THIRD SUPPLEMENT TO THE AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT

This Third Supplement, dated as of December 15, 2016 (the "***Third Supplement***"), to the Amended and Restated Restructuring Support Agreement, dated as of March 14, 2016 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 23, 2016, Amendment No. 2, dated March 29, 2016, Amendment No. 3, dated April 29, 2016, Amendment No. 4, dated as of May 12, 2016, the First Supplement, dated June 29, 2016, and the Second Supplement, dated October 14, 2016 (the "***Agreement***"), is entered into by and among Puerto Rico Electric Power Authority ("***PREPA***"), Puerto Rico Electric Power Authority Revitalization Corporation (the "***Securitization SPV***"), National Public Finance Guarantee Corporation ("***National***"), Assured Guaranty Corp., Assured Guaranty Municipal Corp. (together with Assured Guaranty Corp., "***Assured***"), Syncora Guarantee Inc. ("***Syncora***"), the undersigned members of the Ad Hoc Group of PREPA Bondholders identified on Annex A (the "***Ad Hoc Group***"), Scotiabank de Puerto Rico (in its capacity as administrative agent for the Scotiabank Lenders, "***Scotiabank***"), the lenders (the "***Scotiabank Lenders***") under that certain Scotiabank Credit Agreement, Solus Opportunities Fund 5 LP, SOLA LTD and Ultra Master LTD (collectively, "***Solus***"), and Government Development Bank for Puerto Rico ("***GDB***"). National, Assured and Syncora will be referred to herein collectively as the "***Insurers***," and the Ad Hoc Group, together with persons who beneficially own or control Uninsured Bonds and are party to this Agreement (including, for the avoidance of doubt, Solus) or execute a joinder to this Agreement, will be referred to herein collectively as the "***Holders***," and the Insurers, the Holders, Scotiabank, the Scotiabank Lenders, Solus and GDB will be referred to herein collectively as the "***Supporting Creditors***." The Supporting Creditors, together with PREPA and the Securitization SPV, will be referred to herein collectively as the "***Parties***."

RECITALS

WHEREAS, the Parties desire to supplement the Agreement to, among other things, extend the termination date, incorporate certain new termination events and extend certain milestones;

NOW, THEREFORE, in consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Unless otherwise defined herein or amended hereby, capitalized terms used herein which are defined in the Agreement shall have the meanings ascribed to them in the Agreement.

1. Conditions to Effectiveness. This Third Supplement shall become effective as of the date (the "***Third Supplement Effective Date***") that each of the following shall have occurred:

(a) Each Party (including, for the avoidance of doubt, members of the Ad Hoc Group beneficially owning or controlling, in the aggregate, not less than 35% of the Bond Principal Amount) shall have duly delivered and executed a counterpart of this Agreement;

(b) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of the Supporting Creditors pursuant to any federal, state, or Puerto Rico statute, now or hereafter enacted into law, shall have been instituted by or on behalf of PREPA; and

(c) PREPA shall have received and provided written confirmation to all Supporting Creditors of all approvals required to enter into and perform the Agreement, as amended by this Third Supplement, including, without limitation, submission to the Supporting Creditors of resolution(s) duly adopted by the board of directors of PREPA authorizing PREPA to enter into and perform the Agreement, as amended by this Third Supplement.

2. Supplement. The Agreement is hereby amended to delete the stricken text and to add the double-underlined text as set forth in the pages of **Schedule 1** attached hereto.

3. Effectiveness. On or after the Third Supplement Effective Date, each reference in the Agreement to "RSA," "this Agreement," "Restructuring Support Agreement," "Amended and Restated Restructuring Support Agreement," "hereunder," "hereof," "herein," or words of like import referring to the Agreement shall mean and be a reference to the Agreement, as amended by this Third Supplement. Except as expressly amended by this Third Supplement, the provisions of the Agreement, including, without limitation, all other dates and deadlines provided for in the Agreement, are and shall remain in full force and effect without modification. Unless otherwise indicated, section references herein are to the Agreement, as incorporated into and amended by this Third Supplement.

4. Governing Law. This Third Supplement shall be governed and construed and enforced in accordance with the laws of the State of New York.

5. Counterparts. This Third Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the Parties hereto may execute this Third Supplement by signing any such counterpart. Delivery of an executed signature page of this Third Supplement by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

6. Entire Agreement. The Agreement, as amended by this Third Supplement, constitutes the entire agreement among the Parties regarding the subject matter hereof and supersedes any prior agreements, including any deemed agreements, among the Parties regarding the subject matter hereof other than the New January Bond Purchase Agreement and the July BPA.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Third Supplement has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER AUTHORITY

By: _____

Name: Javier A. Quintana Méndez

Title: Executive Director

[*Signature Page to Third Supplement to A&R RSA*]

PUERTO RICO ELECTRIC POWER
AUTHORITY REVITALIZATION
CORPORATION

By: _____

Name: Raúl A. Cerveño Medina

Title: Director

[*Signature Page to Third Supplement to A&R RSA*]

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

By: Patricia Ferrari

Name: Patricia Ferrari

Title: Managing Director

REDACTED

ASSURED GUARANTY CORP.,

ASSURED GUARANTY MUNICIPAL CORP.

By: Holly Horn

Name: HOLLY HORN
CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

Title: _____

REDACTED

SYNCORA GUARANTEE INC.

By: Mary Jane Constant

Name: Mary Jane Constant

Title: Managing Director

REDACTED

AG MM, L.P.
AG CAPITAL RECOVERY PARTNERS VIII, L.P.
AG ELEVEN PARTNERS, L.P.
AG SUPER FUND INTERNATIONAL PARTNERS, L.P.
NUTMEG PARTNERS, L.P.
AG CENTRE STREET PARTNERSHIP, L.P.
AG PRINCESS, LP
AG SUPER FUND, L.P.

By: Angelo, Gordon & Co., L.P., its manager or advisor

By: _____

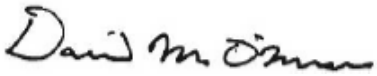
Name: Forest Wolfe

Title: Authorized Signatory

REDACTED

BLUEMOUNTAIN GUADALUPE PEAK FUND L.P.
BLUEMOUNTAIN FOINAVEN MASTER FUND L.P.
BLUEMOUNTAIN CREDIT OPPORTUNITIES MASTER FUND I L.P.
BLUEMOUNTAIN KICKING HORSE FUND L.P.
BLUEMOUNTAIN STRATEGIC CREDIT MASTER FUND L.P.
BLUEMOUNTAIN DISTRESSED MASTER FUND L.P.
BLUEMOUNTAIN TIMBERLINE LTD.
BLUEMOUNTAIN CREDIT ALTERNATIVES MASTER FUND L.P.
BLUEMOUNTAIN MONTENVERS MASTER FUND SCA SICAV-SIF
BLUEMOUNTAIN LOGAN OPPORTUNITIES MASTER FUND L.P.

