Number 73 / Fall 2008

GOLDMAN ANTONETTI & CÓRDOVA PSC

puerto rico Business Law Developments

ARE WE PREPARED for the challenges of renewable energy?

Public debate has recently centered on the climate change issue. Despite the conclusive statements by the U.S. Environmental Protection Agency and other official entities linking climate change and greenhouse gas emissions, some experts still question these views.

Even those of us who are not scientists can sense some of the environmental changes occurring around us. The changes have become more apparent as the global consumption of combustible fuels has increased. Oil, which is the main source of energy for us living in Puerto Rico, is one of the main contributors to greenhouse gas generation. Evidently, oil consumption should be reduced for the sake of our environment.

Environmental concerns and reducing oil dependency are reasons to consider other alternatives, like for example renewable energy. But, does our legal system allow such connections? Until recently, these faced significant legal barriers.

Now, several recent legislative measures provide the tools that will allow us to benefit from self-generated renewable energy. Prior to discussing such legal provisions, we have to define two particular terms: (1) "Net Metering" and (2) "Wheeling."

Net Metering allows customers to use the electricity generated by their own source of energy to offset their consumption of electric power from the Puerto Rico Electric Power Authority (PREPA). Net Metering allows our electric meters to "turn backwards" when we generate electricity in excess of our demand.

Wheeling refers to the act of transporting electric power (megawatts or megavolt-amperes) over transmission lines, or providing the service of transporting electric power over transmission lines. Usually, wheeling involves the sale of excess energy by a person or entity to another person or entity, transmitted through the PREPA power lines and grid.

In general, Act No. 114 of August 16, 2007, extends its benefits to residential, commercial, industrial, agricultural or educational institutions and medical and hospital facilities. If these consumers install equipment for generating renewable energy not exceeding 25 kilowatts (25 kW) in the case of residential facilities, or 1 megawatt (1 MW) in commercial and other facilities, they may be eligible for the net metering benefits. PREPA is entitled to charge a minimum fee even if the customer does not use PREPA's electricity. This fee seems to offset the costs of having the PREPA system available for use if required by the customer.

For information on the tax benefits of Net Metering and Wheeling, please see our related article on page 3.

PREPA issued the *Regulation for Establishing the Net Metering Program*

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Business Law Developments
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Puerto Rico Business Law Developments is printed on 100% post-consumer recycled paper.

in this issue

Puerto Rico Business Law Developments
is published quarterly for general informational purposes only.
It is not intended as, and is not to be considered at any time, legal advice.

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effective ***November 6, 2008***. In essence, the Regulation provides the requirements that must be met in order to allow qualified customers to enter into the Net Metering Program. The generating equipment must (among others):

- Use solar, wind or other renewable source of energy.
- Be compatible with PREPA's existing facilities of transmission and distribution to ensure safety and protect the PREPA grid from damages.
- Comply with the standards on the minimum requirements of efficiency established by the Administration of Energy Affairs.
- Be installed by a duly licensed electrical engineer or electrician.
- Have a manufacturer's or distributor's warranty of five or more years.
- Comply with other relevant environmental, zoning and land use rules and regulations.

THE QUESTION NOW IS:

Are you and your business prepared to use renewable energy?

By: Alicia Lamboy,
Environmental Practice Group

PUERTO RICO Tax Credits Go Green!

We all agree on the importance of caring for our environment. Throughout the years, protecting the environment has evolved from scientific theory to a policy imperative. In the United States and in Puerto Rico, government has taken an active role in protecting the environment by promoting private investment in the field of renewable energy. A key tool for promoting private investment has been the use of tax credits.

Usually, tax credits are awarded based on the amount invested by the taxpayer in an eligible field, like for example renewable energy. The taxpayer may elect to use these credits to lower his tax liability or, in some cases, sell the credit in order to recoup all or a portion of his investment.

On May 28, 2008, the Puerto Rico Legislature approved Act No. 73, known as the Tax Incentives for the Development of Puerto Rico Act ("Act No. 73"). Act No. 73 includes several tax credits for eligible businesses designed to encourage private investment in environmental friendly energy projects.

