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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): May 26, 2018**

**Mammoth Energy Services, Inc.**

(Exact name of registrant as specified in its charter)

**001-37917**  
(Commission File No.)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**32-0498321**  
(I.R.S. Employer  
Identification No.)

**14201 Caliber Drive, Suite 300**  
**Oklahoma City, Oklahoma**  
(Address of principal executive offices)

**73134**  
(Zip Code)

**(405) 608-6007**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§232.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(s) of the Exchange Act. ☒

**Item 1.01. Entry into a Material Definitive Agreement.**

On May 26, 2018, Cobra Acquisitions LLC (“Cobra”), a wholly-owned subsidiary of Mammoth Energy Services, Inc. (“Mammoth”), entered into a new master services agreement with the Puerto Rico Electric Power Authority (“PREPA”) to complete the restoration of the electrical transmission and distribution system components damaged by Hurricane Maria and to support the initial phase of reconstruction of the electrical power system in Puerto Rico (the “New PREPA Contract”). Cobra has agreed to provide the labor, supervision, tools and materials necessary to provide the restoration and reconstruction services under the New PREPA Contract, which has a one-year term ending May 25, 2019 and provides for total payments not to exceed \$900.0 million. The New PREPA Contract was awarded at the conclusion of a request for proposal (RFP) bid process that began in February 2018. The New PREPA Contract is in addition to the contract that Cobra entered into in October 2017, as subsequently amended, to provide restoration services to PREPA. Cobra continues to perform services under this original contract.

At March 31, 2018, Cobra had approximately 1,000 people working in Puerto Rico. With the execution of the New PREPA Contract, Cobra will be increasing its total resource count and expects to have approximately 1,250 people on the island within the next 60 days. In connection with the New PREPA Contract, Mammoth has increased its 2018 capital budget by \$35 million to approximately \$160 million, primarily for additional equipment, trucks and tools to perform the contracted services.

The description of the New PREPA Contract is qualified in its entirety by reference to the New PREPA Contract filed as Exhibit 10.1 to this Current Report on Form 8-K.

**Item 7.01. Regulation FD Disclosure.**

On May 29, 2018, Mammoth issued a press release announcing the New PREPA Contract to provide restoration and reconstruction services in Puerto Rico. A copy of the press release is attached hereto as Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

*Exhibits.*

Exhibit Number	Description
<a href="#"><u>10.1*</u></a>	<a href="#"><u>Master Service Contract for PREPA's Electrical Grid Repairs Hurricane Maria, executed on May 26, 2018, by the Puerto Rico Electric Power Authority (PREPA) and Cobra Acquisitions LLC.</u></a>
<a href="#"><u>99.1**</u></a>	<a href="#"><u>Press Release, dated May 29, 2018, entitled "Cobra Signs New \$900 million Contract to Finish the Restoration of Critical Electrical Services and Support the Initial Phase of Reconstruction of the Electrical Utility System in Puerto Rico."</u></a>

\*Filed herewith.

\*\*Furnished herewith.

## Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 31, 2018

By:

**MAMMOTH ENERGY SERVICES, INC.**

/s/ Mark Layton

Mark Layton

*Chief Financial Officer and Secretary*

GOVERNMENT OF PUERTO RICO  
PUERTO RICO ELECTRIC POWER AUTHORITY

MASTER SERVICE CONTRACT  
FOR PREPA'S ELECTRICAL GRID REPAIRS HURRICANE MARIA  
APPEAR

AS FIRST PARTY: The Puerto Rico Electric Power Authority (PREPA), a public corporation and government instrumentality of the Government of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Chief Executive Officer/Executive Director, Walter M. Higgins, of legal age, married, executive and resident of San Juan, Puerto Rico.

AS SECOND PARTY: Cobra Acquisitions LLC (Contractor), a limited liability company organized and existing under the laws of the State of Delaware with a place of business at 14201 Caliber Drive, Suite 300, Oklahoma City, Oklahoma 73134, herein represented by Arty Straehla, of legal age, married, and a resident of Oklahoma City, Oklahoma, whose authority of representation is evidenced by corporate resolution, dated January 9, 2017.

Both, PREPA and Contractor which are hereinafter referred to individually as a "Party" and jointly as "Parties",

WITNESSETH

In consideration of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, and successors as follows:

ARTICLE 1: Scope of Contract

The Contractor shall provide labor, supervision, tools, equipment and materials necessary to perform the hurricane restoration and reconstruction services at various locations in PREPA's service areas, all in strict accordance with the provisions of this Contract and Contractor's proposal attached hereto as Exhibit A. PREPA will sign one Contract Release for each line, feeder, segment,

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substation, or switchyard project. The terms and conditions stated in this Contract will govern on any Contract Release all in accordance and compliance with FEMA guidelines and regulations.

## ARTICLE 2: Definitions

Whenever the words defined in this article or pronouns used instead are mentioned in this Contract, they shall have the meanings here given:

- 1) Engineer - shall mean the Transmission and Distribution Director of PREPA, acting directly or through his properly authorized representatives.
- 2) Contracting Officer - shall mean PREPA’s Executive Director/Chief Executive Officer, acting directly or through his properly authorized representatives.
- 3) Contract - shall mean collectively, all the covenants, terms, and stipulations in these articles of agreement and in all supplementary documents hereto attached which constitute essential parts of the Contract and are hereby made part thereof, to wit:
  - Contract
  - Contractor’s Proposal (attached hereto as Exhibit A)
  - Contractor’s Rate Structure (attached hereto as Exhibit B)
  - Contractor’s Standard Equipment and Tooling Schedule (attached hereto as Exhibit C)
- 4) Change order - A written agreement between the Parties that sets out changes in price, time, or scope of work to the Contract, which has been approved by the appropriate official pursuant to the general authorization for approval.
- 5) Contract Release – A purchase order created with reference to this Contract, the contract release documentation (order date, quantity, value, number of the contract release order, account number, among others) is included as part of each release.

## ARTICLE 3: Consideration

In accordance with the terms and conditions contained herein, PREPA agrees to pay and the Contractor accepts that PREPA will make payment for the work performed on a Time and Materials (Equipment) basis at the rates, and subject to the terms, set forth in Exhibit B and Exhibit C. As compensation for services rendered under this Contract, PREPA and the Contractor agree that the total amount to be paid under this Contract shall not exceed

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nine hundred million dollars (\$900,000,000) (Contract Amount). PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract ceiling price. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount.

Payment for work performed under the Contract shall not exceed the Contract Amount. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract Amount. The Contractor will be the only one responsible for any works it or any of its subcontractors, if any, does in excess of the Contract Amount. The Contractor shall not be obligated to continue performance if to do so would exceed the Contract Amount, unless and until PREPA notifies the Contractor in writing that the Contract Amount has been increased and specifies in the notice a revised ceiling that shall constitute the new Contract Amount for performance under this Contract.

PREPA will only pay for Services already rendered before the submitted invoice date. PREPA will not be required to make advance payments for any future service to be rendered by Contractor under the Contract. Contractor shall submit invoices once a week (on Monday) which will include a description of the services rendered as per established in Contractor’s Proposal, Contractor’s Rate Structure and Contractor’s Standard Equipment and Tooling Schedule. Each invoice shall be itemized and must be duly certified by an authorized representative of the Contractor.

PREPA will review each invoice to determine whether it is in compliance with the requirements set forth in the Contract.

PREPA will make commercially reasonable efforts to issue such determination and acceptance of work within 7 calendar days from when such invoice is received. In any event, PREPA will either accept or reject such invoice within 15 calendar days from when it is received. If PREPA rejects such invoice, PREPA will return the invoice to the Contractor within three (3) calendar days of such rejection with a written explanation for such rejection. Contractor shall have the right to resubmit for payment any rejected invoice, and such invoices will be processed in accordance with this paragraph. Each invoice accepted by PREPA shall be paid within 30 days from when such invoice is received. A finance charge of 1% per month shall be due on payments received after the date due.

The Contractor further warrants that work for which Contractor has received payments in full from PREPA shall be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor and its Subcontractors or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the work.

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The funds for the payment of Services by Contractor will be paid from account 01-1747-17595-555-474; provided, however, that the failure to adequately fund such account shall not relieve PREPA of its obligation to pay Contractor under this Contract.

Prior to payment, the invoices submitted by the Contractor must be approved by the Engineer and must be accompanied by the proper supporting documents (such as inspection certifications, work reports and third party invoices).

All invoices submitted by the Contractor shall include the following Certification in order to proceed with its payment.

No Interest Certification:

Under penalty of absolute nullity, I hereby certify that no employee, official or director of PREPA is a party or has been granted by Contractor any interest or payment in the profits or benefits to be obtained by Contractor under this Contract or if any employee, official or director of PREPA has any interest in the profits or benefits under this Contract a waiver has been previously obtained. I, also certify that the only consideration to Contractor to provide the services under this Contract is the payment agreed with PREPA’s authorized representative. The total amount of this invoice is fair and correct. The services were provided and no payment has been received for said concept.

Contractor's Signature

This is an essential requirement and those invoices without this Certification will not be processed for payment. In order to comply with the certification requirements set forth above, Contractor shall require that subcontractors providing Services also make the certification set forth above in any invoices submitted in connection with the Services.

All invoices have to be sent to the following address:

Puerto Rico Electric Power Authority,  
Accounts Payable Section,  
PO Box 70253,  
San Juan, Puerto Rico 00936-0253

ARTICLE 4: Commencement and Completion of Work

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4.1 Inspection and  
Delivery

Unless mutually agreed, all works shall be completed as per schedule of proposed progress from the commencement date as established per Contract Release for all work to be performed. The commencement date will be the beginning date stated on the letter of mobilization.

