

AUTHORIZED STATEMENTS OF REICHARD & ESCALERA

San Juan, Puerto Rico — Reichard & Escalera, a full-service law firm founded 43 years ago, today clarified its professional role in matters related to economic incentives programs in Puerto Rico.

The firm emphasized that tax grants and incentive agreements do not constitute the public procurement of services. Nor do they represent work performed by companies or their representatives for the Government. These incentive agreements are the tools regularly used by the Government to advance its economic policy in exchange for companies generating jobs, making capital investments, and supporting important sectors of Puerto Rico's economy. These sectors include pharmaceuticals, medical devices, export services, tourism, and energy.

“Our professional participation is limited to the legal and tax representation of private clients in accordance with the applicable legal framework. Our legal representation has always been carried out in compliance with the law, applicable regulations, and the ethical canons that govern our profession. The allegations among current and former officials of the present administration do not properly characterize the nature of our professional work. As attorneys for these companies, under this and prior administrations, our role is to structure the operating terms necessary to make viable the investment and the incentives granted by law,” the firm stated.

The firm reiterated that, over the years, it has represented major companies in commercial litigation, regulatory matters, and labor and employment matters. In addition, its tax department represents participants in Puerto Rico's incentives program. “Our attorneys have advised companies covered by these programs since the 1990s, contributing to initiatives associated with billions of dollars in local investment and the creation of thousands of jobs,” the law firm stated. “Many of our clients have held grants for years, under various administrations,” the firm further stated.

“We trust in the professionalism and impartiality of the country's press, and we expect that the public controversies giving rise to allegations by persons who are not part of our firm will be addressed in the appropriate forums, without affecting the stability, continuity, and credibility of economic development efforts on the Island,” the firm stated.

Founded in 1983, Reichard & Escalera is a full-service law firm with state, national, and international practice in various areas of law. The firm focuses on representing business interests in commercial law matters and includes, among others, highly experienced professionals in tax and legal counseling for clients in Puerto Rico's principal commercial sectors.

These will be Reichard & Escalera's only public statements on this matter.