Research and development on renewable sources of energy

Among other things, Act No. 73 seeks to encourage the development of industrial technical knowledge in Puerto Rico, including energy. Accordingly, Act No. 73 provides a tax credit equal to fifty percent of the amount invested by a taxpayer on research and development of technology, including energy technology. The investment may be made directly by the taxpayer or an entity affiliated to the taxpayer. This investment in research and development may be funded through a loan. The taxpayer may use half of its tax credits on the year in which the investment is made. This credit may also be sold, transferred or assigned to a third party.

As with other similar credits offered by Act No. 73, we will have to wait for

regulations to provide further guidance on what costs will be considered investment in research and development.

This credit, coupled with other tax incentives for intangible property, gives companies a considerable incentive to, among other things, conduct research and develop new and more efficient ways to produce and use energy.

Investment in acquisition of machinery and equipment for efficient energy use

Act No. 73 offers another tax credit of fifty percent of the amount invested in the acquisition of machinery and equipment that will use energy more efficiently. Although the language of Act No. 73 generally provides for "efficiency," the Act also includes language for a phase-out, whereas eventually the credit will only be available for machinery and equipment that uses alternative fuel. Note that the machinery and equipment must be used by the taxpayer in its operations.

This credit differs somewhat from the research and development credit previously discussed. First, the investment may not be funded by loans. Second, Act No. 73 limits the credit to twenty-five percent of the taxpayer's total income tax liability. And third, Act No. 73 does not include any language that would allow the taxpayer to sell, transfer or otherwise assign this tax credit to a third party. It is expected that the regulations will define more clearly what kind machinery and equipment will qualify as an eligible investment.

Alternative or renewable energy power plants

Act No. 73 provides tax credits in the amount of fifty percent of the investment in certain strategic projects of importance to Puerto Rico. The definition of "strategic projects" includes the construction of power plants that use alternative or renewable energy.

Similar to the credit for machinery and equipment, Act No. 73 provides language so that this credit also phases out and eventually will only apply to the construction of power plants that use renewable energy. This tax credit may be sold, transferred or assigned to third parties. In addition, the tax credit can be carried over to subsequent years until the credit is consumed.

We should note that Act No. 73 only considers private-public consortiums as eligible "strategic projects." The definition of "public-private consortiums" is also expected to be included in the future regulations.

"Wheeling"

One interesting provision of Act No. 73 deals with taxpayers that produce their own energy. Act No. 73 states that when a taxpayer produces its own energy PREPA must purchase any surplus of energy. In addition, the eligible business may sell electricity to third parties (wheeling).

This is an important new step for the energy market in Puerto Rico although, as with the credits described above, we still have no clear guidelines on how it will work. In this respect, PREPA must determine the procedure to follow for businesses to be able to sell energy using PREPA's power lines and grid. This may eventually become a key tool for reducing energy costs to consumers in Puerto Rico.

Puerto Rico goes green

Act No. 73 puts Puerto Rico on the right track to achieving energy independence by promoting businesses engaged in the production of renewable energy and in the construction of renewable energy power plants. In general, all such businesses are eligible businesses that will now have incentives to: (1) conduct research and development on efficient uses of energy; (2) acquire machinery and equipment that will use renewable sources of energy; and (3) encourage participation in public-private consortiums for the construction of renewable energy power plants. It also sets the basis for lowering electricity costs for consumers through its provisions on wheeling.

All these incentives do not work in a vacuum. Act No. 73 provides other incentives for eligible businesses that reduce income tax rates, provide reduced tax rates on distributions to shareholders of eligible entities, and reduce rates on payments made to foreign persons for the use of intangibles by eligible businesses in Puerto Rico. Act No. 73 also provides a credit against income tax for up to three percent of the payments made to PREPA for electricity.

With Act No. 73, Puerto Rico has put into place strong incentives to promote energy efficiency in the Island. For additional information you may contact Alexis Hernández at:

ahernandez@gaclaw.com. ■

By: Alexis Hernández,
Tax Department

ARE YOU IN COMPLIANCE with the chemical accident prevention regulatory scheme?