4.2 Schedule of Proposed  
Progress

Contractor will use commercially reasonable efforts to perform the work in such a manner to meet PREPA’s scheduling expectations, but PREPA waives any claim against Contractor related to delayed completion of the work.

4.3 Contract  
Term

This Contract shall be in effect from the date of its execution until May 25, 2019.

ARTICLE 5: Suspension of Work

- 5.1 PREPA may, at any time, suspend the whole or any portion of the work under this Contract, by providing Contractor with a written notice stating the reasons for suspension at least five (5) days in advance of the day the suspension shall take effect. The right of PREPA to suspend the work shall not be construed as denying the Contractor all actual, reasonable and necessary costs and expenses due to the delays caused by such suspension.
  - 5.2 Either Party may suspend the whole or any portion of the work under this Contract by reason of the occurrence of a force majeure event as described in Article 10 herein.
  - 5.3 In case of suspension of the work by PREPA for any reason, or in case the work is suspended in whole or in part due to the occurrence of a force majeure event, Contractor’s obligations shall be extended for a period of time reasonably necessary to overcome the effects of any such suspension. Contractor will also have the right to claim lost revenue standing time of manpower and equipment, and overhead costs.
  - 5.4 If the suspension extends for more than fifteen (15) days, the Contractor shall have the right to an equitable adjustment to the amounts payable to Contractor and the Contract
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shall be modified in writing accordingly. If a suspension extends beyond thirty (30) days, Contractor has the right to terminate this Contract.

ARTICLE 6: Methods and Data

PREPA reserves the right to review and approve all methods and data, which the Contractor develops hereunder. Such review or approval shall in no way relieve the Contractor from its responsibilities, obligations or liabilities under this Contract. The Contractor shall obtain such reviews or approval in writing from PREPA. The Contractor shall keep at the working area a copy of the Contract and its supplementary documents at all times, give the Engineer access thereto.

ARTICLE 7: Changes and/or Extra Work

PREPA may, at any time, by written order, make changes in the services or work to be performed within the general scope of this Contract. These works assignment shall be agreed between Contractor and PREPA. The approval of this extra work is subject to PREPA's Engineer. The Contractor shall work with PREPA to supply Emergency Crews for this purpose. Those Crews shall be independent of the Circuit Crews assigned to the scheduled circuit. All contractual specifications shall apply. If such changes cause an increase or decrease in Contractor's cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly. Provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from the Federal Emergency Management Agency ("FEMA") or any other U.S. Federal agency.

ARTICLE 8. Inspection

During the progress of work, the Engineer or its authorized representatives shall make daily inspections to evaluate all assigned works as established and accepted by PREPA to ensure Contractor compliance with the power line specifications. All jobs shall be executed, performed and built in full compliance with PREPA's Electrical Codes and any other special requirement established previous the commencement of works. Job sites shall be marked with cones and signs visible from the nearest road to identify crew location.

All work performed by the Contractor is subject to inspection and approval by PREPA. PREPA to clearing identify and provide the required specification prior to commencement of work. Any work not meeting PREPA power line construction standards or turned in falsely will be redone at

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no cost to PREPA. If subsequent inspections are required after the initial follow up the actual cost shall be billed to Contractor. The presence of PREPA personnel shall not in any way alter, modify, or lessen the obligation of the Contractor to comply with the requirements of this Contract. Any inspection by PREPA personnel shall not be considered as an acceptance of waiver of warranty or other rights of the work inspected.

The Contractor shall promptly correct all work reasonably deemed by PREPA as failing to conform to the power grid construction specifications provided by PREPA to the Contractor pursuant to the previous paragraph. The Contractor shall promptly remedy the lack of performance and execute the work in accordance with the specifications, without expense to PREPA. If the Contractor fails to correct work deemed by PREPA within a reasonable time after notice has been given to the Contractor, PREPA may correct such work at the expense of the Contractor. Such expense may be deducted by PREPA from any payments due or to become due to the Contractor or, if final payment has been made, the Contractor shall reimburse PREPA such amounts.

#### ARTICLE 9. Access to Work

- 1) The Contractor shall permit all persons appointed or authorized by PREPA to visit and inspect the work or any part thereof at all times and places during the progress of same.
- 2) Subject to appropriate safety considerations, the Contractor agrees to provide the FEMA Administrator or his authorized representatives’ access to work sites pertaining to the work being completed under the Contract.

#### ARTICLE 10: Force Majeure

Notwithstanding anything to the contrary herein contained, it is agreed that either party hereto will be relieved of its obligations hereunder in the event and to the extent that performance hereof is delayed or prevented by any cause beyond its control and not caused by the party hereto claiming relief hereunder, including, without limitation, acts of God, industrial disturbances, acts of the public enemy, war, blockages, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of services due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a Force Majeure event, and/or its effects, are beyond the reasonable control and were not caused by the fault or negligence of the party claiming the Force Majeure event, and that such party, within ten (10) days after the occurrence of the alleged Force Majeure, gives the other party written notice describing the particulars of the occurrence and its estimated duration. The

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burden of proof as to whether a Force Majeure has occurred shall be on the party claiming the Force Majeure.

ARTICLE 11: Suspension of Payment

If Contractor fails in completing the work, or any separable part thereof, within the timeframe established in Article 4, Commencement and Completion of Work, PREPA may, as its option, retain that portion of the payment attributable to the non-conforming work until such service discrepancies have been corrected.

In case of delay, the Contractor shall within ten (10) days from the beginning of any such delay notify the Engineer in writing of the causes of delay, who shall ascertain the facts and the extent of the delay and extend the time for completing the work when in his judgment the findings of facts justify such an extension, and his findings of facts thereon shall be final and conclusive on the parties hereto, subject only to appeal by the Contractor as provided in the ARTICLE 27, Disputes; provided that, no claim made by Contractor against PREPA, its agents, contractors, subcontractors, employees, successors, assignees, for any cause whatsoever, during the progress of any portion of the work embraced in the Contract shall relieve any of the parties from the performance of its obligations and of the work under this Contract, which shall not suffer any delay by reason of a claim being ascertained by either Party under this Contract.

ARTICLE 12: Insurance and Bonds

The Contractor shall obtain and maintain in full force and effect during the life of this Contract and thereafter as provided herein, policies of insurance covering all operations engaged in by the Contract, which shall be formally agreed with insurance companies authorized to do business in Puerto Rico, and to that the effect it shall provide in original certificates of insurance and endorsements, as follows:

A. Commonwealth of Puerto Rico Workers Compensation  
Insurance

The Contractor shall provide workmen’s compensation insurance as required by Act

No. 45 of April 18, 1935, as amended, known as the Workmen’s Compensation Act of the Commonwealth of Puerto Rico (“Act 45”). Contractor shall also be responsible for compliance with Act 45 by all its subcontractors, agents and invitees, if any, or shall certify that such subcontractors, agents and invitees have obtained said policies on their own behalf. Contractor shall furnish to PREPA a certificate from the Puerto Rico’s State Insurance Fund showing that all personnel employed in the work are covered by the workmen’s compensation insurance, in accordance with this Contract.

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B. Employer's Liability  
Insurance

The Contractor shall provide Employer's Liability Insurance with minimum bodily injury limits of \$3,000,000 for each employee and \$3,000,000 for each accident, covering against the liability imposed by Law upon the Contractor as a result of bodily injury, by accident or disease, including death arising out of and in the course of employment, outside of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

C. Commercial General Liability  
Insurance

The Contractor shall provide a Commercial General Liability Insurance with limits of \$3,000,000 per occurrence and \$3,000,000 aggregate. This Policy shall include a completed operations.

D. Automobile Liability  
Insurance

The Contractor shall provide an Automobile Liability Insurance with limits of \$3,000,000 combined single limit covering all owned, non-owned and hired automobiles.

**Requirements under the Policies:**

The Commercial General Liability and Automobile Liability Insurance required under this Contract shall be endorsed to include:

- a. As additional  
insured:

Puerto Rico Electric Power Authority  
Risk Management Office  
PO Box 364267  
San Juan, PR 00936-4267

- b. 30 day cancellation or nonrenewable notice to be sent to the above address.
- c. An endorsement including this Contract under contractual liability coverage and identifying it in number, date and parties to the contract.
- d. Waiver of Subrogation in favor of PREPA.
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- e. Breach of Warranties or Conditions: “The breach of any of the Warranties or Conditions in this policy by the Contractor shall not prejudice PREPA’s rights under this policy.”

**Furnishing of Policies:**

All required policies of insurance shall be in a form acceptable to PREPA and shall be issued only by insurance companies authorized to do business in Puerto Rico.

The Contractor shall furnish a certificate of insurance in original signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

Indemnification. The Contractor shall indemnify, defend and hold harmless PREPA, its agents and employees, from and against any and all claims, actions, suits, charges and judgments arising from, or related to, the gross negligence, fraud or wilful misconduct of the Contractor in the performance of the services called for in this Contract. The failure of the Contractor to obtain, maintain, or pay for any insurance coverage necessary to insure its obligations under this Contract and/or the failure of Contractor’s insurance carrier to provide insurance coverage shall not relieve Contractor of its indemnification obligations.