By: BLUEMOUNTAIN CAPITAL MANAGEMENT, LLC, ITS INVESTMENT MANAGER

By: 

Name: David M. O'Mara

Title: Deputy General Counsel

REDACTED

FRANKLIN ADVISERS, INC. on behalf of the following funds:

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUND

TENNEESEE MUNICIPAL BOND FUND

CALIFORNIA TAX FREE INCOME FUND

NEW YORK TAX FREE INCOME FUND

FEDERAL TAX FREE INCOME FUND

COLORADO TAX FREE INCOME FUND

GEORGIA TAX FREE INCOME FUND

PENNSYLVANIA TAX FREE INCOME FUND

HIGH YIELD TAX FREE INCOME FUND

MISSOURI TAX FREE INCOME FUND

OREGON TAX FREE INCOME FUND

VIRGINIA TAX FREE INCOME FUND

FLORIDA TAX FREE INCOME FUND

LOUISIANA TAX FREE INCOME FUND

MARYLAND TAX FREE INCOME FUND

NORTH CAROLINA TAX FREE INCOME FUND

NEW JERSEY TAX FREE INCOME FUND

FRANKLIN STRATEGIC INCOME FUND – UNITED STATES

FIST-FRANKLIN TOTAL RETURN FUND

FRANKLIN STRATEGIC INCOME FUND – CANADA

FTIF – FRANKLIN US TOTAL RETURN FUND

FTVIP – FRANKLIN STRATEGIC INCOME VIP FUND

FDP SERIES FT TOTAL RETURN FDP FUND

FT OPPORTUNISTIC DISTRESSED FUND, LTD.

By: Sheila Amoroso

Name: Sheila Amoroso

Title: SVP

REDACTED

Goldman Sachs High Yield Municipal Fund, A Series of the Goldman Sachs Trust; Goldman Sachs Short Duration Tax-Free Fund, A Series of the Goldman Sachs Trust; and Goldman Sachs Dynamic Municipal Income Fund, A Series of the Goldman Sachs Trust

By: _____

Name: Danny Burke

Title: Assistant Secretary

REDACTED

KNIGHTHEAD ANNUITY & LIFE ASSURANCE COMPANY

BY: Knighthead Capital Management, LLC, its Investment Advisor

By: _____

Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

KNIGHTHEAD (NY) FUND, L.P.

BY: Knighthead Capital Management, LLC, its Investment Advisor

By: _____

Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

KNIGHTHEAD MASTER FUND, L.P.

BY: Knighthead Capital Management, LLC, its Investment Manager

By: _____

Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

LMA SPC FOR AND ON BEHALF OF THE
MAP84 SEGREGATED PORTFOLIO

BY: Knighthead Capital Management, LLC, its
Investment Advisor

By: _____

Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

By Marathon Asset Management, LP solely in its capacity as Investment Advisor to the Fund(s)/Account(s) named in Schedule A of this Agreement

By: _____

Name: PETER COPPA

Title: AUTHORIZED SIGNATORY

REDACTED

Schedule A:

MARATHON SPECIAL OPPORTUNITY FUND, LTD.
MARATHON CREDIT DISLOCATION FUND, LP
MARATHON LIQUID CREDIT LONG SHORT FUND
PENTELI MASTER FUND, LTD
MASTER SIF SICAV-SIF
MV CREDIT OPPORTUNITY FUND LP
KTRS CREDIT FUND LP
MARATHON CENTRE STREET PARTNERSHIP LP
BALDR MASON FUND, INC.
MARATHON LES GRANDES JORASSES MASTER FUND
MARATHON COURT SQUARE, LP
MARATHON STRATEGIC OPPORTUNIES PROGRAM, LP
MARATHON CURRITUCK FUND, LP – SERIES C
MARATHON CURRITUCK FUND, LP – SERIES D
MARATHON BLUE GRASS CREDIT FUND LP
AS MARATHON CREDIT

OPPENHEIMER ROCHESTER AMT-FREE MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM NEW YORK MUNICIPAL FUND

OPPENHEIMER ROCHESTER AMT-FREE NEW YORK MUNICIPAL FUND

OPPENHEIMER ROCHESTER FUND MUNICIPALS

OPPENHEIMER ROCHESTER AMT-FREE MUNICIPAL FUND

OPPENHEIMER ROCHESTER NEW JERSEY MUNICIPAL FUND

OPPENHEIMER ROCHESTER MARYLAND MUNICIPAL FUND

OPPENHEIMER ROCHESTER OHIO MUNICIPAL FUND

OPPENHEIMER ROCHESTER MICHIGAN MUNICIPAL FUND

OPPENHEIMER ROCHESTER VIRGINIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MASSACHUSETTS MUNICIPAL FUND

OPPENHEIMER ROCHESTER ARIZONA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MINNESOTA MUNICIPAL FUND

OPPENHEIMER ROCHESTER NORTH CAROLINA MUNICIPAL FUND

OPPENHEIMER ROCHESTER PENNSYLVANIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER HIGH YIELD MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM MUNICIPAL FUND

By: Richard Stein

Name: Richard Stein

Title: Senior Vice President

OPPENHEIMERFUNDS, INC., as investment advisor for the following accounts:

MASSMUTUAL INTERNATIONAL HOLDING MSC and MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT

By: Richard Stein

Name: Richard Stein

Title: Senior Vice President

SCOTIABANK DE PUERTO RICO, as Agent and as Lender

By: _____

Name: ROY PURCELL

Title: VICE PRESIDENT

[*Signature Page to Third Supplement to A&R RSA*]

FIRSTBANK PUERTO RICO, as Lender

By: _____

Name: T. MICHAEL MCDONALD

Title: EVP - BUSINESS GROUP

Marathon Credit Dislocation Fund LP, as Lender

By: _____

Name: _____

Title: _____

Marathon Strategic Opportunities Program LP, as Lender

By: _____

Name: _____

Title: _____

Marathon Centre Street Partnership, L.P., as Lender

By: _____

Name: _____

Title: _____

KTRS Credit Fund, LP, as Lender

By: _____

Name: _____

Title: _____

Marathon Special Opportunity Master Fund Ltd., as Lender

By: _____

Name: _____

Title: _____

AustralianSuper, as Lender

By: _____

Name: _____

Title: _____

SOLA LTD, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name: _____

Title: Authorized Signatory

Solus Opportunities Fund 5 LP, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name: _____

Title: Authorized Signatory

Ultra Master LTD, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name: _____

Title: Authorized Signatory

Solus Opportunities Fund 1 LP, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name: _____

Title: Authorized Signatory

Solus Opportunities Fund 3 LP, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name: _____

Title: Authorized Signatory

Solus Senior High Income Fund LP, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name: _____

Title: Authorized Signatory

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

By: _____

Name: ALBERTO BACÓ

Title: President

[*Signature Page to Third Supplement to A&R RSA*]

Annex A – Ad Hoc Group

AG MM, L.P.

