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Executive Director

BY ELECTRONIC MAIL

June 8, 2026

Dr. Zayira Jordán Conde
President
University of Puerto Rico

Re: Technical Industrial Sales, Inc.

Dear Dr. Jordán Conde:

In accordance with the Contract Review Policy (the “Policy”) of the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), established pursuant to Section 204(b)(2) of PROMESA, we have reviewed the proposed purchase order between the University of Puerto Rico (the “UPR”) and Technical Industrial Sales, Inc. (the “Proposed Purchase Order”).

After reviewing the Proposed Purchase Order, the Oversight Board concludes “Approved with Observations.” Observations related to the Proposed Purchase Order are set forth in Appendix A attached hereto.

Our review is solely limited to compliance of the Proposed Purchase Order with Section 204(b)(2) of PROMESA, which seeks to ensure proposed contracts promote market competition and are not inconsistent with approved Fiscal Plans. For the avoidance of doubt, the review performed by the Oversight Board does not constitute a legal review of the contractual documentation or the contracting process, including without limitation: (i) compliance with contracting requirements under applicable laws, rules, and regulations, both federal and local; and (ii) compliance with applicable laws, rules, and regulations governing procurement activities, both federal and local.

In addition, the Oversight Board has not engaged in any due diligence or background check with respect to the contracting parties nor whether the contracting parties comply with the requirements under the applicable contract. Any material changes to the Proposed Purchase Order must be submitted to the Oversight Board for review and approval **prior to execution**.

Date: 6/8/2026

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Recipient: Dr. Jordán Conde

This letter is delivered as of the date hereof and we reserve the right to provide additional observations and modify this letter based on information the Oversight Board was not directed to when the review was conducted. In addition, during the course of our review, we may receive information that we may refer to the relevant authorities.

This letter is issued only to the UPR and solely with respect to the Proposed Purchase Order.

Sincerely,



Jaime A. El Koury
General Counsel

APPENDIX A

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UPR – TECHNICAL INDUSTRIAL SALES, INC.

Fiscal Plan Alignment

This review covers the Proposed Purchase Order between the UPR and Technical Industrial Sales, Inc. (the “Contractor”) for the purchase of eight cooling tower cells to be installed in the UPR’s Río Piedras Campus as part of the air conditioning system (the “Equipment”).

The Proposed Purchase Order (No. 410040273, 3) stems from competitive procurement process no. JSC-AC UPR 003-2024-2025 issued on January 28, 2025. It has a maximum payable amount of **\$2,146,000**, which shall be paid to the Contractor within **30 days** of the installation of the Equipment.

The UPR has certified that the Proposed Purchase Order shall be covered entirely with institutional funds allocated in **Account No. 10461.601.7700.000.20C040000324.00**. As such, the Oversight Board’s review indicates that the UPR has sufficient budgeted funds in Fiscal Year 2026 to cover the cost of the Proposed Purchase Order as of the date of this letter.

This determination does not consider the extent to which total available funds will be subsequently encumbered by UPR regarding the Proposed Purchase Order. Consequently, we rely on the UPR’s budget certification for purposes of this review.

In the event that the Proposed Purchase Order causes the UPR to exceed its Fiscal Year 2026 budget, it must find savings in other areas to cover any overspent amounts and submit a budget reprogramming request in order to ensure compliance with the Fiscal Year 2026 UPR Budget.

The UPR is expected to inform the Oversight Board of any budgetary differences other than those specified in Appendix A to the Policy (Contract Submission Questionnaire) and to request a re-review of the Proposed Purchase Order should any changes occur.

This review was conducted on the basis of information submitted by the UPR. The Oversight Board has not independently verified the information included in the submission. Should the Oversight Board become aware of any inaccuracies or misrepresentations – whether intentional or not – it would re-evaluate its assessment.