**Bonds**

If requested in writing by PREPA, Contractor shall deliver:

1. A Performance Bond in the amount of one hundred percent (100%) of the amount specified in the applicable work release, with a good and sufficient surety satisfactory to PREPA guaranteeing that the Contractor will well and faithfully perform the work specified in such work release.
  2. A Payment Bond in the amount of one hundred percent (100%) of the amount specified in the applicable work release, with a good and sufficient surety satisfactory to PREPA to guarantee the prompt payment of all labor, supervision, equipment and materials required in the performance of the work specified in such work release.
  3. All bonds shall be issued in the Official PREPA forms.
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ARTICLE 13: Independent Contractor

- 1) PREPA and the Contractor agree that Contractor’s status hereunder and the status of any agents, employees and subcontractors engaged by the Contractor shall be that of an independent contractor only and not that of an employee, agent, director or officer of PREPA nor shall they be considered a public servant of neither PREPA nor the Commonwealth of Puerto Rico. The Contractor recognizes that its personnel shall not be entitled to employment benefits such as vacations, sick leave, retirement benefits and other benefits from PREPA because of its condition as an independent contractor. Neither the Contractor nor its personnel shall have any power or right to enter into contracts on behalf of PREPA. No provision of this Contract shall be deemed to create an employment relationship between Contractor or his employees, agents or subcontractors and PREPA.
  - 2) The employees of Contractor engaged in performing services hereunder will be considered employees of Contractor for all purposes and will under no circumstances be deemed to be employees of PREPA. PREPA will have no supervisory power or control over any such Contractor’s employees and any complaint or change in procedure will be communicated transmitted by PREPA to Contractor who will in turn promptly give any necessary instructions to its own personnel.
  - 3) Contractor will be responsible for the direct supervision of its employees through its designated representative and such representative will in turn, report to and confer with the designated agents of PREPA with respect to the services.
  - 4) Except as expressly provided otherwise in this Contract, Contractor agrees to assume full and complete responsibility for any and all liability to its employees on account of injury, disability, and death resulting from, or sustained by said employees in the performance of the services defined herein.
  - 5) At PREPA’s request, Contractor will immediately remove from service any employee whose acts or omissions will be a violation of applicable law or constitute a breach of this Contract.
  - 6) Both parties agree to accept full and exclusive liability for the payment of any and all taxes, contributions, and other payments for unemployment compensation and/or pension benefits, Worker’s Compensation, employers liability insurance or annuities now or hereafter imposed upon employers as applicable to them with respect to its employees and each party will make such payments and will make and file any and all reports and returns and take all other actions
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do all other things necessary to comply with the laws imposing such taxes, contributions, or other payments.

- 7) Contractor represents and warrants that the employees used in the performance of the services hereunder will have the qualifications, skills and experience necessary to perform the services and will have the work records as represented to PREPA.
- 8) In the performance of the Contract, Contractor will comply with all applicable statutes, regulations, ordinances pertaining to nondiscrimination in employment and facilities.

Contractor agrees to hold PREPA harmless and to indemnify and defend PREPA in full for any and all damages, claims, assessments, penalties, liabilities, charges, attorney's fees or other losses incurred during or following the term of this Contract, which result from any assertion, claim, determination or adjudication that Contractor or any of its employees are employees of PREPA, including, but not limited to, any claim, determination or adjudication made pursuant to the Internal Revenue Code, any of Puerto Rico Unemployment laws and regulations, Compensation Law, or any other federal, state or local wage, employment, insurance, labor and other laws, statutes, regulations and ordinances.

#### ARTICLE 14: Termination

- 1) Notwithstanding anything to the contrary in this Contract regarding its term, PREPA may, at any moment, terminate, cancel or accelerate its expiration, after giving the Contractor not less than thirty (30) days prior written notice, for any or no reason, when in PREPA's judgment such action responds to its best interest. PREPA may terminate this Agreement immediately at any time in cases of gross negligence by the Contractor upon written notice to Contractor specifying such gross negligence.
  - 2) PREPA may terminate this Contract (or any portion thereof) for any cause if Contractor (i) becomes insolvent, or (ii) in is material breach of the service obligation, which does not otherwise have a specified contractual remedy, and fails to cure the breach within thirty (30) days of notice from PREPA; or fails to commence to cure the material breach and diligently proceed with the cure if it is not possible to cure within thirty (30) days of such notice. .
  - 3) If this Contract is so terminated, the Contractor shall be compensated in accordance with the terms of this Contract for all work performed through the termination date and for actual, reasonable, and necessary expenses, including reasonable demobilization costs caused by such termination, which shall apply in the case of Termination by either Party for any reason.
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The exercise of PREPA’S right to terminate, cancel or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by the Contractor in the performance of its obligations under the Contract.

- 4) Breach By PREPA. Upon written notice to PREPA from Contractor stating that PREPA is in material breach of the Contract, PREPA will immediately remedy such material breach. Where PREPA fails to remedy such material breach within ten (10) days or to promptly initiate and continue in good faith to remedy a material breach that cannot be reasonably remedied in ten (10) days, Contractor will have the right to terminate the Contract upon five (5) days’ notice to PREPA. PREPA further agrees that if it commits a substantially similar material breach more than twice in any one (1) month period, regardless of remedy, Contractor will have the right to terminate the Contract upon notice to PREPA.

#### ARTICLE 15: Termination Settlement

- 1) If the Contract is terminated for any reason, the Contractor shall stop work as specified in the termination notice provided by PREPA, and shall be prohibited from incurring additional obligations of Contract funds. PREPA may allow costs that the Contractor could not reasonably avoid during the termination process to the extent that said costs are determined to be necessary and reasonable.
  - 2) In the event of a termination, all work in process, finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports, property and any other items or deliverables prepared by the Contractor that would be furnished to PREPA, the Commonwealth of Puerto Rico, or the Federal government if the Contract had been fully performed shall, unless otherwise stated in writing by PREPA, become PREPA’s property.
  - 3) Following termination, the Contractor shall submit a final termination settlement proposal to PREPA in the form and with the certification prescribed by PREPA. The Contractor shall submit the final termination settlement proposal promptly, but no later than one year from the effective date of termination, unless extended in writing by PREPA upon written request of the Contractor within this one-year period. The Contractor and PREPA may agree upon the whole or any part of the amount to be paid or remaining to be paid because of the termination.
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However, the agreed amount may not exceed the total Contract price as reduced by (1) the amount of payments previously made and (2) the Contract price of work not terminated

ARTICLE 16. Permits and Licenses

The Contractor shall obtain and maintain all the licenses, permits, and authorizations required to perform all services, works, operations and tasks under this Contract, and shall send all notices, pay all fees and related costs, and will comply and will have its subcontractors and agents comply with all laws, ordinances, rules, and regulations applicable to the work.

ARTICLE 17: Minimum Wage Rates

Laborers and other employees engaged under this Contract shall be paid not less than the minimum wages rates prescribed by law. PREPA may withhold from any monies due to the Contractor any sum necessary to make up the full amount of wages due under this Contract and may distribute it directly to those entitled thereto hereunder.

ARTICLE 18: Contingent Fees

The Contractor guarantees that he has not employed any person to solicit or secure this Contract upon any agreement for a commission percentage, brokerage or contingent fee. Breach of this guarantee shall give PREPA the right to annul the Contract or, at its discretion to deduct from the Contract price or consideration the amount of such commission, percentage, brokerage or contingent fees. This guarantee shall not apply to commission’s payable by contractors upon contract or sales secured or made through bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

ARTICLE 19: Other Contracts

PREPA may award other contracts for additional work, and the Contractor shall fully cooperate with such other contractors of this Contract, and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Contractor shall not commit or permit any acts which interfere with the performance of work by any other Contractor.

ARTICLE 20: Official not to Benefit

No officer, employee or agent of PREPA, or of the Government of the Commonwealth of Puerto Rico or Municipal Governments, shall be admitted to any share or part of this Contract or to

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any benefit that may arise there from, but this provision shall not be construed to extend to this Contract if made with a corporation for its general benefit.

In addition to the restrictions and limitations established under the provisions of Act 1-2012, as amended, retired or former officers or employees of PREPA, whose work was in any way related to the award or management of contracts, shall in no way benefit from any contract with PREPA for a period of two (2) years after leaving employment with or ceasing services to PREPA.

ARTICLE 21: Conflict of Interest

The Contractor certifies that none of its representatives under this Contract receive payment or compensation of any nature, for services rendered regularly through an appointment to a governmental agency, body, public corporation or municipality of Puerto Rico. The Contractor also certifies that he may have consulting services contracts with other governmental agencies or bodies, but such condition does not constitute a conflict of interest for the Contractor.

The Contractor acknowledges that in executing the services pursuant to Contract it has a duty of complete loyalty towards PREPA which includes not having adverse interests to those of PREPA related to the services. Those adverse interests include representation of clients which have or may have opposed interests to those of PREPA in relation to the services. Also, the Contractor shall have the continuous obligation to disclose to PREPA all information and circumstances of its relations with clients and third persons and any interest which could reasonably influence PREPA when executing this Agreement or during its term.

- 1) The Contractor represents conflicting interests when on behalf of a client he must contend for that which it is his duty to oppose to comply with its obligations with another previous, present or potential client. Also, the Contractor represents conflicting interests when his conduct is described as such in the canons of ethic applicable to the Contractor and his personnel or in the laws or regulations of the Commonwealth of Puerto Rico.
  - 2) In the event that any of the partners, directors or employees of the Contractor should incur in the conduct described herein, said conduct shall constitute a violation to the prohibitions provided herein. The Contractor shall avoid even the appearance of the existence of conflicting interests.
  - 3) The Contractor acknowledges that PREPA's Contracting Officer shall have the power to intervene the acts of the Contractor and/or its agents, employees, and subcontractors regarding the enforcement of the prohibitions contained herein. In the event that PREPA
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should discover the existence of adverse interests with the Contractor, the Contracting Officer shall inform the Contractor, in writing, of PREPA’s intention to terminate this Contract within a thirty (30) day period. During said period, the Contractor may request a meeting with the Contracting Officer to present his arguments regarding the alleged conflict of interests, which meeting shall be granted by PREPA in every case of alleged conflict of interests. In the event that the Contractor does not request such a meeting during the specified thirty (30) day period or the controversy is not satisfactorily settled during the meeting, this Contract shall be cancelled.

- 4) The Contractor certifies that, at the time of award of this Contract, it does not have any other contractual relation that can enter in a conflict of interest with this Contract. The Contractor also certifies that no public employee has any personal or economical interest in this Contract.