AG CAPITAL RECOVERY PARTNERS VIII, L.P.

AG ELEVEN PARTNERS, L.P.

AG SUPER FUND INTERNATIONAL PARTNERS, L.P.

NUTMEG PARTNERS, L.P.

AG CENTRE STREET PARTNERSHIP, L.P.

AG PRINCESS, LP

AG SUPER FUND, L.P.

BLUEMOUNTAIN GUADALUPE PEAK FUND L.P.

BLUEMOUNTAIN FOINAVEN MASTER FUND L.P.

BLUEMOUNTAIN CREDIT OPPORTUNITIES MASTER FUND I L.P.

BLUEMOUNTAIN KICKING HORSE FUND L.P.

BLUEMOUNTAIN STRATEGIC CREDIT MASTER FUND L.P.

BLUEMOUNTAIN DISTRESSED MASTER FUND L.P.

BLUEMOUNTAIN TIMBERLINE LTD.

BLUEMOUNTAIN CREDIT ALTERNATIVES MASTER FUND L.P.

BLUEMOUNTAIN MONTENVERS MASTER FUND SCA SICAV-SIF

BLUEMOUNTAIN CAPITAL MANAGEMENT, LLC

BLUEMOUNTAIN LOGAN OPPORTUNITIES MASTER FUND L.P.

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUND

TENNEESEE MUNICIPAL BOND FUND

CALIFORNIA TAX FREE INCOME FUND

NEW YORK TAX FREE INCOME FUND

FEDERAL TAX FREE INCOME FUND

DOUBLE TAX FREE INCOME FUND

COLORADO TAX FREE INCOME FUND

GEORGIA TAX FREE INCOME FUND

PENNSYLVANIA TAX FREE INCOME FUND

HIGH YIELD TAX FREE INCOME FUND

MISSOURI TAX FREE INCOME FUND

OREGON TAX FREE INCOME FUND

VIRGINIATAX FREE INCOME FUND

FLORIDA TAX FREE INCOME FUND

LOUISIANA TAX FREE INCOME FUND

MARYLAND TAX FREE INCOME FUND

NORTH CAROLINA TAX FREE INCOME FUND

NEW JERSEY TAX FREE INCOME FUND

FRANKLIN STRATEGIC INCOME FUND UNITED STATES

FIST -FRANKLIN TOTAL RETURN FUND

FRANKLIN STRATEGIC INCOME FUND CANADA

FTIF- FRANKLIN US TOTAL RETURN FUND

FTVIP- FRANKLIN STRATEGIC INCOME VIP FUND

FDP SERIES FT TOTAL RETURN FDP FUND

FTIF- FRANKLIN STRATEGIC INCOME FUND

FT OPPORTUNISTIC DISTRESSED FUND, LTD.

GOLDMAN SACHS HIGH YIELD MUNICIPAL FUND, A SERIES OF THE GOLDMAN SACHS TRUST

GOLDMAN SACHS DYNAMIC MUNICIPAL INCOME FUND, A SERIES OF THE GOLDMAN SACHS TRUST

GOLDMAN SACHS SHORT DURATION TAX-FREE FUND, A SERIES OF THE GOLDMAN SACHS TRUST

KNIGHTHEAD MASTER FUND, L.P.

KNIGHTHEAD ANNUITY & LIFE ASSURANCE COMPANY

LMA SPC FOR AND ON BEHALF OF THE MAP 84 SEGREGATED PORTFOLIO

KNIGHTHEAD (NY) FUND, L.P.

MARATHON CREDIT DISLOCATION FUND, LP

MARATHON STRATEGIC OPPORTUNITIES PROGRAM, LP

MARATHON COURT SQUARE, LP

MARATHON CENTRE STREET PARTNERSHIP, L.P.

KTRS CREDIT FUND, LP

MARATHON CURRITUCK FUND, LP – SERIES C

MARATHON CURRITUCK FUND, LP – SERIES D

BALDR MASON FUND INC.

MARATHON CREDIT OPPORTUNITY MASTER FUND, LTD.

MARATHON SPECIAL OPPORTUNITY MASTER FUND, LTD

MARATHON LES GRANDES JORASSES MASTER FUND

PENTELI MASTER FUND, LTD

MASTER SIF SICAV SIF

MARATHON LIQUID CREDIT LONG SHORT FUND

MARATHON BLUE GRASS CREDIT FUND LP

AS MARATHON CREDIT

OPPENHEIMER ROCHESTER AMT –FREE MUNICIPAL FUND

OPPENHEIMER ROCHESTER AMT –FREE NEW YORK MUNICIPAL FUND

OPPENHEIMER ROCHESTER CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM MUNICIPAL FUND (A SERIES OF OPPENHEIMER MUNICIPAL FUND)

OPPENHEIMER ROCHESTER LIMITED TERM NEW YORK MUNICIPAL FUND (A SERIES OF ROCHESTER PORTFOLIO SERIES)

OPPENHEIMER ROCHESTER NEW JERSEY MUNICIPAL FUND (A SERIES OF OPPENHEIMER MULTI-STATE MUNICIPAL TRUST)

OPPENHEIMER ROCHESTER PENNSYLVANIA MUNICIPAL FUND (A SERIES OF OPPENHEIMER MULTI-STATE MUNICIPAL TRUST)

OPPENHEIMER ROCHESTER HIGH YIELD MUNICIPAL FUND (A SERIES OF OPPENHEIMER MULTI-STATE MUNICIPAL TRUST)

OPPENHEIMER ROCHESTER FUND MUNICIPALS

OPPENHEIMER ROCHESTER OHIO MUNICIPAL FUND

OPPENHEIMER ROCHESTER MICHIGAN MUNICIPAL FUND

OPPENHEIMER ROCHESTER MASSACHUSETTS MUNICIPAL FUND

OPPENHEIMER ROCHESTER VIRGINIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER ARIZONA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MARYLAND MUNICIPAL FUND