In recent conversations with the leadership of the U.S. Environmental Protection Agency – Caribbean Environmental Protection Division (E.P.A.–CEPD), attorneys of Goldman Antonetti & Córdova environmental practice group inquired about the agency's current enforcement priorities. One of the programs that the E.P.A. has set as a priority is the General Duty Clause and Risk Management Program established by Section 112(r)(1) of the federal Clean Air Act. The E.P.A. will give increased attention to compliance with this program because of the risks associated to improper management, safety and prevention of chemical accidents. Also, the Division understands that many in the regulated community are simply unaware of the applicability of these standards to their industrial, commercial, agricultural, wholesale and retail operations and thus, should be monitored through inspections and enforcement.

This "general duty clause" seeks to prevent accidental releases of certain chemicals that may adversely affect human health or the environment. Under the statute, owners and operators of facilities that handle these chemicals have a general duty to identify the possible hazards of the chemicals at their facility, do what is necessary to prevent the releases of those chemicals, and take steps which will limit the harmful effects of any accidental releases.

In addition, the Clean Air Act required the E.P.A. to promulgate regulations to such end. Accordingly, the E.P.A. promulgated these standards, known as the Chemical Accident Prevention Provisions, which require facilities that produce, handle, process, distribute or store certain chemicals to (i) develop a Risk Management Program, (ii) prepare a Risk Management Plan, and (iii) submit the Plan to the E.P.A.

Companies of all sizes and sectors that use certain flammable and toxic substances are required to develop a Risk Management Program which addresses hazard assessment, prevention measures and emergency response programs.

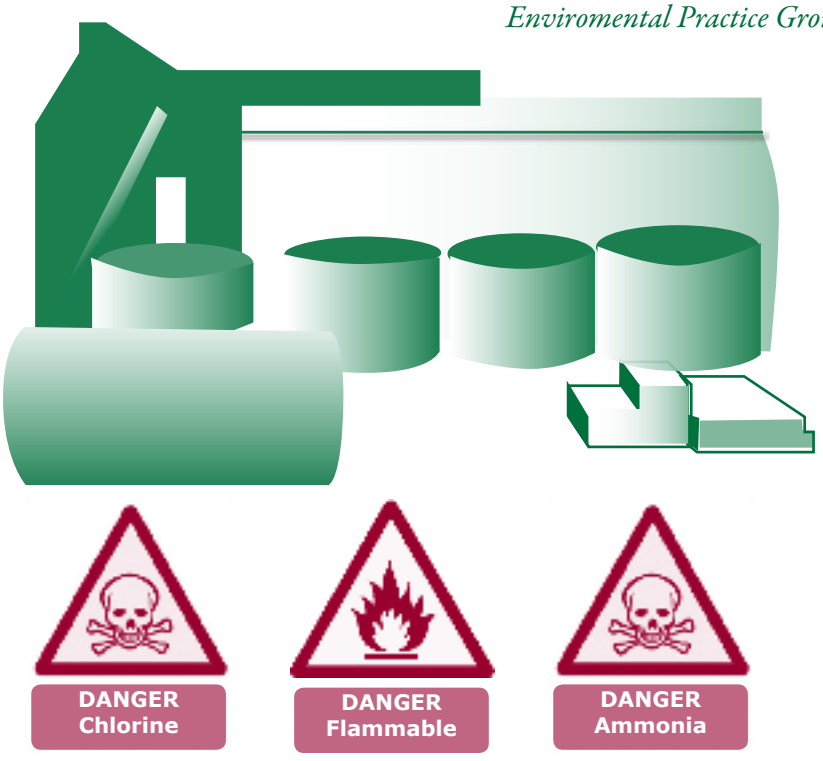
In order to assess if a process is subject to the Chemical Accident Prevention Provisions or the general duty clause, owners and operators must evaluate whether any of the chemicals managed in their facility are listed in the regulations or the statute, and are held in the threshold quantities covered by the regulations. Examples of common chemicals and thresholds generally used in multiple operations and which will subject a business to the E.P.A.'s Risk Management Program include:

►**Chlorine** in quantities greater than 2,500 pounds.

►**Ammonia** in quantities greater than 10,000 pounds for anhydrous or 20,000 pounds for aqueous. Note: Ammonia is often used for food refrigeration systems.

