



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

FIRST ADDENDUM TO REQUEST FOR PROPOSAL FOR CALCULATION AGENT SERVICES

**For Services in Connection with the Annual Calculation of Outperformance Metrics with respect to Securities to be Issued Upon Confirmation and Effectiveness of the Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico (the “POA”),
Et Al**

Issue Date: December 9, 2021

**Documents will only be received electronically. Refer to Section 6 herein for instructions.
Hand delivery and postal mailed documents will not be accepted.**

Submission Time:

Responses to be received at the submission email addresses included in Section 5 of the Request for Proposal herein or prior to: December 19, 2021

Submission Time:

Responses to be received at the submission e-mail address included in Section 5 Proposals at:
rfp@aafaf.pr.gov

No Telephone Queries Will Be Accepted

THE AUTHORITY RESERVES THE RIGHT TO REJECT ANY AND ALL PROPOSALS, TO FURTHER NEGOTIATE ANY PROPOSAL AND TO WAIVE ANY IRREGULARITIES OR NON-COMPLIANCE WITH THE INSTRUCTIONS SET FORTH HEREIN, AT ITS SOLE DISCRETION. ALL PROPOSALS BECOME PROPERTY OF AAFAP UPON SUBMISSION.



FIRST ADDENDUM TO REQUEST FOR CALCULATION AGENT SERVICES

On December 9, 2021 the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) issued a Request for Proposals (“RFP”) seeking Services in Connection with the Annual Calculation of Outperformance Metrics with respect to Securities to be Issued Upon Confirmation and Effectiveness of the Eighth Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico (the “POA”), Et Al

AAFAF has received questions regarding the RFP as of the date of this First Addendum to the RFP and hereby provides the following clarifications:

I) With respect to the Scope of Work

- a. **5.5% Sales and Use Tax (“5.5% SUT”).** This scope mentions an annual calculation; would it be a one-shot calculation or annually going forward? If annually going forward, for how many years will the calculation be performed?

Response: The 5.5% SUT will need to be measured annually from FY22 through FY51, so long as the CVI’s are outstanding, and pursuant to the terms and conditions of the Plan of Adjustment.

- b. **Adjustments to SUT Baseline and 5.5% SUT Collections.** Same question as 1 above

Response: Same answer as 1a above but contingent upon an SUT exemption actually occurring in any given year.

- c. **General Fund Rum Tax Collections.** If this is an annual calculation, for how many years going forward?

Response: The General Fund Rum Tax Collections will need to be measured annually from FY22 through FY51, so long as the CVI’s are outstanding, and pursuant to the terms and conditions of the Plan of Adjustment.

- d. **Pension Reserve Trust Contributions.** Would this be an annual calculation from FY 2020 through FY 2030? That is, for 10 years?

Response: This provision of the Plan of Adjustment is applicable starting in the Fiscal Year in which the Effective Date occurs and for the following nine years. If the Plan of Adjustment goes effective before June 30th that would imply calculations for FY22 – FY31.

- e. **AMPR and AFSCME Fiscal Plan Surplus Sharing Agreements.** Calculation for how many years?

Response: For the term of the CBA which, per the Plan of Adjustment, is for five years.



II) Would there be a specific or pre-established certification format, wording or certificate on which to document and certify the aforementioned calculations?

Response: The methodology for calculations, format and process for calculations will be included in the Calculation Agent Agreement which will be negotiated between the Government Parties, applicable creditors and the Calculation Agent.

III) With respect to the proposal submission deadline:

a. Please corroborate that December 19, a Sunday, is the correct and final deadline.

Response: Yes, December 19 is the correct date.

b. Any room for considering an extension of the submission deadline?

Response: As stated in the RFP, AAFAF reserves the right to reject any and all proposals, to further negotiate any proposal and to waive any irregularities or non-compliance with the instructions set forth herein, at its sole discretion.

The First Addendum to the RFP only clarifies the scope of the RFP and, accordingly, should not be interpreted as a modification or change to the RFP.