OPPENHEIMER ROCHESTER NORTH CAROLINA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MINNESOTA MUNICIPAL FUND

MASSMUTUAL INTERNATIONAL HOLDING MSC

MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT

Schedule 1

EXECUTION VERSION

CONFORMED COPY INCORPORATING ~~SECOND~~THIRD SUPPLEMENT
(to be attached to Third Supplement to Agreement)

AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT

THIS AMENDED AND RESTATED RESTRUCTURING SUPPORT AGREEMENT (including the annexes, exhibits and schedules attached hereto and as amended, supplemented or otherwise modified from time to time in accordance with the terms hereof, this "***Agreement***" or "***RSA***"), dated as of March 14, 2016, is entered into by and among Puerto Rico Electric Power Authority ("***PREPA***"), Puerto Rico Electric Power Authority Revitalization Corporation (the "***Securitization SPV***"), National Public Finance Guarantee Corporation ("***National***"), Assured Guaranty Corp., Assured Guaranty Municipal Corp. (together with Assured Guaranty Corp., "***Assured***"), Syncora Guarantee Inc. ("***Syncora***"), the undersigned members of the Ad Hoc Group of PREPA Bondholders identified on Annex A (the "***Ad Hoc Group***"), Scotiabank de Puerto Rico (in its capacity as administrative agent for the Scotiabank Lenders, "***Scotiabank***"), the lenders (the "***Scotiabank Lenders***") under that certain Scotiabank Credit Agreement (as herein defined), Solus Opportunities Fund 5 LP, SOLA LTD and Ultra Master LTD (collectively, "***Solus***" or the "***Solus Lenders***" and together with Scotiabank, the Scotiabank Lenders and any persons who execute a joinder to this Agreement pursuant to section 18(b) hereof in the form of Annex B-2, the "***Credit Agreements Lenders***"), and Government Development Bank for Puerto Rico ("***GDB***"). National, Assured and Syncora will be referred to herein collectively as the "***Insurers***," and the Ad Hoc Group, together with persons who beneficially own or control Uninsured Bonds (as defined herein) and are party to this Agreement (including, for the avoidance of doubt, Solus) or execute a joinder to this Agreement pursuant to section 18(a) hereof in the form of Annex B-1, will be referred to herein collectively as the "***Holders***," and the Insurers, the Holders, Scotiabank, the Scotiabank Lenders, Solus and GDB will be referred to herein collectively as the "***Supporting Creditors***." The Supporting Creditors, together with PREPA and the Securitization SPV, will be referred to herein collectively as the "***Parties***."

RECITALS

A. PREPA is the issuer of power revenue bonds (collectively, the "***Revenue Bonds***") and power revenue refunding bonds (collectively with the Revenue Bonds, the "***Bonds***") issued and outstanding pursuant to that certain Trust Agreement, dated as of January 1, 1974, as amended and supplemented through July 1, 2015, between PREPA and U.S. Bank National Association, as successor trustee (the "***Trustee***" and, with respect to said trust agreement, as amended, the "***Trust Agreement***"). Capitalized terms used but not defined in this Agreement shall have the meanings given to such terms in the Trust Agreement.

B. Each individual series of Bonds issued under the Trust Agreement was authorized pursuant to specific resolutions of PREPA authorizing the issuance of such series of Bonds.

C. In connection with the issuance of certain of the Bonds (such Bonds, the "***Insured Bonds***"), PREPA entered into various insurance agreements with the Trustee corresponding to insurance policies issued by various insurers including the Insurers (such insurance policies to which any of the Insurers or any other person that insures Bonds is currently a party, and the

insurance agreements related thereto, collectively, the "***Bond Insurance Agreements***" and, together with the Trust Agreement, the Bonds, the resolutions approving the Bonds, and any other agreements, supplements, amendments, or other documents executed or delivered in connection with the issuance or maintenance of the Bonds, including the TA Amendment (as defined herein), the "***Bond Documents***"). Any Bonds that are not Insured Bonds are referred to herein as "***Uninsured Bonds***."

D. PREPA has requested, and the Insurers and Holders have agreed, subject to the terms and conditions of this Agreement, to consent to an amendment of the Trust Agreement in the form and substance reasonably acceptable to the Supermajority Holders, the Supermajority Insurers and the Supermajority Credit Agreement Lenders and consistent with the form attached hereto as Annex C (the "***TA Amendment***").

E. The Bond Insurance Agreements provide the Insurers the sole right in lieu of the beneficial owners of the applicable Insured Bonds to consent to the TA Amendment in accordance with the terms of such Bond Insurance Agreements.

F. PREPA, Scotiabank and the Scotiabank Lenders have entered into that certain Credit Agreement, dated as of May 4, 2012 (as amended, restated, extended, supplemented or otherwise modified and in effect from time to time, the "***Scotiabank Credit Agreement***"), with Scotiabank as agent thereunder.

G. PREPA and the Solus Lenders are parties to that certain Trade Finance Facility Agreement, dated as of July 20, 2012 (as amended, restated, extended, supplemented or otherwise modified and in effect from time to time, the "***Solus Credit Agreement***" and together with the Scotiabank Credit Agreement, the "***Credit Agreements***").

H. PREPA and GDB have entered into that certain Collateral Swap Loan Agreement, dated as of June 21, 2013 (as amended, restated, extended, supplemented or otherwise modified from time to time and currently in effect, together with any related documents, the "***Collateral Swap Loan Agreement***").

I. PREPA and GDB have entered into that certain Isabela Dam Loan Agreement, dated as of March 26, 2004 (as amended, restated, extended, supplemented or otherwise modified from time to time and currently in effect, together with any related documents, the "***Isabela Dam Loan Agreement***" and together with the Collateral Swap Loan Agreement, the "***GDB Loan Agreements***").

J. GDB is the fiscal agent under that certain Loan Agreement, dated as of September 6, 2012, by and between Puerto Rico Infrastructure Financing Authority, acting on behalf of the Commonwealth of Puerto Rico ("***PRIFA***"), and PREPA (as amended, restated, extended, supplemented or otherwise modified from time to time and currently in effect, together with any related documents, the "***Aguirre Loan Agreement***").

K. GDB is the fiscal agent under that certain Financial Agreement, dated as of September 27, 2013, by and between PRIFA and PREPA (as amended, restated, extended,

supplemented or otherwise modified from time to time and currently in effect, together with any related documents, the "***San Juan Water Financial Agreement***").