►**Flammable fuels** (including propane, butane, ethane, methane, and others), depending on the use. Flammable substances used onsite as fuels are excluded. ■

By: Gretchen Méndez, Enviromental Practice Group



U.S. ENVIRONMENTAL PROTECTION AGENCY issues the Multi Sector General Permit of 2008

The U.S. Environmental Protection Agency (E.P.A.) issued its long-awaited final 2008 Multi-Sector General Permit. The Permit provides facility-specific requirements for many types of industrial facilities within a single overall permit scheme. The Permit outlines steps for facility operators to obtain coverage, including submitting a Notice of Intent (N.O.I.), installing stormwater control measures to minimize pollutants in stormwater runoff, and developing a stormwater pollution prevention plan. This final Permit replaces the 2000 permit, which expired on October 30, 2005, but was administratively continued by the E.P.A.

The Permit introduces several significant changes, some which are worth noting. Additional monitoring requirements may be applicable depending on the results of the first monitoring or other environmental conditions.

- The effluent limits were reorganized to clearly distinguish those that are technology-based from those that are water quality-based.
- The waiting period for evaluating the N.O.I. is 30 days (in some cases could be 60 days). This term will allow time for review by federal agencies regarding any federally listed species or critical habitat.
- Waivers for benchmark monitoring and quarterly visual assessments are available for certain inactive and unstaffed sites.
- Quarterly monitoring for a period of one year is required to determine benchmark parameters.
- Permittees discharging pollutants which cause impairment to certain water bodies are required to monitor once-per-year for that pollutant.
- Follow-up monitoring will be required when results indicate that a permittee's discharge exceeds a numeric effluent limitation.
- Corrective actions and subsequent monitoring requirements may be waived if exceedances of a benchmark found are attributed to natural background levels of that pollutant in stormwater runoff.
- Permittees may submit the N.O.I. and report all monitoring data electronically.
- Submittal of an annual report will be required.

Existing dischargers must now submit an electronic N.O.I. and update their stormwater pollution prevention plans by ***January 5, 2009***, to be covered by the new permit. For additional information, you may contact Alicia Lamboy at alamboy@gaclaw.com, Gretchen Méndez at gmendez@gaclaw.com or Guillermo Silva at gsilva@gaclaw.com, or visit http://cfpub.epa.gov/npdes/stormwater/msgp.cfm. ■

By: Alicia Lamboy,
Enviromental Law Practice Group

Recent amendments to the CONDOMINIUM Act of Puerto Rico

Act No. 281 of August 15, 2008, amended the Puerto Rico Condominium Act. Act No. 281 clarifies that the measurements of the superficial areas of any exclusive annex assigned to an apartment for the particular and exclusive use of said apartment (parking space, terraces, backyards, roof tops), will not form part of the total area of the apartment, nor will they be considered when calculating the total percent of participation in the common elements, ***unless*** otherwise stated in the master deed or plans. The amendment therefore allows the developer (or all the owners thereafter) to include such area as part of the total area (and common elements percent) of the apartments.

The Act also provides that the requirement of unanimous vote in order to alter the facade of a condominium (backyards, terraces or any other open spaces of an apartment) applies ***only*** to apartments constituted ***after*** the Act amendments of 2003, except when required by the original plans. The 2003 amendments were the first to impose the express prohibition of altering a façade without the unanimous consent of all the owners. Thus, Act No. 281 does not require unanimous owner consent in the case of apartments that were constructed or submitted to the horizontal property regime prior to the enactment of Act No. 103. ■

By: Johanna Estrella,
Corporate & Banking Law Department

Let There Be Light... at a more reasonable rate

Condominium properties get some relief on their electrical energy bills

Act No. 199 of August 7, 2008, amended the Puerto Rico Condominium Act in order to convert the electrical power and energy rate from commercial to residential for all common elements of a condominium which are used exclusively for residential purposes. The Legislature of Puerto Rico determined that it was unreasonable for PREPA to be charging the residents of condominium properties a commercial rate on their energy consumption over common elements that are necessary and essential for the use and enjoyment of their residential properties.

Prior to this amendment, the energy consumption of common areas such as hallways, elevators, staircases and water pumps of a condominium was deemed commercial usage by PREPA. Making matters worse was the fact that the commercial rate for energy consumption is almost double the residential rate. How many people knew that taking the elevator to reach their apartment was considered a commercial transaction or purpose?

Mixed use condominiums, i.e., those with both commercial and residential units, may also benefit from the amendment if the common elements used exclusively for residential purposes have separate and independent electrical energy accesses and meters from those of the common areas used for commercial purposes.