#### ARTICLE 22: Claims for Labor and Materials

Conditions upon timely payment from PREPA pursuant to the terms of this Contract, the Contractor shall, at his own expense, assume the defense of and save harmless PREPA from claims for labor and materials and not suffer any mechanics or other liens to remain outstanding against any of the property used in connection with the work; and shall, on request, furnish satisfactory evidence that all persons who have done work or furnished materials have been fully paid. If the Contractor fails to comply with his obligations in this respect, PREPA may take such liens or claims and may withhold from any monies due to the Contractor such amounts as may be necessary to satisfy and discharge any such claims and any cost and expenses incidental thereto.

#### ARTICLE 23: Unfair Labor Practice

- 1) In the event that the Contractor or any of his subcontractors or agents do not comply with an order issued by the Puerto Rico Labor Relations Board and/or the National Labor Relations Board upon their finding that the Contractor or any of his subcontractors or agents have committed an unfair labor practice, no further payments shall be made by PREPA to the Contractor after the date of said order. In addition, the Contract may be terminated by PREPA, in which case PREPA may take possession of the materials, tools, and appliances on the job site and finish the work by whatever method it may deem expedient.
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- 2) Any declaration by the Puerto Rico Labor Relations Board and/or by the National Labor Relation Board that the contractors or agents have not complied with an order issued by the Board relating to any unfair labor practice, shall be binding, final and conclusive unless such order is reversed or set aside by a Court of competent jurisdiction.

ARTICLE 24: Novation

The Contractor and PREPA expressly agree that no amendment or change order which could be made to this Contract, during its term, shall be understood as a contractual novation, unless both parties agree to the contrary, specifically and in writing. This previous provision shall be equally applicable in such other cases where PREPA gives the Contractor a time extension for the compliance of any of its obligations under the Contract or where PREPA dispenses the claim or demand of any of its credits or rights under this Contract.

ARTICLE 25: Patents and Copyrights

The Contractor, at its own expense, shall defend any suit or action brought against PREPA based on a claim that any equipment or part thereof, copyright or un-copyrighted composition, secret process, patented or unpatented invention, article, or appliance manufactured or used in the performance of this Contract, including their use by PREPA, constitutes an infringement of any patents or copyrights of the United States, if notified promptly in writing by PREPA, and given the authority, information, and assistance for the defense of the same, and the Contractor shall pay all damages and costs awarded therein against PREPA. If, in such suit, the equipment or any part thereof, or the composition, secret process, invention, article or appliance is held to constitute infringement and its use is enjoined, the Contractor, at its option and expense, shall either procure for PREPA the right to continue using the same. Also, can replace it with non-fringing equipment, composition, secret process, invention, article or appliance, modify it so it becomes non-infringing or remove it and refund the purchase price.

ARTICLE 26. Waiver

No waiver of any breach of this Contract shall be held to be a waiver of any other subsequent breach.

ARTICLE 27. Disputes

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Transmission and Distribution Director within 10 days from the submission of the dispute by

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Contractor, subject to written appeal by Contractor to the Contracting Officer within twenty (20) days. Within 10 days thereafter, the Contracting Officer shall inform each party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity. Contractor may pursue directly the remedies at law or equity for all disputes. Notwithstanding the terms above, each party has the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction.

#### ARTICLE 28: Payment to Contractor

Upon completion and acceptance of all work required hereunder, the amount due to the Contractor under this Contract, if any, will be paid upon the presentation of a properly executed and duly certified invoice therefore, after the Contractor shall have furnished PREPA with a release, if required, or all claims against PREPA arising under and by virtue of this Contract, other than such claims if any, as may be specifically excepted by the Contractor from the operation of the release in stated amounts to be set forth therein; provided that, the amount of such excepted claims is not included in the invoice for final payment.

Invoices for final payment, if any, submitted by the Contractor shall be subject to PREPA's approval before being paid, and its payment shall be done within 45 days after the date of its approval by PREPA. All invoices submitted by the Contractor shall include the Certification established in Article 3, Consideration, in order to proceed with its payments.

#### ARTICLE 29. Change in Law

During the term of this Contract, if there is any change in law, including, but not limited to changes in applicable tax law, which causes an increase in Contractor's costs when supplying services to be acquired by PREPA, such increased costs shall be Contractor's responsibility and PREPA shall not be obliged to make additional payments nor to pay additional sums to the Contract Price originally agreed for those services. In such case, Contractor may elect to terminate this Contract without penalty with thirty (30) days written notice to PREPA and PREPA shall pay and compensate Contractor for all work and services performed to the date of termination, without waiver by Contractor of any other rights or remedies it may have in law or in equity to protect its rights under this Contract, including under Article 14.3.

#### ARTICLE 30: Choice of Law

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This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the contracting parties expressly agree that only the state courts of Puerto Rico will be the courts of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing parties may have among them regarding the terms and conditions of this Contract.

ARTICLE 31 Separability

If a court of competent jurisdiction declares any of the Contract provisions as null or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of the Contract and the parties agree to comply with their respective obligations under such provisions not included by the judicial declaration.

ARTICLE 32: Correlation of Documents

In case of discrepancy or in the event of any conflict among the different Contract documents such as: Contract, Scope of Services, Código de Construcción Eléctrica, Appendixes, and Contractors Proposal per Contract Release, these shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflictive terms and conditions contained in the Contractors Proposal and any other document expressly referenced in this Contract.

ARTICLE 33: Notice

- 1) PREPA agrees to give the Contractor immediate notice of any and all claims for which the Contractor may be liable, and the Contractor agrees to give PREPA immediate notice of any and all claims for which PREPA may be liable.
- 2) Any notice to be given hereunder shall be in writing and will be sufficiently served when delivered in person or properly mailed or emailed to the following addresses:

To PREPA: Puerto Rico Electric Power Authority  
PO Box 364267  
San Juan, Puerto Rico 00936-4267  
Email: edgardo.diaz@prepa.com

Attention: Eng. José  
Sepúlveda

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To Contractor: Cobra Acquisitions LLC  
14201 Caliber Drive, Suite 300  
Oklahoma City, Oklahoma 73134  
Email: [mlayton@mammothenergy.com](mailto:mlayton@mammothenergy.com)

Attention: Legal Department

ARTICLE 34: Puerto Rico Treasury Department Withholding

PREPA will deduct and withhold at the source to PREPA Net the equivalent of seven percent (7%) from payment for services rendered in Puerto Rico under this Agreement, in compliance with the New Puerto Rico Internal Revenue Code, Law 1-2011, Section 1062.03, as amended. Notwithstanding, the withholding to be done by PREPA as herein stated could be increased to: twenty percent (20%) in the event that PREPA Net is a non-resident individual, which is a U.S. citizen, as provided by the New Puerto Rico Internal Revenue Code, Section 1062.08; or twenty-nine percent (29%) in the event that PREPA Net is a non-resident and non U.S. citizen individual; or a foreign corporation or partnership which is not dedicated to industry or business in Puerto Rico, as provided by the New Puerto Rico Internal Revenue Code, Section 1062.08.

If a Release Letter has been issued to PREPA Net by the Treasury Department, PREPA Net shall be responsible to submit a copy of said Release Letter to PREPA for every calendar year; otherwise, payments under the Agreement shall remain subject to withholding at the source. All invoices shall be segregated by concepts (services, materials, equipment, etc.), to identify the amounts subject to withholding, and avoid undue deductions.

ARTICLE 35: Discrimination

The Contractor certifies that it is an equal opportunity employer, and does not discriminate by reason of race, color, gender, age, national or social origin, social status, political ideas or affiliation, religion; for being or perceived to be victim or domestic violence, sexual aggression or harassment; for physical or mental disability or veteran status.

ARTICLE 36: Other Taxes

All unemployment, retirement, and other Social Security contributions and taxes; all sales, use and excise, privilege, business and occupational taxes, and any other taxes or fees payable by the Contractor are and shall be included as part of his prices.

ARTICLE 37: Quality Assurance

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The Contractor shall use commercially reasonable efforts to establish an adequate quality control program to satisfy all applicable regulation and requirements specified in the procurement documents. The program shall contain all those measures necessary to assure that all basic technical requisites are fulfilled.

PREPA reserves the right to conduct audits and inspections to the facilities, activities, and/or documents; limited to inspection and quality control documents that are strictly related to and relevant to the performance of Contractor’s activities under this Contract; when estimated necessary in order to assure that the quality control program is adequate and is being properly implemented. The Contractor shall provide PREPA access to its facilities and documents; limited to inspection and quality control documents that are strictly related to and relevant to the performance of Contractor’s activities under this Contract; so that PREPA, through audits and inspections can verify the quality of the purchased products or services.

ARTICLE 38: Transfer of Funds

If Contractor decides to assign or transfer an amount, due or payable, to which he is entitled for services rendered or goods provided during the term of this Contract, Contractor shall notify PREPA of such transfer of funds, in accordance to the provisions of Act 21-2012, as amended. Said notice shall clearly indicate the rights granted, including a copy of the contract under which the assignment or transfer of funds is made, the exact amount of funds to be assigned or transferred, and specific identification information regarding the assignee (full name of the person or company), address and any other contact information.

Contractor acknowledges and agrees that PREPA may deduct any amount, due or payable under this Contract, that Contractor owes; PREPA may retain any said amount if Contractor fails to fulfill its obligations and responsibilities under this Contract, or a claim arises for warranty or defects regarding the services rendered or goods provided under this Contract. Contractor also acknowledges and agrees that PREPA’s payment obligation under any assignment of funds will cease upon payment of the outstanding amounts under this Contract. PREPA shall not be required to make payments or transfer any funds for an amount that exceeds the payment to which Contractor is entitled to under this Contract.