L. As of the date hereof, the total outstanding principal amount of Bonds insured by National under the Bond Insurance Agreements is $1,329,155,000, the total outstanding principal amount of Insured Bonds that are beneficially owned by National ~~is $0~~ and the total outstanding amount of Uninsured Bonds that are beneficially owned by National ~~is $34,570,909~~are set forth on its signature page hereto.

M. As of the date hereof, the total outstanding principal amount of Bonds insured by Assured under the Bond Insurance Agreements is $830,550,000, the total outstanding principal amount of Insured Bonds that are beneficially owned by Assured ~~is $0~~ and the total outstanding principal amount of Uninsured Bonds that are beneficially owned by Assured ~~is $15,415,721~~are set forth on its signature page hereto.

N. As of the date hereof, the total outstanding principal amount of Bonds insured by Syncora under the Bond Insurance Agreements is $197,405,000, the total outstanding principal amount of Insured Bonds that are beneficially owned by Syncora and the total outstanding principal amount of Uninsured Bonds that are beneficially owned by Syncora are set forth on its respective signature page hereto.

O. PREPA and GDB have entered into certain depository and custodial agreements (as amended, restated, extended, supplemented or otherwise modified from time to time and currently in effect, together with any related documents, the "***Custodial Agreements***" and, together with the Collateral Swap Loan Agreement, the Isabela Dam Loan Agreement, the Aguirre Loan Agreement, and the San Juan Water Financial Agreement, the "***GDB Agreements***").

P. As of the date hereof, $8,218,845,164 in principal amount of Bonds is outstanding. The total outstanding principal amount of Bonds as of any date shall be known hereunder as the "***Bond Principal Amount***".

Q. As of the date hereof, the total outstanding principal amount of Uninsured Bonds that are beneficially owned by each member of the Ad Hoc Group is set forth on their respective signature pages hereto.

R. As of the date hereof, the total outstanding principal amount of Uninsured Bonds that are beneficially owned by Solus is set forth on its respective signature page hereto.

S. The Insurers and the Holders collectively control more than 60% of the total outstanding principal amount of the Bonds for purposes of consenting to the TA Amendment.

T. As of the date hereof, there is $549,950,000 in aggregate principal amount (the "***Scotiabank Principal Amount***") (plus applicable accrued fees and interest) outstanding under the Scotiabank Credit Agreement (the loans outstanding thereunder, the "***Scotiabank Loans***") and the total outstanding principal amount of Uninsured Bonds that are beneficially owned or

controlled by Scotiabank and the Scotiabank Lenders is ~~$35,000~~set forth on their respective signature pages hereto.

U. As of the date hereof, there is $146,041,914.24 in aggregate principal amount (the "***Solus Principal Amount***", together with the Scotiabank Principal Amount, the "***Credit Agreements Principal Amount***," and the Credit Agreements Principal Amount collectively with the Bond Principal Amount, the "***Outstanding Principal Amount***") (plus applicable accrued fees and interest) outstanding under the Solus Credit Agreement (the loans outstanding thereunder, the "***Solus Loans***").

V. PREPA, the Holders, the Credit Agreement Lenders and GDB entered into a Restructuring Support Agreement on November 5, 2015 (as amended, the "***Initial RSA***").

W. PREPA, the Holders, the Credit Agreement Lenders, the GDB, National, Assured and Syncora entered into an Amended and Restated Restructuring Support Agreement dated as of December 23, 2015 (the "***December RSA***") which amended and restated the Initial RSA in its entirety.

X. The December RSA terminated on January 23, 2016.

Y. PREPA, the Holders, the Credit Agreement Lenders, the GDB, National, Assured and Syncora entered into a new Restructuring Support Agreement dated as of January 27, 2016, which incorporated by reference the term and conditions of the December RSA, as expressly amended thereby (as amended by Amendment No. 1 dated as of February 19, 2016, the "***January RSA***").

Z. PREPA and the Purchasers defined therein entered into a Bond Purchase Agreement dated as of January 27, 2016 (as amended by Amendment No. 1 dated as of February 19, 2016, Amendment No. 2, dated as of March 14, 2016, Amendment No. 3, dated as of March 23, 2016, Amendment No. 4, dated as of March 29, 2016, Amendment No. 5, dated as of April 6, 2016, Amendment No. 6, dated as of April 19, 2016, Amendment No. 7, dated as of April 29, 2016, Amendment No. 8, dated as of May 12, 2016 and Amendment No. 9, dated as of May 26, 2016, the "***New January Bond Purchase Agreement***").

AA. On February 16, 2016, the Legislative Assembly of Puerto Rico enacted, and the Governor of Puerto Rico signed into law, Act 4-2016, known as the PREPA Revitalization Act (the "***Act***"). The Act has been deemed to be reasonably acceptable and in Acceptable Form, as applicable, to the Supporting Creditors for purposes of sections 13(e)(vi) and 13(e)(viii).

BB. PREPA, the Securitization SPV, the Holders, the Credit Agreement Lenders, the GDB, National, Assured and Syncora entered into an Amended and Restated Restructuring Support Agreement dated as of March 14, 2016 (as amended by Amendment No. 1, dated as of March 23, 2016, Amendment No. 2, dated as of March 29, 2016, Amendment No. 3, dated as of April 29, 2016 and Amendment No. 4, dated as of May 12, 2016, the "***New RSA***") which amended and restated the January RSA in its entirety.

CC. On May 27, 2016, PREPA filed with the Energy Commission a petition for approval of a new rate structure, including a request for approval of a provisional rate on an expedited basis, and on June 24, 2016, the Energy Commission issued an order approving a provisional rate.

DD. The SPV Petition (as defined herein) has been deemed to be reasonably acceptable and in Acceptable Form, as applicable, to the Supporting Creditors for purposes of section 13(e)(xxiii);

EE. After good faith, arm's length negotiations, the Parties have agreed, subject to the terms and conditions of this Agreement, to amend and restate in its entirety the New RSA to support the Recovery Plan (as defined herein) as described in the Recovery Plan Term Sheet (as defined herein) attached hereto as Annex D, including, without limitation, the Consent Solicitation, the Exchange Offer and Credit Agreements Amendments (each as defined in the Recovery Plan Term Sheet)~~;~~.

~~**FF.** If and when PROMESA (as defined in this Agreement) is enacted, the Parties expect to supplement the RSA to take the enactment of PROMESA into account and to potentially allow the Parties to move forward with this RSA pursuant to a proceeding under Title VI of PROMESA.~~

FF. On June 29, 2016, after reaching an agreement with Syncora regarding its participation in the Recovery Plan (the "***Syncora Transaction***"), PREPA, the Securitization SPV and the Supporting Creditors entered into a first supplement to the New RSA (the "***First Supplement***") to, among other things, extend its termination date and incorporate the Syncora Transaction.