In order to enjoy the benefits of this amendment, the Board of Directors or the Council of Owners of a condominium will have to submit a written petition to PREPA, along with a certification from DACO or the Registry of the Property (depending on the size of the Condominium) and a certification issued by a duly licensed electrician indicating that the common elements used exclusively for residential purposes have separate and independent electrical energy accesses and meters than those of the common areas used for commercial purposes, if any.

It should be noted that the Act is not retroactive, so don't expect any reimbursements from PREPA. ■

By: Paul Ferrer,
Corporate & Banking Law Department

BANKRUPTCY ALERT:
Auto Lenders win!

The United Court of Appeals for the 10th Circuit, in *Daimler Chrysler Financial Services America LLC v. Ballard,* 526 F.3d 634; 2008 U.S. App. LEXIS 10672, a decision entered on May 2008, ratified what has been a continuous victory for the auto lender industry.

Auto loan debtors that have filed for bankruptcy claim that, according to recent amendments made to the Bankruptcy Code, any outstanding auto loan debt is wiped out once the car is returned to the creditor even if the car has a lesser value than the outstanding debt. However, a growing number of courts have taken just the opposite view, holding that lenders still have a chance to go after the debtor under state law for any amounts owed.

In the case mentioned above, after defendant filed for bankruptcy he surrendered his vehicle to the loan creditor in order to wipe out the outstanding auto loan balance. Plaintiff, the loan creditor, claimed that the market value of the vehicle was less than the outstanding balance owed by defendant, and it filed a claim against debtor for the difference. While the Bankruptcy Court held that plaintiff had to accept the surrendered vehicle as full satisfaction of the debt, the Tenth Circuit Appellate Court disagreed, ruling that the Bankruptcy Court wrongfully failed to entitle the creditor to a deficiency claim (unsecured claim) under state law. The Appellate Court reversed the decisions of the Bankruptcy Court and of the Bankruptcy's Appellate Panel, which decisions held that changes added by the Bankruptcy Abuse and Consumer Protection Act of 2005 eliminated unsecured claims previously allowed.

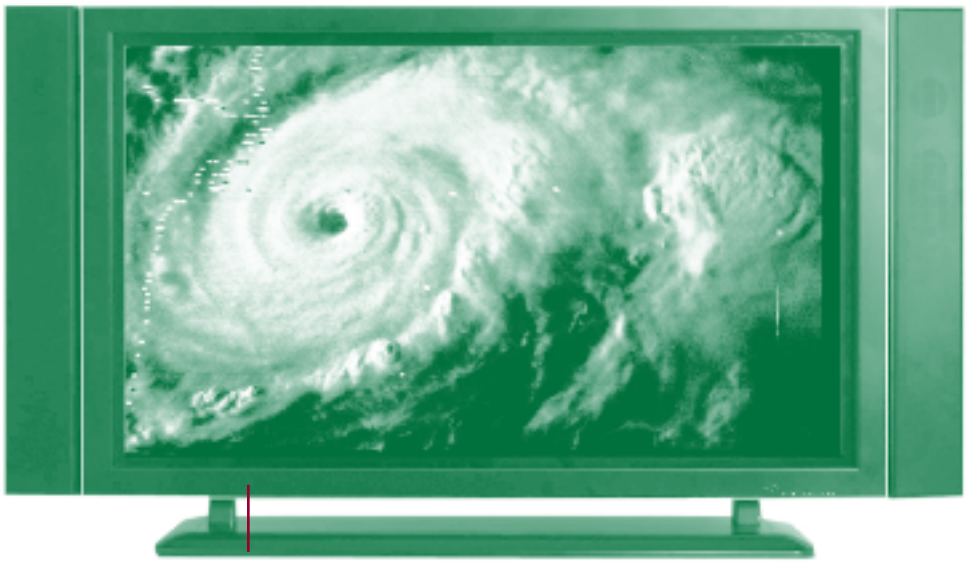
To that effect, the Tenth Circuit Appellate Court held that the 2005 amendments to the Bankruptcy Code do not limit a lender's ability to pursue debtors for amounts they still owe. Therefore, according to *Daimler Chrysler v. Ballard,* a creditor may seek payment of its unsecured deficiency claim based on its contract with the debtor under state law.