Contractor shall include with its notice of assignment of funds a cashier’s check or money order for two hundred dollars (\$200), payable to “Puerto Rico Electric Power Authority”, to cover administrative costs in processing such assignment.

ARTICLE 39: Safety Provisions

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The Contractor shall comply with all applicable parts of this Safety Provisions according to the scope of the project. The Contractor shall comply with all applicable federal, state, and local laws, regulations, orders, or decrees in effect during the period of performance. Almost all of the requirements of this Section are not applicable to the scope of Contractor's Work. Contractor will provide information responsive to any applicable portions.

- 1) The Program shall comply with the following minimum requirements of a health and safety program, according with the scope of the project including, but not limited to:
    - i. Occupational Exposure to Noise (29 CFR 1910.95)
    - ii. Hazardous Materials (29 CFR 1910 Subpart H)
    - iii. Personal Protective Equipment (29 CFR 1926 Subpart E)
    - iv. Hazard Communication (29 CFR 1910.1200)
    - v. Fire Protection (29 CFR 1910 Subpart L)
    - vi. Electrical work (29 CFR 1926 Subpart K)
    - vii. Tools, Hand and Powered (1926 Subpart I)
    - viii. Lockout/Tag out (29 CFR 1910.147)
    - ix. Portable Ladders
    - x. Electric Power Generation, Transmission and Distribution (29 CFR 1910.269)
  - 2) The Program shall be revised annually.
  - 3) It shall include an accident or incident investigation procedure. This procedure will always include the preparation of a report, which will be submitted within five days after accident to the Safety Division of PREPA.
  - 4) The Contractor shall include a Safety Officer.
  - 5) Safety inspections and work permit system shall be included.
  - 6) Before commencement of work, the Contractor shall take part in a coordination meeting with a Safety Officer and the project manager on PREPA's behalf. During this meeting the areas to be worked on will be toured, the site-specific work plan will be discussed and reviewed, and amendments to it could be required.
  - 7) The Contractor shall submit, prior to commencement of the work, for evaluation by the Safety Division the following:
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- a. A Site Specific Work Plan including: the scope of work, description of the activities to be done, special safety and health considerations to be addressed before commencement of the project, safety procedures to be applied and used during the project specially for excavations, work zone protection, scaffolding and crane operations. It shall also include any other regulation or guidelines related to safety and health that could be applicable to the scope of work, contingency procedures that include how to proceed in an emergency situation, such as fire or chemical spill, among others. Also, identify medical services in the municipality of work to maintain communication in case of any medical emergency.
- b. A list of all specialized personnel needed. Also, include copy of all training certificates, licenses or certifications required, according to the scope of work. For example: tree trimming, crane operator, pesticide applicator, electrician, spill responder, excavations competent person, DOT training for hazardous substances, etc. All these certificates and licenses shall be up to date.
- c. Copy of the Safety Data Sheets (SDS) of all chemical products to be used during the project, for evaluation and approval by the Occupational Safety Division at PREPA (Hazard Communication Section).
- d. Certification of compliance with medical surveillance requirements, according to scope of work.
- e. Certification of compliance with Fit Test requirements for the use of negative pressure respirators if applicable.
- f. Certification of training for the use of personal protective equipment.

8) Each Contractor/Subcontractor shall adhere to a 100% drug /alcohol free work zone.

9) The Contractor shall be responsible for maintaining good housekeeping in the work, rest, lunch and toilet areas and under reasonably sanitary conditions.

10) If the contracted services include demolition activities (as defined per ANSI A10.6 – 1990: Demolition – the dismantling, razing or wrecking of any fixed building or structure or any part thereof) that will be carried out in buildings or structures, that because of their construction date or prior use, are suspected to contain asbestos, lead based paint or other hazardous materials, the contractor will require a certification from the project manager or owner stating that the building or structure is free of such materials.

11) Services including activities inside buildings occupied by working personnel, that could create a hazard to their safety or health, will be offered after PREPA'S working hours. The exception will be if the contractor could take all the necessary precautions to protect PREPA's employees

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and the public from any possible hazard caused by the work. The Contractor will take all steps necessary to assure the area will be free of nuisance odors or vapors before PREPA's personnel is to reoccupy. All these will be done in coordination with the local supervisor of PREPA.

- 12)The Contractor shall assure that all wastes generated by Contractor as a part of the Work are removed and properly disposed of, in accordance with all applicable laws and regulations, at the end of every work shift and after the completion of the project.
  - 13)All non-contained chemical products to be used shall be classified as Approved or Conditionally Approved by PREPA's Hazard Communication Section.
  - 14)Welding operations will comply with the requirements of OSHA, ANSI and NFPA.
  - 15)If the project involves the handling of non-asbestos insulation or other dust generating materials, like gypsum board, steps shall be taken to prevent the release of the dust to adjacent areas.
  - 16)The Contractor shall take all reasonable precautions for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to all employees on the work site and all other persons who may be affected. This shall include property, material and equipment on or off the site, under the care, custody or control of the Contractor or any of the subcontractors.
  - 17)The Contractor shall comply with all applicable laws, ordinances, rules, regulations and lawful orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. Shall erect and maintain, as required by existing conditions and progress of the work, all reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent utilities.
  - 18)If near populated areas, any excavation made by the contractor shall be covered, protected or barricaded after work hours or if it will be left unattended.
  - 19)The contractor shall notify and coordinate any excavation with the "Centro de Coordinación de Excavaciones y Demoliciones" if applicable.
  - 20)The work zone near any public road shall be protected using, signs, cones, barricades, etc. in accordance with the MUTCD and DOT. In this conditions, any employee in or around the work zone shall use a reflective vest in accordance with MUTCD.
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- 21) Access to the work zone shall be prohibited to any person not related to the project by means of signs, barricades, fences or a combination of them.
- 22) The Contractor shall designate an employee as their safety officer for the project. The duties of the safety officer could be in addition to his/her normal duties. The safety officer shall be in charge of the prevention of accidents and the implementation of the Safety and Health Program Plan and the Site-specific Plan in coordination with PREPA’s Safety Officer, Project Manager and Resident Engineer. The contractor safety officer shall have a basic training of 30 hours in Occupational Safety and Health Standards for Construction Industry from an approved OSHA Training Center. Evidence of the training shall be submitted if requested by PREPA.
- 23) Compliance with all safety provisions by subcontractors shall be the responsibility of the Contractor.
- 24) Contractor agrees that it shall perform all work in compliance with federal, state and local occupational safety and health regulations, as described in the Site Specific Work Plan.
- 25) Contractor will obtain and maintain, during the duration of the project, the proper permits from all federal, state and local regulatory authorities or other applicable government agency with respect to discharge, disposal, use, storage, handling and transportation of hazardous chemicals and substances as and when applicable law or regulation requires. For projects including the handling of asbestos, lead, or spilled hazardous substances, the notification to EPA or the EQB will be done by the Contractor, but in coordination with the Safety Officer and the Environmental Advisor or Officer.
- 26) Contractor will not cause or permit any hazardous chemical or product containing a hazardous chemical to be at, or in the vicinity of, any place where any employee, agent, or contractor of Puerto Rico Electric Power Authority, or any employee of any such agent or Contractor, may be at risk or exposed to hazard as a result thereof during normal use or any foreseeable emergency.

#### ARTICLE 40. Contract Validity

If one or more clauses of the contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the Contract, which shall remain in full force and effect.

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ARTICLE 41. Save and Harmless Clause

PREPA and the Contractor shall jointly save and hold harmless and to indemnify, one another from and against any and all liabilities, claims, demands, suits, losses, damages, costs and expenses (including reasonable attorney fees and court costs) for bodily injury to or death of any third person, or damage to or destruction of any property of third party, caused by any negligent act or omission on the part of the indemnifying party its officers, employees, contractors or agents, except to the extent such liabilities, claims, suits, losses, damages, costs and expenses result from any negligent or willful act or omission on the part of the indemnified party, its officers, employees, contractors or agents in the performance or failure to perform its obligations under the Contract.

ARTICLE 42. Warranty

Contractor warrants that it shall perform the services/works in accordance with the applicable standards of care and diligence at the time of performance of the services/works, and which are normally practiced and recognized in performing services of a similar nature (the “Standard”). Should any of the services/works provided by Contractor not fulfill the above established Standard, Contractor shall take all necessary corrective measures to rectify such deficient services/works, at its own and exclusive cost, whenever such course of action is possible or desirable. The rectification of deficient services/works by Contractor shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law or equity for any damages that Contractor’s may have caused to it by rendering such deficient services/works.

ARTICLE 43. Authority

PREPA represents and warrants to Contractor that it has authority to enter into this Contract with Contractor, including, but not limited to with respect to the Government Oversight Board and all other relevant authorities.

ARTICLE 44. Time and Materials

PREPA will pay Contractor upon the submission of invoices approved by PREPA as follows:

- 44.1 Labor: Payments for labor shall be computed by multiplying the minimum daily rate prescribed in the attached schedule of rates set forth on Exhibit B by the number of days. The daily rates shall include wages, indirect costs, general and administrative expense, and profit.
  - 44.2 Materials: PREPA will reimburse Contractor for allowable cost of materials, including direct materials, subcontracts for supplies and incidental services for which there is not a labor c
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category specified in the Contract, other direct costs (e.g., incidental services for which there is not a labor category specified in the contract, travel, computer usage charges, etc.), and applicable indirect costs in accordance with the terms set forth on Exhibit C.

ARTICLE 45. Waiver of Consequential Damages and Limitation of Liability

In no event shall either party be liable to the other, or their respective employees, subcontractors and/or agents, or any third party, for any indirect, incidental, special, consequential, punitive damages, or lost profits for any claim or demand of any nature of kind arising out of or in connection with this Contract or the performance or breach thereof and regardless of whether any such claim arises out of breach of contract or warranty, tort, negligence, product liability, misrepresentation, indemnity, contribution, strict liability, equity, or any other legal theory, even in the parties are advised of the possibilities of such damages.