GG. On October 14, 2016, PREPA, the Securitization SPV and the Supporting Creditors entered into a second supplement to the New RSA (the "***Second Supplement***") for the purpose of further extending certain milestone dates.

HH. The United States' Congress enacted the Puerto Rico Oversight, Management, and Economic Stability Act, which was signed into law by the President of the United States on June 30, 2016 (P. L. 114-187, "***PROMESA***").

II. PROMESA created an oversight board (the "**Oversight Board**") with broad powers over the finances and restructuring process with respect to the Commonwealth of Puerto Rico and its instrumentalities and has designated PREPA as a Covered Territorial Instrumentality (as such term is defined under PROMESA).

NOW, THEREFORE, in consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Mutual Obligations and Acknowledgments.

(a) During the period commencing on the Effective Date (as defined herein) and ending on the termination of this Agreement with respect to, or withdrawal from this Agreement by, such Party in accordance with the terms hereof (such period with respect to such Party, the "***Support Period***"), each Party shall work collaboratively and in good faith with the other Parties to finalize, document and implement a comprehensive recovery plan (including the incorporated terms and conditions below, the "***Recovery Plan***") incorporating (i) the terms and conditions described on the Recovery Plan Term Sheet attached hereto as Annex D (including all schedules thereto, the "***Recovery Plan Term Sheet***") (ii) the terms and conditions described on the January Payment Term Sheet (as defined herein) and the terms and conditions described on the July Payment Term Sheet (as defined herein), and (iii) such other terms, conditions and documents necessary to implement and effect the Recovery Plan based on, and consistent with, the Recovery Plan Term Sheet and this Agreement, including without limitation the definitive documentation relating to the transactions set forth in the January Payment Term Sheet and the New January Bond Purchase Agreement (as defined herein) (the "***January Payment Transactions***") and the definitive documentation relating to the transactions set forth in the July Payment Term Sheet and that certain Bond Purchase Agreement, dated as of June 29, 2016, by and among PREPA and the Purchasers defined therein (the "***July BPA***") (the "***July Payment Transactions***"), the Exchange Offer, Cash Tender, Backstop Facility, Consent Solicitation, TA Amendment and Credit Agreements Amendments, the Securitization Documents and any bills or legislation to enact the Legislative Reform Package (each as defined herein or in the Recovery Plan Term Sheet) (such bills, legislations or documents, in Acceptable Form (as defined herein), collectively, the "***Recovery Plan Documents***"), which Recovery Plan Documents shall (A) contain the same economic terms as, and other terms consistent in all material respects with, the terms set forth in the Recovery Plan Term Sheet, (B) be consistent with this Agreement in all material respects and (C) not contain any material additional terms, elements or transactions that adversely affect any Supporting Creditor in its capacity as a PREPA creditor (any such bill, legislation, document, agreement, pleading or transaction that satisfies the standards described in the foregoing clauses (A)-(C) in this subsection shall be deemed to be in "***Acceptable Form***" as such term is used in this Agreement). For the avoidance of doubt, for purposes of this Agreement, if an event affects a Supporting Creditor in its capacity as a potential future surety provider or future holder of Securitization Bonds (as defined below), insurer of Securitization Bonds or Bonds defeased with Securitization Bonds, in each case pursuant to the Recovery Plan, then such event shall be deemed to affect such Supporting Creditor in its capacity as a PREPA creditor. "***Securitization Bonds***" refer to the bonds referred to as "Securitization Bonds" and "Restructuring Bonds" in the Recovery Plan Term Sheet, including, for the avoidance of doubt, in Schedules I-A, I-B, II and II-A thereto.

(b) The Parties hereby mutually acknowledge and agree that nothing in this Agreement or in any forbearance agreement entered into between or among any of the Supporting Creditors and PREPA prior to the Effective Date (a "***Prior Forbearance Agreement***") shall prejudice any of the Supporting Creditors' right to contest or defend, formally or informally, the priority of repayments of the Scotiabank Loan Obligations (as such term is defined herein) and the Solus Loan Obligations (as such term is defined herein) relative to the Bonds. Notwithstanding the foregoing or anything herein to the contrary, the Supporting Creditors and PREPA agree not to contest or take any position, whether formally or informally, regarding the priority of repayments of the Scotiabank Loan Obligations or the Solus Loan Obligations relative to the Bonds on the basis of (x) any of the following actions or agreements by Scotiabank, the Scotiabank Lenders, or the Solus Lenders, as applicable, on or prior to the Effective Date and during the Support Period: (i) forbearing, delaying or failing to exercise remedies, (ii) agreeing to a postponement or delay in payment of interest or principal, (iii) granting an extension of any maturity date, (iv) not requiring the repayment or readvance of any loans under the Scotiabank Credit Agreement or Solus Credit Agreement or not requiring any loans under the Scotiabank Credit Agreement or Solus Credit Agreement to be revolving loans, (y) the inclusion in this Agreement as a Bond Potential Default, in any Prior Forbearance Agreement as a "Potential Default" (as defined therein), and in the Trust Agreement (as amended) as a "Potential Default" (as defined in the Trust Agreement, as amended), of PREPA's use of monies from the General Fund (as defined in the Trust Agreement) to service its debt under the Scotiabank Credit Agreement or Solus Credit Agreement, or (z) PREPA servicing its debt outstanding under the Credit Agreements or the Trust Agreement, including any payment of principal made on July 1, 2015, and none of the Supporting Creditors or PREPA shall (or shall, in the case of the Bonds, direct the Trustee to) use any such actions as a basis for contesting whether any expense, claim, liability or amount shall be construed as a "Current Expense" under the Trust Agreement by virtue of the foregoing or use any such actions in making any argument, filing any pleading or complaint, or supporting any other person in doing the same.

(c) "***Securitization Documents***" means (A) all documents relating to the Securitization Bonds, including, without limitation and for the avoidance of doubt, (i) the Restructuring Resolution (as defined in the Recovery Plan Term Sheet), Securitization Trust Agreement (as defined below), and Servicing Agreement (as defined in the Recovery Plan Term Sheet), (ii) the governing documents of the Securitization SPV, (iii) the form of Securitization Bonds, (iv) any other agreements to be entered into, resolutions adopted or certificates delivered by the Securitization SPV that affect the holders of Securitization Bonds and (v) any documents executed or delivered pursuant to the Securitization Special Legislation (as defined in the Recovery Plan Term Sheet), and the forms of such documents and, without duplication, (B) all documents implementing the transactions contemplated by Schedules II and II-A to the

Recovery Plan Term Sheet. The "***Securitization Trust Agreement***" refers to the Initial Trust Agreement (as defined in the Recovery Plan Term Sheet).