Auto lenders have won this battle; we must wait and see if they will win the war. ■

By: Johanna Estrella, Corporate & Banking Law Department

HURRICANE = NO IVU = new plasma TV?

In preparation for the, albeit brief, passing of hurricane Omar through Puerto Rico, the Government of Puerto Rico declared a state of emergency. As part of the Government's contingency plan, the Governor issued executive order number 50 on October 15, 2008, officially declaring a state of emergency and authorizing several agencies to take appropriate action. Section 6187 of the Puerto Rico Internal Revenue Code authorizes the Secretary of the P.R. Treasury to temporarily elimi-



nate the Puerto Rico sales and use tax (IVU) on the sale of basic goods when there is a state of emergency.

With no clear guidelines on what constituted "basic goods," the Government had no option but to eliminate the IVU on the sale of all articles. The public did not hesitate to react. Consumers rushed to the stores to pick up everything from batteries to plasma TVs without having to pay the IVU. Some consumers spent thousand of dollars on items that clearly were not basic goods.

As a response, the Puerto Rico Treasury Department has issued Treasury Regulation No. 7584 providing clear guidelines on the application of this exemption during those cases when there is the need to eliminate the IVU due to a state of emergency or disaster.

Regulation No. 7584 states that the elimination of the IVU will apply to a person that, affected by the emergency or disaster, acquires basic goods required for restoration, repair and supply as a result of an emergency or disaster. The Regulation further defines the term "basic goods" to include any product, service, material, equipment or article for sale or lease which is necessary during a state of emergency.

The Regulation also imposes limits on what can be considered basic goods. First, it expressly excludes alcohol, cigarettes, boats, jewelry, motorcycles, planes and cable TV or satellite services. Second, it excludes the following items when their purchase price exceeds $700: radios, sound equipment, TVs, computers and printers.

The executive order that declares the state of emergency or disaster, which would trigger the temporary elimination of the IVU, should include the following information: (1) the persons affected by the emergency or disaster; (2) the duration of the IVU exemption; and (3) the manner in which merchants shall document the exempt nature of the basic goods sold. The temporary exemption will also apply to excises taxes on basic goods introduced into Puerto Rico to be donated to residents of the Island and any items needed for cleaning and reconstruction after the disaster. ■

By: Alexis Hernández,
Tax Department

"Regulation No. 7584 states that the elimination of the IVU will apply to a person that, affected by the emergency or disaster, acquires basic goods required for restoration, repair and supply as a result of an emergency or disaster."

The NEW Genetic Information Nondiscrimination Act

On May 21, 2008, President George W. Bush signed the Genetic Information Nondiscrimination Act ("GINA") into law. The bill's chief sponsor, Senator Edward Kennedy, has called it the "first major new civil rights bill of the new century." GINA prohibits genetic discrimination in both health insurance and employment settings and limits access to and disclosure of genetic information.

GINA makes it illegal for health insurers to deny coverage or charge a higher rate or premium to an otherwise healthy individual found to have a potential genetic condition or genetic predisposition towards a disease or disorder. GINA also makes it illegal for an employer, employment agency, labor organization or joint labor-management committee controlling job training to "fail or refuse to hire...discharge...or otherwise discriminate against any employee with respect to the compensation, terms, conditions or privileges of employment" because of the employee's genetic information.

Specifically, GINA:

- √ Prohibits access to individual genetic information by insurance companies making enrollment decisions and employers making hiring decisions.
- √ Prohibits insurance companies from discriminating against an applicant for a group or individual health plan based on genetic information, the refusal to produce genetic information and for having been genetically tested in the past.
- √ Prohibits insurance companies from requesting applicants to be genetically tested.
- √ Prohibits employers from using genetic information to refuse employment and from collecting such data, with fines as high as $300,000.