Notwithstanding anything to the contrary contained in this Contract, the total aggregate liability of Contractor with respect to all claims of any kind whether in contract, warranty, indemnity, tort (including negligence), or other contractual or extra contractual liability of any nature, strict liability, or otherwise, and under any system, theory or principle of law, arising out of the performance or breach of this Contract, or relating to the services/works, shall in no event exceed the lesser of (a) \$30,000,000 or (b) the aggregate amount of all payments made to the Contractor under this Contract with respect to the applicable work release.

ARTICLE 46: Modification of Exhibit B and Exhibit C

Contractor and PREPA may supplement or amend the rates set forth on Exhibit B and Exhibit C by written amendment between the parties.

ARTICLE 47: Assignment

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

ARTICLE 48: Subcontracting

The Contractor may not subcontract any of the Services that it has committed to perform or provide pursuant to this Contract without the prior written approval of PREPA, which consent can be provided via email. Such approvals shall not be unreasonably withheld. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms, but shall operate only as an approval of the Contractor's request for the making of a subcontract between the Contractor and its chosen subcontractor. The

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Contractor shall be responsible for all services performed by the subcontractor and all such services shall conform to the provisions of this Contract.

ARTICLE 49: Compliance with Commonwealth of Puerto Rico Contracting Requirements

The Contractor shall comply will applicable Commonwealth Law, Regulations or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico. Contractor shall provide the following certifications and sworn statement as applicable in a term of seven (7) days after the execution of this Contract:

- 1) An Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues, assuring that Cobra Acquisitions LLC has filed his Income Tax Return for the last five (5) years.
  - 2) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
  - 3) Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico, Area of Internal Revenues.
  - 4) Certification issued by the Treasury Department of Puerto Rico which indicates that it does not owe Puerto Rico Sales and Use Taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms.
  - 5) Certification issued by the Municipal Revenues Collection Center (MRCC), assuring that Cobra Acquisitions LLC does not owe any tax to such governmental agency.
  - 6) Certification issued by Municipal Revenues Collection Center (MRCC) demonstrating that Cobra Acquisitions LLC has filed the Personal Property Tax Return to such governmental agency. Additionally, if Cobra Acquisitions LLC does not own personal property in the Commonwealth of Puerto Rico, Cobra Acquisitions LLC shall provide a sworn statement which states that:
    - a) During the last five years, Cobra Acquisitions LLC has not owned personal property in the Commonwealth of Puerto Rico (except to the extent relating to services provided by the Contractor to PREPA);
    - b) For the reasons above stated, Cobra Acquisitions LLC is not required to file Personal Property Tax in the Commonwealth of Puerto Rico as established in Article 6.03 of Act 83 of August 1991 and therefore a Personal Property Tax file does not exist for Cobra Acquisitions LLC in the MRCC.
  - 7) Certification, issued by the Department of Labor and Human Resources of Puerto Rico, assuring that Cobra Acquisitions LLC has paid to the Department of Labor and Human Resources of Puerto Rico its employees' contribution, in accordance with the Puerto Rico Employment Security Act (unemployment, temporary disability or sickness, or social security
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for chauffeurs); or is paying such contribution by an installment plan in full compliance with its terms.

- 8) Certification, issued by the Child Support Administration, assuring that the Cobra Acquisitions LLC is in compliance with the withholdings required by ASUME.
- 9) Copy of the Merchant’s Registration Certificate.

- 10) Contractor shall submit a sworn statement whereby it shall inform whether it or any president, vice-president, director, executive director or member of a board of officials or board of directors, or persons that or any person performing equivalent functions for Contractor has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in

Act 2-2018, Anti-Corruption Code for a New Puerto Rico. Contractor agrees to comply with the provisions of Act No. 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a New Puerto Rico. The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflicts of interest, or of public policy, between the executive agency and the particular interests it represents.

Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3 or 5.7 of

Act 1-2012, as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

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- 11) Compliance with Act No. 1 of Governmental Ethics: The Contractor will certify that it is in compliance with Act 1 of January 3, 2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which, stipulates that, no employee or executive of the Contractor, nor any member of his/he immediate family (spouse, dependent children or other members of his/her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the services to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.;
- 12) Social Security and Income Tax Retentions: In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. Seq., 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 Contract. Executive Order 1991OE24: C.F.R. Part 404 et. Seq.
- 13) Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People: The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding law number 168-2000 as amended the same is current and in all aspects in compliance. Act 168-2000 “Law for the Strengthening of the Family Support and Livelihood of Elderly People” in Spanish: “Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada”, 3 L.P.R.A. §8611 et seq.
- 14) Law Num. 127, May 31, 2004: Contract Registration in the Comptroller’s Office of Puerto Rico Act: Payment for services object of this Contract will not be made until this Contract is properly registered in the Office of the Comptroller of the Government of Puerto Rico pursuant to Law Number 18 of October 30, 1975, as amended.
- 15) Dispensation: Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.
- 16) The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his/her profession and assumes responsibility for his/her own actions.
- 17) Consequences of Non-Compliance: The Contractor expressly agrees that the conditions outlined throughout Article 49 are essential requirements of this Contract; consequently, should any one of these representations, warrants, and certifications be incorrect, inaccurate or misleading, in whole or in part, and should such non-compliance not be cured within thirty (30) days, there shall be sufficient cause for PREPA to terminate this Contract.

#### ARTICLE 50. Interagency Services

Both contracting Parties acknowledge and accept that the contracted services may be rendered to any entity of the Executive Branch with which the contracting entity enters into an interagency agreement with or as determined by the office of the Chief of Staff. These services shall be rendered under the same terms and conditions with respect to work hours and compensation, as

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set forth in this agreement. For purposes of this provision, the term “entity of the Executive Branch” includes all agencies of the Government of Puerto Rico as well as all instrumentalities and public corporations and the Office of the Governor.

ARTICLE 51. Termination by Chief of Staff

The office of the Chief of Staff shall have the authority to terminate this Contract at any time. In the event the Chief of Staff exercises this authority, such termination shall be deemed a termination by PREPA under Articles 14 and 15.

ARTICLE 52. Miscellaneous

The Parties agree that PREPA will make payment for the work performed under this Contract on a Time and Material basis at the rates set forth in Exhibit B, and the total amount to be paid under this Contract shall not exceed the Contract Amount. PREPA shall have no obligation to pay the Contractor any amounts in excess of the Contract Amount. The Contractor will be the only one responsible for any work it or any of its subcontractors, if any, does in excess of the Contract Amount.

ARTICLE Compliance with Applicable Federal Law, Regulations and Executive Orders  
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- A. Compliance with the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 CFR part 5).

Contract Work Hours and Safety

Standards Act (40 U.S.C. 3701–3708). Under 40 U.S.C. 3702 of the Act, the Contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. No laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic
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receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$26 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The Government of Puerto Rico shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.
- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.
- B. Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended). Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352.
- C. Breach of Contract Terms. Any violation or breach of terms of this Contract on the part of the Contractor or a subcontractor may, in accordance with the terms of this Contract, result in the
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suspension or termination of this Contract or such other action, including the recovery of damages, as may be necessary to enforce the rights of PREPA.

- D. Clean Air Act and the Federal Water Pollution Control Act. 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., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. The Contractor agrees to report each violation to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the Government of Puerto Rico, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251–1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C.1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

- E. Changes. At any time, and only through a written change order instruction, PREPA may make changes in the services or work to be performed within the general scope of this Contract. If such changes cause an increase or decrease in Contractor’s cost of, or time required for, performance of any services under this Contract, an equitable adjustment shall be made and this Contract shall be modified in writing accordingly, provided, however, that no changes shall be made to the scope of the Services that would render the costs incurred in the performance of this Contract unallowable or not allocable under, or outside the scope or not reasonable for the completion of, Federal grant awards from FEMA or any other U.S. federal agency.
- F. Sufficiency of Funds. The Contractor acknowledges that Federal assistance awarded by U.S. federal agencies will be used, in part, to fund this Contract. However, any failure of PREPA to secure this funding (except due to the Contractor’s sole fault), shall not relieve PREPA from its obligations of payment under this Contract.

- G. FEMA Disaster Assistance Survivor/Registrant Data.

- (a) If the Contractor has access to Disaster Assistance Survivor/Registrant data or any other personally identifiable information, the Contractor shall comply with the provisions of the Terms and Conditions for Sharing FEMA Disaster Assistance
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Survivor/Registrant Data with State Governments set forth in the FEMA-Government of Puerto Rico Contract for FEMA-4339-DR-PR.

- (b) The Contractor shall indemnify, defend, and hold harmless PREPA and the Government of Puerto Rico for any and all costs associated with the defense of that litigation, including costs and attorneys’ fees, settlements, or adverse judgments arising from the Contractor’s failure to comply with the requirements under this contract.

H. Costs. All costs incurred by the Contractor in performance of this Contract must be in accord with the cost principles of 2 C.F.R. pt. 200, Subpart PREPA shall not be required to make payments to the Contractor for costs which are found to be contrary to the cost principles 2 C.F.R. pt. 200, Subpart E.