2. PREPA's Obligations. During the Support Period, PREPA shall:

(a) support and take any and all commercially reasonable, necessary or appropriate actions to facilitate, implement and consummate the Recovery Plan and the Recovery Plan Documents;

(b) work cooperatively with the Securitization SPV, the Supporting Creditors and their advisors to prepare and execute any documentation necessary (including the Recovery Plan Documents), as well as to take such steps as are commercially reasonable, necessary or appropriate to implement and consummate the Recovery Plan;

(c) refrain from (i) taking, recommending, proposing, supporting, soliciting, or participating in any action not required by law that is inconsistent in any material respect with, or that would materially delay or impede approval, execution of documentation for, or implementation or consummation of the Recovery Plan, or that is otherwise inconsistent in any material respect with the express terms of this Agreement, (ii) directly or indirectly, proposing, supporting, soliciting, or participating in the formulation of any plan or proposal to restructure PREPA other than the Recovery Plan, and (iii) initiating any proceeding under any bankruptcy or insolvency law, any suspension period or proceeding under the Recovery Act, or any other action or proceeding that seeks to adjust, extend or challenge the claims of the Supporting Creditors pursuant to any federal, state or Puerto Rico statute, now or hereinafter enacted into law, except for any such proceeding to implement the Recovery Plan; provided that PREPA shall exercise commercially reasonable efforts to provide the Supporting Creditors' advisors with draft copies of the petition and all motions, applications, pleadings and other material documents that it intends to file with the applicable court or governmental authority in connection therewith, in each case at least five (5) business days before the filing date and in any event shall provide such drafts to the Supporting Creditors' advisors within at least three (3) business days before the filing date, and shall consult with, and consider in good faith any recommendations made by, the Supporting Creditors' advisors with respect to each such document; *provided* further that any such filed document shall be in Acceptable Form as determined in good faith by each Requisite Supporting Creditor Majority and Supermajority Insurers;

(d) Refrain from directly or indirectly promoting or supporting any bill or legislation that is materially inconsistent with the Recovery Plan or this Agreement, that would materially and adversely affect the ability of PREPA or the Securitization SPV to comply with its obligations under this Agreement or

under the Recovery Plan Documents, or that would materially and adversely affect any Supporting Creditor in its capacity as a PREPA creditor;

(e) Refrain from filing any documents in or regarding any validation proceeding (a "***Validation Proceeding***") in respect of the Securitization Bonds, their issuance or the relevant authorizing legislation or publicly disclose (or permit to be publicly disclosed) any written legal opinions (from counsel for PREPA or the Securitization SPV, including, without limitation, bond counsel) regarding the validity of the securitization charge for the Securitization Bonds or the validity of the legislation authorizing the Securitization Bonds unless such documents or written legal opinions are reasonably acceptable to the Supermajority Holders and the Supermajority Insurers; *provided* however that, if PREPA or its legal advisors do not receive any written objection to any such document or written legal opinion from Holders of Uninsured Bonds holding at least 20% of principal amount of the Uninsured Bonds held by all Holders or from Insurers insuring at least 30% of principal amount of Insured Bonds within five (5) days after the legal advisors to the Holders and Insurers receive notice of and a copy of the final form of such document or written legal opinion (and, where all or a portion of such document or written legal opinion is not in English, an English translation of such document or written legal opinion), such document or written legal opinion shall be deemed to be reasonably acceptable to the Supermajority Holders and the Supermajority Insurers for purposes of this section 2(e); *provided* further that PREPA shall exercise commercially reasonable efforts to provide the Supporting Creditors' legal advisors with draft copies of the petition and all documents intended to be filed in any such Validation Proceeding and of any written legal opinions (from counsel for PREPA or the Securitization SPV, including, without limitation, bond counsel) intended to be obtained and publicly disclosed, in each case at least five (5) business days before the date such document is filed or opinion is obtained or publicly disclosed, and shall consult with, and consider in good faith any recommendations made by, the Supporting Creditors' legal advisors with respect to each such document and opinion;

(f) Other than as provided in section 9(c), refrain from entering into a restructuring support agreement or similar agreement related to the Recovery Plan or otherwise relating to a restructuring of all or a portion of the debt constituting the Outstanding Principal Amount with any Insurer, any other person that insures Bonds, any Supporting Creditor or any other holder of such debt other than by means of an Amendment to this Agreement pursuant to section 17; and

(g) Keep the Supporting Creditors' financial and legal advisors reasonably informed regarding the PREC Public Hearing (as defined herein), and consult with such advisors in good faith with respect to any documents that PREPA may file or

publish (or which PREPA is assisting the SPV or other parties in filing or publishing) relating to the PREC Public Hearing.

Notwithstanding anything to the contrary herein but subject to section 22, nothing in this Agreement or the Recovery Plan shall limit or restrict PREPA from taking any action that PREPA shall deem necessary or appropriate to preserve, protect or defend any of its rights under this Agreement, the Recovery Plan or the Recovery Plan Documents.

Notwithstanding anything to the contrary contained herein, but subject to section 16, nothing in this Agreement shall limit or restrict PREPA from taking any action that PREPA may take under the Bond Documents, Credit Agreements and/or GDB Agreements, at law or in equity, that PREPA deems is necessary or appropriate to preserve, protect or defend (but not to enforce) any of PREPA's rights thereunder against any challenge, including, without limitation, (i) defending, intervening in or filing any legal proceedings relating to any such rights of PREPA, (ii) sending notices to any persons, governmental authorities or entities concerning the existence of any such rights of PREPA, or (iii) otherwise preserving any of the rights, remedies, positions or defenses of PREPA, all of which are hereby expressly reserved.