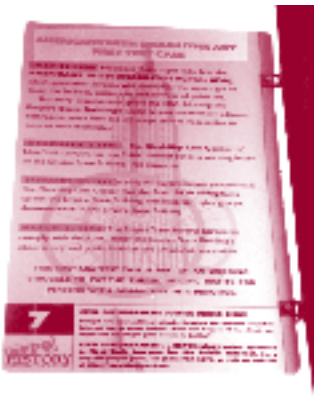
GINA defines genetic information as that obtained from an individual's genetic tests, the individual's family members' test results, or the individual's family health history. A "genetic test" is a process that analyses human DNA, RNA, chromosomes, proteins or metabolites, and that detects genotypes, mutations or chromosomal changes. A test that does not detect genotypes, mutations or chromosomal changes, or an analysis that directly relates to a health condition that could reasonably be detected without such test, is not considered a genetic test under GINA. "Genetic information" includes "the occurrence of a disease or disorder in family members of the individual" because family medical history could be used to identify genetic information.

GINA prohibits employers from requesting genetic information. Some occupations, however, require genetic monitoring. These jobs include working with nuclear or other hazardous materials where a negative effect could be chromosomal or genetic damage. In these cases, applicants would need to be made aware in advance of hiring that genetic testing is required and must agree to such testing in writing.

Title I of GINA, which applies to health insurers, becomes effective on **May 22, 2009**. Title II that covers the employment context, becomes effective **November 21, 2009**. ■

By: Javier G. Vázquez, Labor & Employment Law Department

Recent amendments to the Americans with Disabilities Act broaden coverage



The *A.D.A. Amendments Act of 2008* considerably expands the protections of disabled individuals under the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 *et seq.* ("A.D.A."). The Act rejects leading Supreme Court decisions such as *Sutton v. United Airlines,* 527 U.S. 471 (1999) and *Toyota v. Williams,* 534 U.S. 184 (2002), that narrowly interpreted the definition of what is considered a disability under the A.D.A. and that demanded an extensive analysis regarding whether an individual's impairment was a disability for A.D.A. purposes.

The most significant changes are that the Act:

- Prevents courts and employers from considering mitigating measures used by an individual, such as medication or equipment, when determining whether an individual is disabled for A.D.A. purposes.
- Holds an employer liable under a "regarded as" theory if an employee proves discrimination and establishes that he or she has an actual or perceived impairment, whether or not the actual or perceived impairment actually limits any of the employee's major life activities.
- States that the Equal Employment Opportunity Commission's regulations interpreting the term "substantially limits" pose a "too high" standard and thus instructs the Commission to revise that portion of the regulations to make it more consistent with the Act.

The Act will make it easier for an impaired employee to demonstrate that he or she is a qualified individual with a disability. Therefore, it will be more challenging for employers to obtain the dismissal of a case via a summary judgment proceeding relying on the sole premise that an employee is not a qualified individual with a disability. Under the Act, employers will have to litigate more complex issues involving the actual compliance of the law, such as those involving the denial of reasonable accommodations and an employer's reasons for such denial.

Recommendations: Since the Act does not go into effect until January 1, 2009, employers should review their existing A.D.A. procedures and policies, particularly those relating to reasonable accommodation and retaliation, to make sure that they are in compliance with the new rules. It is also important that employers train their managers and general personnel before the Act takes effect on **January 1, 2009**. ■

By: Maritza I. Gómez, Labor & Employment Law Department

Max Goldman:

A distinguished Puerto Rican

By: Vicente J. Antonetti

Max Goldman was born in Brooklyn, New York on December 19, 1916. He died in San Juan, Puerto Rico on September 21, 2008.

He graduated with high honors from Columbia University Law School in 1940 and began his career as a brilliant and outstanding lawyer in Washington, DC. He was a member of the staff of the Litigation Division of the Federal Communications Commission from 1941 until 1952, except from a one year interlude, 1944-1945, during which he was Law Clerk to Chief Judge Learned Hand, of the United States Court of Appeals for the Second Circuit, one of the greatest American jurists of the last century. When he left the F.C.C. he was "Assistant General Counsel in charge of Litigation" of that agency.

He came to live in Puerto Rico in 1952 when he was recruited by Roberto Sánchez Vilella to assume the position of Director of the Office of Industrial Tax Exemption, one of the principal and key agencies in the project "Operation Bootstrap" initiated by Luis Muñoz Marín and Teodoro Moscoso to promote Puerto Rico's industrial and economic development.

It was in Puerto Rico that he met Victoria, his future wife. They married in 1954 and had two Puerto Rican daughters, Ann and Jeanne.