I Financial Management System. The Contractor’s financial management system shall provide for the following:

- (1) accurate, current and complete disclosure of the financial results of this Contract and any other contract, grant, program or other activity administered by the Contractor;
  - (2) records adequately identifying the source and application of all Contractor funds and all funds administered by the Contractor which shall contain information pertaining to all contract and grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays and income, and shall be segregated by contract or on a contract-by-contract basis;
  - (3) effective internal control structure over all funds, property and other assets, sufficient to allow the Contractor to adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes;
  - (4) comparison of actual outlays with budgeted amounts for this Contract and for any other contract, grant, program or other activity administered by the Contractor;
  - (5) accounting records supported by source documentation;
  - (6) procedures to minimize elapsed time between any advance payment issued and the disbursement of such advance funds by the Contractor; and
  - (7) procedures consistent with the provisions of any applicable policies of the Federal Government and the Government of Puerto Rico and procedures for determining the reasonableness, allowability and allocability of costs under this Contract.
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- J. Penalties, Fines, and Disallowed Costs. If, as a result of any uncured violation of applicable law by Contractor, any U.S. Federal agency or the Government of Puerto Rico disallows or demands repayment for costs incurred in the performance of this Contract, or if any penalty is imposed due to an act or omission by the Contractor, the Contractor shall be solely responsible for such penalty, disallowed costs, or repayment demand, to the extent of its fault and/or responsibility, and shall reimburse PREPA in full within ten (10) days of receiving notice from PREPA of such penalty, disallowance, or repayment demand. Any monies paid by the Contractor pursuant to this provision shall not relieve the Contractor of liability to PREPA for damages sustained by PREPA by virtue of any other provision of this Contract.
- K. Debarment, Suspension, and Ineligibility.
- (1) The Contractor represents and warrants that the Contractor, its principals, and affiliates have not been debarred, suspended, or placed in ineligibility status under the provisions of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000 (government debarment and suspension regulations). The Contractor represents and warrants that it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement.
  - (2) This certification is a material representation of fact relied upon by PREPA. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000, in addition to remedies available to the Government of Puerto Rico and PREPA, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- L. Reporting Requirements. The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by PREPA.
- M. Review of laws. The Contractor certifies that it will access online and read each law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of the laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.
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N. Notice of Federal Emergency Management Agency (FEMA) Reporting Requirements and Regulations:

- (1) PREPA is using Federal grant funding awarded or administered by FEMA to the Government of Puerto Rico and/or PREPA to pay, in full, for the costs incurred under this Contract. As a condition of FEMA funding under major disaster declaration FEMA-4339-DR-PR, FEMA requires the Government of Puerto Rico and PREPA to provide various financial and performance reporting. The Contractor agrees to provide all information, documentation, and reports necessary to satisfy these reporting requirements. Failure by the Contractor to provide information necessary to satisfy these reporting requirements may result in loss of Federal funding for this Contract, and such failure shall be a material breach of this Contract.
- (2) Applicable Regulations and Policy. Applicable regulations, FEMA policy, and other sources setting forth these reporting requirements include, but are not limited to:
  - (i) 2 C.F.R. § 327 (Financial Reporting);
  - (ii) 2 C.F.R. § 200.328 (Monitoring and Reporting Program Performance);
  - (iii) Performance and financial reporting requirements set forth in 2 C.F.R. Part 206.

O. Access to Records.

The Contractor agrees to provide PREPA, the Government of Puerto Rico, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.

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.

The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to work sites pertaining to the work being completed under the Contract.

P. Retention requirements for records.

The Contractor agrees to maintain all books, records, accounts and reports and all other records produced or collected in connection with this Contract for a period of not less than three (3) years after the date of final payment and closed-out of all pending matters related to this Contract. If any litigation, claim, or audit is reasonably anticipated to arise or is started

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before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a sub-recipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

- 1) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
  - 2) When PREPA is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period and PREPA has provided written notice of such extension to Contractor.
  - 3) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
  - 4) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.
  - 5) Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity’s fiscal year in which the program income is earned.
  - 6) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
  - 7) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
  - 8) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or
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computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Q. Program Fraud and False or Fraudulent Statements or Related Acts The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to this Contract.

R. Procurement of Recovered Materials. 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—(i) competitively within a timeframe providing for compliance with the Contract performance schedule; (ii) meeting Contract performance requirements; or (iii) at a reasonable price. Information about this requirement, along with the list of EPA-designated items, is available at EPA’s Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program.->

Solid Waste Disposal Act. The Contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR 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 by the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and re- source recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

S. Energy Efficiency. The Contractor agrees to comply with the requirements of 42 U.S.C. § 6201, which contain policies relating to energy efficiency that are defined in the Government of Puerto Rico’s energy conservation plan issued in compliance with said statute.

T. Compliance with the Davis-Bacon Act

The Contractor shall comply with the Davis-Bacon Act, 40 U.S.C. §§ 3141–3148, and the requirements of 29 C.F.R. § 5.5 as may be applicable, which are incorporated by reference into this Contract.

The Contractor or subcontractor shall insert in any subcontracts the clause in subsection (a) and such other clauses as FEMA may by appropriate instructions require. The Contractor shall require all subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

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A breach of the contract clauses above may be grounds for termination of the Contract, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. § 5.12.

U. Compliance with the Copeland Anti-Kickback Act (applicable to all contracts subject to the Davis-Bacon Act).

The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3, as may be applicable, all of which are incorporated by reference into this Contract.

The Contractor and subcontractor shall insert in any subcontracts the foregoing clause and such other clauses as FEMA may by appropriate instructions require. The Contractor shall require all subcontractors to include these clauses in any lower tier subcontracts. The Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

A breach of the contract clauses above may be grounds for termination of the contract and for debarment as a Contractor and subcontractor, as provided in 29 C.F.R. § 5.12.

V. Equal Opportunity.

During the performance of this Contract, the Contractor agrees as follows:

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, sexual orientation, gender identity, 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 by the contracting officer setting forth the provisions of this nondiscrimination clause.

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, sexual orientation, gender identity, or national origin.

The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee’s

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essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor’s legal duty to furnish information.

The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers’ representative of the Contractor’s commitments under

section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by PREPA, the Government of Puerto Rico, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

In the event of the Contractor’s non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be canceled, 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 may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Contractor will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, 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 may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: 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, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

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Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964– 1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.

- W. Age Discrimination Act of 1975. The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. 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.
- X. Americans with Disabilities Act. The Contractor shall comply with the appropriate areas of the Americans with Disabilities Act of 1990, as enacted and from time to time amended, and any other applicable federal regulation. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the term of this Contract.
- Y. Title VI of the Civil Rights Act of 1964. The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
- Z. Section 504 of the Rehabilitation Act of 1973, as Amended. The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.
- AA. Drug-Free Workplace. The Contractor shall maintain a drug-free work environment in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. § 8101 et seq.), and implementing regulations at 2 C.F.R Part 3001.
- AB. Contracting with Small and Minority Businesses, Women’s Business Enterprises, and Labor Surplus Area Firms.

PREPA must take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible.

Affirmative steps must include:

- (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
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- (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
- (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

AC. Rights to Inventions Made Under a Contract Unless otherwise provided by law, this Contract is subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 et seq., and the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14. 35 U.S.C. § 200 et seq.

If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR 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 the awarding agency.

AD. Compliance with Laws, Regulation and Executive Orders The Contractor acknowledges that FEMA financial assistance will be used to fund this Contract. The Contractor shall comply will all applicable Federal and Government of Puerto Rico law, regulations, executive orders, policies, procedures, and directives, including but not limited to all Federal Cost Principles set forth in 2 C.F.R. Part 200, and all applicable FEMA regulations in 44 C.F.R. Chapter I. 2 C.F.R. Part 200.

AE. Provisions Required by Law Deemed Inserted Each and every provision required by law regulation, executive order, policy, procedure, directive, Federal grant award or agreement,

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or cooperative agreement with any Federal agency 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. If, through mistake or otherwise, any provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall be amended to make such insertion or correction.

AF. Agreement to Execute Other Required Documents Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to execute such amendments or further agreements as may be necessary to ensure that PREPA received Federal funding for this Contract so long as such amendments or further agreements do not impose additional material obligations on Contractor or eliminate benefits to which Contractor is entitled to under the Contract.

AG. U.S. Department of Homeland Security Seal, Logo, and Flags The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

AH. No Obligation by the Federal Government PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract.

#### ARTICLE 54. Complete Agreement

This document, together with all attachments referred to herein, constitutes the entire agreement between the parties as to this subject matter and supersedes all communications, negotiations, and agreements of the Parties, whether written or oral, other than these, made prior to the signing of this Contract. In case of conflict the terms and conditions of this Contract, as signed by the parties, shall prevail.

#### ARTICLE 55. Modifications and Amendments.

No amendment to or modification or other alteration of the Contract shall be valid or binding upon the Parties unless made in writing, signed by the Parties and, if applicable, approved by the Government of Puerto Rico.

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IN WITNESS WHEREOF, the Parties hereto have executed this Contract this 26th day of May of 2018, in San Juan, Puerto Rico.

