route.

4.2.2 Board staff shall book trains through the Board's Executive Assistant. Board Members may book trains through the Board's Executive Assistant or independently. Board contractors must book trains independently, though they are allowed to consult the Board's Executive Assistant on fares the board members, officers, and staff are using.

#### **4.3 Hotels and Lodging**

4.3.1 Accommodation costs may be reimbursed by the Board. Board members, officers, staff, and contractors should not exceed cost of accommodation per night published in the U.S. Government GSA Per Diem Rates (<https://www.gsa.gov/perdiem>), unless approved by the Chairman or his authorized representative.

4.3.2 Board staff shall book hotels through the Board's Executive Assistant. Board members may book hotels through the Board's Executive Assistant or independently. Board contractors must book hotels independently, though they are allowed to consult the Board's Executive Assistant on fares the Board members, officers, and staff are using.

#### **4.4 Transportation**

4.4.1 Transportation costs during trips associated to Board business will be reimbursed. Board members, officers, and staff\* can expense the following transportation costs: 1) transportation to and from the airport / train station and 2) transportation to and from the meeting location. Transportation costs cover taxi services or equivalent (e.g. Uber, Lyft or any other transportation means).

#### **4.5 Business Meals**

4.5.1 When travelling to a location other than the Board members, officers, staff, and contractors'\* local city, business meals are reimbursable based on the following limits:

- Breakfast: \$15; Lunch: \$25; Dinner: \$40
- Snack expenses are reimbursable when they replace a meal.

4.5.2 If meals are provided during the meeting, only meals not provided can be expensed.

\*Expense policy applies only to contractors whose contracts specify they will be able to reimburse listed expenses.

## **5. Other Expenses**

**5.1** Other expenses are reimbursable provided they are legitimate, necessary and reasonable expenses directly connected with or pertaining to the Board, such as office supplies, printing and reproduction, telephone calls, and messengers, among other.

## **6. Reimbursement of Expense**

**6.1** Travel arrangements are authorized in advance through the completion and approval of a travel authorization email and the validation of a travel plan between the traveler and the designated approver [See Appendix A].

**6.2** Expenses are reimbursed through the completion, approval, and validation of expense report [See Appendix B] that the members, officers, and staff must submit to the designated approver [See Appendix C].

**6.3** Expense claims should be submitted immediately following and, where possible, no more than 10 days after the completion of each trip, but at least a monthly.

**6.4** In rare circumstances, and on an exceptional basis, reimbursement in excess of stated limits may be provided when lodging options are not available below. In such rare circumstances, the need for higher reimbursement shall be indicated on the attached reimbursement form and justified in writing by the members, officers, and staff. Reimbursement will be limited to the following:

- Lodging: average rate for available 3-star hotels listed for the applicable metropolitan area on Expedia;

The Chairman of the Board or his authorized representative will have sole discretion to approve or deny such expenditures.

**6.5** Receipts are required for all expenditures billed, such as airfare and hotel charges. No expense in excess of \$25.00 will be reimbursed to Board members, officers, staff and contractors unless the individual requesting reimbursement submits with the Expense Report written itemized receipts from each vendor (not a credit card receipt or statement) showing the vendor's name, a description of the services provided (if not otherwise obvious), the date, and the total expenses. If a receipt is not available, a full explanation of the expense and the reason for the missing receipt is required.

**6.6** Alcoholic beverages will not be reimbursed under any circumstance.

\*Expense policy applies only to contractors whose contracts specify they will be able to reimburse listed expenses.

**APPENDIX A: Authorization Authority**

<b>Expense to be Incurred By:</b>	<b>Authorization From:</b>
Board Member	Chairman or Authorized Representative
Board Staff	Executive Director or Authorized Representative
Board Contractors	Executive Director or Authorized Representative
Executive Director	Chairman or Authorized Representative
Chairman	N/A

\*Expense policy applies only to contractors whose contracts specify they will be able to reimburse listed expenses.



**APPENDIX C: Expense Report Approval Authority**

<b>Expense Incurred By:</b>	<b>Expense Approved By:</b>
Board Member	Chairman or Authorized Representative
Board Personnel	Executive Director or Authorized Representative
Board Advisors	Executive Director or Authorized Representative
Executive Director	Chairman or Authorized Representative
Chairman	Executive Director or Authorized Representative

*[Signature Page Follows]*

\*Expense policy applies only to contractors whose contracts specify they will be able to reimburse listed expenses.

I certify by my signature below that I have received and reviewed, and I am authorized on Vendor's behalf to agree that Vendor shall abide by FOMB Expense Reimbursement:

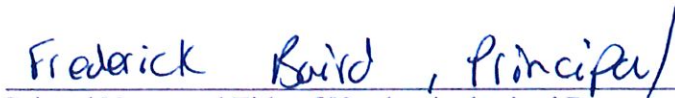
Vendor Name: **OFF HILL STRATEGIES LLC**



Signature of Vendor Authorized Representative



Date



Printed Name and Title of Vendor Authorized Representative

\*Expense policy applies only to contractors whose contracts specify they will be able to reimburse listed expenses.