He was a friend, collaborator and advisor to a select group of prominent citizens who initiated and were the driving force of the economic, industrial and social development of our country during the period of 1950 to 1975: Governor Luis Muñoz Marín; Roberto Sánchez Vilella; Teodoro Moscoso; Rafael Picó; Hon. José Trías Monge; Hon. Marcos Rigau, Sr.; Hon. Hiram Torres Rigual; Heriberto Alonso; Rafael Durand; Amadeo Francis; Mohinder Bhatia; David M. Helfeld; and many other distinguished Puerto Ricans.

By mid to late 1959, together with his friend and former executive assistant to Governor Muñoz Marín, Marcos A. Rigau, Sr., he started his private practice as a lawyer, after almost two decades of public service in the U.S.A. and Puerto Rico. Goldman and Rigau, together with Basilio Santiago Romero, formed the Law Firm of Rigau, Goldman & Santiago.

By recommendation of Law Professor (subsequently Dean of the University of Puerto Rico School Of Law) David M. Helfeld, I met Max Goldman for the first time in late 1959 while I was working on my thesis to complete and obtain my bachelor's degree from the School of Law.

Max received me and took time from his heavy work schedule to give me wise and valuable advice on the subject. Several months later, while I was scheduling job interviews, professor Helfeld suggested that I look to Max Goldman and his Law Firm as a potential source of future employment and told me that in his experience Max was the person with the "most brilliant legal mind he had ever known." This simple phrase describes Max's intellectual capacity but fails to faithfully and fully describe Max as the complete human being he was.

Devoted husband and loving father to his daughters, mentor, teacher, professor, scholar, great friend, student of the law, a lawyer's lawyer, music, arts and culture lover, honest and exemplary citizen are insufficient and inadequate adjectives to describe him as a person.

Max was a humble, affable and kind man, loyal to his principles, ideals and conscience. His personal and professional integrity was always exemplary and beyond reproach. He had a great sense of humor and was an inexhaustible source of jokes and anecdotes of clean good humor.

With Max's departure to the kingdom of heaven, Puerto Rico has lost an illustrious and exceptional citizen who loved his adopted country unconditionally.

Those of us who survive him have suffered the irreparable loss of a great friend, partner, mentor, advisor and exemplary fellow citizen.

To have known Max Goldman and being able to share and work with him for more than four decades was a pleasure, an honor and a privilege for which I will be thankful for the rest of my life on earth. May you rest in peace.

GAC News

ROBERTO MONTALVO-CARBIA participated in Interlaw's Annual Global Meeting held on September in Toronto, Ontario, Canada. Interlaw is an international association of independent, quality-monitored commercial law firms. Corporate counsel and other executives choose Interlaw firms in some 120 cities worldwide as their primary resource for reliable legal representation. Goldman Antonetti & Cordova is Puerto Rico's sole representative in Interlaw since 2001.

GRETCHEN MÉNDEZ-VILELLA was very busy this past quarter. She participated in the EuroBio conference held on October 7-9, 2008, in Paris, France. This very prestigious event gathered top executives, scientists and service providers of the world's biotechnology industry to deal with the challenges and needs of the industry in the 21st century. Gretchen also attended the Women Lawyers of Interlaw conference held on September 21-22, 2008 in Toronto, Ontario, Canada, where she was elected Co-chair for a second term, together with Jill Coleman of Neal Gerber & Eisenberg, LLP, Chicago, Illinois. She also joined the Energy Special Business Team of Interlaw, where lawyers with practices dedicated to the energy sector met during the Interlaw meeting in Canada to discuss energy governmental policies, emerging energy needs and trends, renewable energy and alternate fuels.

ALEXIS HERNÁNDEZ-RIVERA, a member of our tax department, joined the Export and International Commerce Committee of the Puerto Rico Manufacturers Association.

Upcoming events:

GLADYS FONTÁNEZ-REYES will be one of the speakers in the 2008 Real Estate Law: Advance Issue and Answers to be held at the Caribe Hilton on December 4, 2008. You can register for this seminar at www.nbi-sems.com.

JAVIER G. VÁZQUEZ-SEGARRA recently became a board member of the P.R. Association of Labor Practitioners (ALP). The ALP is an association composed of labor and employment professionals who practice in both the public and private sectors. Javier will speak at their next seminar. You can register at www.relacioneslaborales.org.

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