Puerto Rico Electric Power Authority      Cobra Acquisitions LLC

/s/ Walter M. Higgins      /s/ Arty Straehla

Walter M. Higgins      Arty Straehla  
Chief Executive Officer/Executive Director      Chief Executive Officer  
Employer Social Security XXX-XX-XXXX      Employer Social Security XXX-XX-XXXX

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**GOVERNMENT OF PUERTO RICO**  
**Puerto Rico Electric Power Authority**

RFP77844 - Request for Clarification 05.20.2018

- 1) Please submit for confirmation the Quantities and Billable Daily Rates in the table below that reflect the final negotiated price proposal

Line Item	QTY	(16 Hours) Billable Daily Rate	Extended Daily Billable Rate	Comments
Blended rate, skilled linemen and equipment, Transmission	100	\$5,200	\$520,000	10% Discount 15 Day Pay
Blended rate, skilled linemen and equipment, Distribution	200	\$32,000	\$640,000	10% Discount 15 Day Pay
All-Inclusive/lodging, power, water, meals, laundry	1	\$81,000	\$81,000	10% Discount 15 Day Pay
Security Team	1	\$1,800	\$1,800	10% Discount 15 Day Pay
Logistics team (Island)	20	\$2,200	\$44,000	10% Discount 15 Day Pay
Management Team, Operations & Safety	20	\$2,200	\$44,000	10% Discount 15 Day Pay
Other (Totals/Average)	341	\$3,902.63	\$1,330,800	10% Discount 15 Day Pay
Mobilization/Demobilization and other reimbursable items shall be paid on a cost reimbursement basis <b>Cobra will not charge for Mobilization, so the schedule for mobilization and logistic is not necessary.</b> <b>In the future, demobilization will be reimburse at costs.</b>				

- 2) Please submit a complete unit rate table by labor and equipment category to be incorporated in the final price proposal **Please refer to CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE**
- 3) Please submit a table of quantities for each labor and equipment category used to develop the 16 hour blended daily rates for "Skilled Linemen and Equipment," Transmission and Distribution as reflected in the final price proposal and confirmed in question (1) above **Please refer to CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE**
- 4) Please include any notes or special assumptions (e.g., minimum equipment hours or deviations from a 16-hour assumption) required for PREPA to compute and derive from the data provided in (2) and (3) the final blended rates for "Skilled Linemen and Equipment," Transmission and Distribution **Please refer to CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE**



**PO Box 364267 San Juan, Puerto Rico 00936-4267**

"We are an equal opportunity employer and do not discriminate on the basis of race, color, gender, age, national or social origin, social status, political ideas or affiliation, religion; for being or perceived to be a victim of domestic violence, sexual aggression or harassment, regardless of marital status, sexual orientation, gender identity or immigration status; for physical or mental disability, for veteran status or genetic information."



## CONTRACTOR'S STANDARD EQUIPMENT AND TOOLING SCHEDULE

Contractor's composite day rate for labor and standard equipment has been developed based on supplying the following types of equipment listed below.

Any equipment or specialized tooling not indicated below and used on a one-time basis shall be considered a reimbursable item and shall be reimbursed at cost. Any equipment or specialized tooling not indicated below and used on a long-term basis shall be considered a reimbursable item and shall be reimbursed based on actual rental.

Reimbursable items shall also be defined to include but not to be limited to, any items and costs associated with mobilization and demobilization. Reimbursable items such as fuel surcharges, Contractor-furnished permanent materials and equipment costs will be reimbursed at cost.

Any expenses of Contractor that are not specifically listed in this Exhibit C shall be subject to a specific work order to be provided to PREPA by Contractor for approval before such expenses are incurred by Contractor.

### PROPOSAL - Work Unit Prices

Labor/Unit	Work Unit Per Hour	Construction Cost Factor	Total Unit Price Per Hour
General Foreman	\$55	2.59	\$142.45
Foreman	\$53	2.51	\$133.03
Transmission Lineman	\$50	2.66	\$133.00
Distribution Lineman	\$50	2.30	\$115.00
Heavy Equipment Operator	\$46	2.50	\$115.00
Winch Truck Operator	\$35	2.25	\$78.75
Ground-man	\$24	2.89	\$69.36
Apprentice	\$30	2.90	\$87.60

- Regular Workings days are 40 hours per week
  - 1.5x for Overtime (OT) after regular working hours
  - 2.0X Double-time (DT) for state or federal holiday working days
-

Puerto Rico Electric Power Authority: Appendix B - Proposal Form  
Electric System Restoration Services



Equipment Type	Work Unit Per Hour	Construction Cost Factor	Total Unit Price Per Hour
Diggers	\$50	1.00	\$50
Bucket Trucks	\$115	0.42	\$67
Dozer Semi tractor	\$60	2.41	\$145
Haul Semi tractor	\$40	2.85	\$114
Heavy Lift Airlift	\$4,600	2.17	\$10,000
Aircraft MD 500	\$1,000	2.25	\$2,250
55'-60' 4x2/tracked	\$72	1.20	\$87
100-105 6x6/tracked	\$90	3.17	\$286
60 Ton Truck Cranes	\$350	0.71	\$250
30 Ton Truck Cranes	\$130	0.84	\$110
Pressure Diggers	\$70	1.48	\$118
Pullers (distribution/transmission)	\$80	1.2/1.6	\$96/\$128
Transmission Conductor, Stringing Equipment	\$25	4.00	\$100
Distribution Conductor Stringing Equipment	\$46	1.41	\$65
Pick Up Trucks	\$13	2.92	\$38
Dump Trucks	\$40	1.87	\$75
Reel Trailer Small	\$25	0.80	\$20
Flat Bed Haul Truck	\$30	3.50	\$105
Standard Haul Truck	\$90	0.81	\$73

- A minimum of 5 hours for the Aviation Equipment



May 29, 2018

**Cobra Signs New \$900 million Contract to Finish the Restoration of Critical Electrical Services and Support the Initial Phase of Reconstruction of the Electrical Utility System in Puerto Rico**

OKLAHOMA CITY, May 29, 2018 (GLOBE NEWSWIRE) - Mammoth Energy Services, Inc. ("Mammoth" or the "Company") (NASDAQ: TUSK) today announced that its wholly owned subsidiary, Cobra Acquisitions LLC ("Cobra"), signed a one-year \$900 million contract with the Puerto Rico Electric Power Authority ("PREPA") to complete the restoration of the critical electrical transmission and distribution system components damaged as a result of Hurricane Maria as well as to support the initial phase of reconstruction of the electrical power system in Puerto Rico. Cobra has been working to restore electrical services in Puerto Rico since October 2017.

**Request For Proposal (RFP) Process**

In mid-February, the Commonwealth of Puerto Rico began a competitive RFP bid process (RFP #77844) to complete the restoration of critical electrical system components and to support the initial reconstruction phase of its electrical utility system following the impact of Hurricane Maria. This process involved the submission of bids from qualified infrastructure construction companies and an analysis by PREPA of each bidder's experience, asset base, financial capacity, understanding of the project and overall cost to perform the work needed. After concluding the selection process, Cobra entered into a contract with PREPA on May 26, 2018.

**Restoration and Reconstruction Contract**

Under the terms of the contract, Cobra is to perform hurricane restoration and reconstruction services at various locations in PREPA's service area. Cobra is increasing its total resource count in Puerto Rico to expedite the completion of the restoration process. As the restoration process comes to an end, Cobra will continue to work with the Commonwealth of Puerto Rico, PREPA and various other federal and Commonwealth agencies to transition to the long task of reconstructing the Puerto Rico power grid of the future. This contract award is in addition to the original contract to provide restoration services that Cobra entered into in October 2017, as amended.

Arty Strachla, Mammoth's Chief Executive Officer, stated, "We are very proud of our Cobra team in Puerto Rico and look forward to continuing our relationship with the Commonwealth of Puerto Rico, PREPA and the citizens of Puerto Rico. Through the team's hard work, professionalism and technical ability, we have been selected to lead this very important effort to complete the restoration phase and transition to the reconstruction phase of the electric utility system in Puerto Rico, which is expected to last for several years. The reconstruction of the electric utility infrastructure will improve the reliability and quality of service for the citizens of Puerto Rico."

**About Mammoth Energy Services, Inc.**

Mammoth is an integrated, growth-oriented energy service company serving (i) companies engaged in the exploration and development of North American onshore unconventional oil and natural gas reserves and (ii) government-funded utilities, private utilities, public investor-owned utilities and co-operative utilities through its energy infrastructure services division. Mammoth's suite of services and products include: pressure pumping services, infrastructure services, natural sand and proppant services, contract land and directional drilling services and other services.

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**Forward-Looking Statements and Cautionary Statements**

*This news release (and any oral statements made regarding the subjects of this release) contains certain statements and information that include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts that address activities, events or developments that Mammoth expects, believes or anticipates will or may occur in the future are forward-looking statements. The words “anticipate,” “believe,” “ensure,” “expect,” “if,” “intend,” “plan,” “estimate,” “project,” “forecasts,” “predict,” “outlook,” “aim,” “will,” “could,” “should,” “potential,” “would,” “may,” “probable,” “likely” and similar expressions, and the negative thereof, are intended to identify forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this news release may include statements, estimates and projections regarding Mammoth’s business outlook and plans, future financial position, liquidity and capital resources, operations, performance, including under Cobra’s utility infrastructure restoration and reconstruction contracts in Puerto Rico, acquisitions, returns, capital expenditure budgets, costs and other guidance regarding future developments. Forward-looking statements are not assurances of future performance. These forward-looking statements are based on management’s current expectations and beliefs, forecasts for Mammoth’s existing operations, experience and perception of historical trends, current conditions, anticipated future developments and their effect on Mammoth, and other factors believed to be appropriate. Although management believes that the expectations and assumptions reflected in these forward-looking statements are reasonable as and when made, no assurance can be given that these assumptions are accurate or that any of these expectations will be achieved (in full or at all). Moreover, these forward-looking statements are subject to significant risks and uncertainties, including those described in Mammoth’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings Mammoth makes with the Securities and Exchange Commission, which may cause actual results to differ materially from its historical experience and present expectations or projections which are implied or expressed by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: the failure to receive or delays in receiving governmental authorizations, approvals and/or payments; risks relating to economic conditions; delays in or failure of delivery of current or future orders of specialized equipment; the loss of or interruption in operations of one or more key suppliers or customers; the effects of government regulation, permitting and other legal requirements; operating risks; the adequacy of our capital resources and liquidity; weather; natural disasters; litigation; competition in the oil and natural gas and infrastructure industries; and costs and availability of resources.*

*Investors are cautioned not to place undue reliance on any forward-looking statement which speaks only as of the date on which such statement is made. Mammoth undertakes no obligation to correct, revise or update any forward-looking statement after the date such statement is made, whether as a result of new information, future events or otherwise, except as required by applicable law.*