2.1. Securitization SPV's Obligations. During the Support Period, the Securitization SPV shall:

(a) support and take any and all commercially reasonable, necessary or appropriate actions to facilitate, implement and consummate the Recovery Plan and the Recovery Plan Documents;

(b) work cooperatively with PREPA, the Supporting Creditors and their advisors to prepare and execute any documentation necessary (including the Recovery Plan Documents), as well as to take such steps as are commercially reasonable, necessary or appropriate to implement and consummate the Recovery Plan;

(c) refrain from (i) taking, recommending, proposing, supporting, soliciting, or participating in any action not required by law that is inconsistent in any material respect with, or that would materially delay or impede approval, execution of documentation for, or implementation or consummation of the Recovery Plan, or that is otherwise inconsistent in any material respect with the express terms of this Agreement and (ii) directly or indirectly, proposing, supporting, soliciting, or participating in the formulation of any plan or proposal to restructure PREPA other than the Recovery Plan;

(d) Refrain from directly or indirectly promoting or supporting any bill or legislation that is materially inconsistent with the Recovery Plan or this Agreement, that would materially and adversely affect the ability of PREPA or the Securitization SPV to comply with its obligations under this Agreement or

under the Recovery Plan Documents, or that would materially and adversely affect any Supporting Creditor in its capacity as a PREPA creditor;

(e) Refrain from filing any documents in or regarding any Validation Proceeding in respect of the Securitization Bonds, their issuance or the relevant authorizing legislation or publicly disclose (or permit to be publicly disclosed) any written legal opinions (from counsel for PREPA or the Securitization SPV, including, without limitation, bond counsel) regarding the validity of the securitization charge for the Securitization Bonds or the validity of the legislation authorizing the Securitization Bonds unless such documents or written legal opinions are reasonably acceptable to the Supermajority Holders and the Supermajority Insurers; provided however that, if neither the Securitization SPV nor PREPA nor any of their legal advisors receive any written objection to any such document or written legal opinion from Holders of Uninsured Bonds holding at least 20% of principal amount of the Uninsured Bonds held by all Holders or from Insurers insuring at least 30% of principal amount of Insured Bonds within five (5) days after the legal advisors to the Holders and Insurers receive notice of and a copy of the final form of such document or written legal opinion (and, where all or a portion of such document or written legal opinion is not in English, an English translation of such document or written legal opinion), such document or written legal opinion shall be deemed to be reasonably acceptable to the Supermajority Holders and the Supermajority Insurers for purposes of this section 2.1(e); provided further that the Securitization SPV shall exercise commercially reasonable efforts to provide the Supporting Creditors' legal advisors with draft copies of the petition and all documents intended to be filed in any such Validation Proceeding and of any written legal opinions (from counsel for PREPA or the Securitization SPV, including, without limitation, bond counsel) intended to be obtained and publicly disclosed, in each case at least five (5) business days before the date such document is filed or opinion is obtained or publicly disclosed, and shall consult with, and consider in good faith any recommendations made by, the Supporting Creditors' legal advisors with respect to each such document and opinion;

(f) Refrain from entering into a restructuring support agreement or similar agreement related to the Recovery Plan or otherwise relating to a restructuring of all or a portion of the debt constituting the Outstanding Principal Amount with any Insurer, any other person that insures Bonds, any Supporting Creditor or any other holder of such debt other than by means of an Amendment to this Agreement pursuant to section 17; and

(g) In the event PREPA initiates any proceeding under any bankruptcy or insolvency law, any suspension period or proceeding under the Recovery Act, or any other action or proceeding that seeks to adjust, extend or challenge the claims of the Supporting Creditors pursuant to any federal, state or Puerto Rico statute, now or hereinafter enacted into law, the Securitization SPV shall

exercise commercially reasonable efforts to provide the Supporting Creditors' advisors with draft copies of all motions, applications, pleadings and other material documents that it intends to file with the applicable court or governmental authority in connection therewith, in each case at least five (5) business days before the filing date and in any event shall provide such drafts to the Supporting Creditors' advisors within at least three (3) business days before the filing date, and shall consult with, and consider in good faith any recommendations made by, the Supporting Creditors' advisors with respect to each such document; provided further that any such filed document shall be in Acceptable Form as determined in good faith by each Requisite Supporting Creditor Majority and Supermajority Insurers; and

(h) Keep the Supporting Creditors' financial and legal advisors reasonably informed regarding the PREC Public Hearing (as defined herein), and consult with such advisors in good faith with respect to any documents that the Securitization SPV may file or publish (or which the Securitization SPV is assisting PREPA or other parties in filing or publishing) relating to the PREC Public Hearing.

Notwithstanding anything to the contrary herein but subject to section 22, nothing in this Agreement or the Recovery Plan shall limit or restrict the Securitization SPV from taking any action that the Securitization SPV shall deem necessary or appropriate to preserve, protect or defend any of its rights under this Agreement, the Recovery Plan or the Recovery Plan Documents.

2.2 Additional Covenants by the Securitization SPV. The Securitization SPV hereby covenants as follows:

(a) During the Support Period, the Securitization SPV shall provide the following to each Supporting Creditor or, if so directed by a Supporting Creditor in writing, such Supporting Creditor's financial and legal advisors, in each case, subject to an Acceptable NDA:

(i) To the extent not provided by PREPA pursuant to ~~S~~section 9(a)(vii), copies of all documents filed or published by any person relating to the PREC Public Hearing (including any comment period), to the extent not publicly available online and to the extent permissible under any relevant confidentiality obligation.

(b) During the Support Period, the Securitization SPV shall (i) consult, in good faith, with the Supporting Creditors' financial and legal advisors with respect to (A) any material transactions other than the Securitization Documents (if any), (B) to the extent it is involved, any Rate Case to be submitted to the Energy Commission by PREPA (including with respect to the Rate Structure (as defined in the Recovery Plan Term Sheet)), and any substantive pleadings submitted by the Securitization SPV in connection with such Rate Case, (C) the SPV Petition and any substantive pleadings submitted to the Energy Commission in connection with the SPV Petition, (D) to the extent practicable,

any amendments to the Act and any related legislation, (E) to the extent permissible under relevant confidentiality agreements with the rating agencies, any presentations provided to, or discussions or correspondence with, any rating agency in connection with PREPA's and the Securitization SPV's efforts to obtain a rating on the Securitization Bonds, and (F) the methodology and assumptions used in calculating present value debt service savings resulting from the Recovery Plan for purposes of determining if the present value debt service savings requirement set forth in the Act has been satisfied; (ii) consider, in good faith, any recommendations made by such advisors with respect to each of the foregoing; provided, that, with respect to item (B), (C), (D), (E) and (F) above (to the extent practicable for items (D) and (E), and for (E), only with respect to presentations provided to any rating agencies), the Securitization SPV shall provide a copy of each of the documents described therein to each of the Supporting Creditors' financial and legal advisors no later than five (5) business days prior to submission to the Energy Commission or a rating agency, as applicable (in each case, to the extent not provided by PREPA pursuant to ~~S~~section 9(b)); and (iii) keep the Supporting Creditors' financial and legal advisors reasonably informed regarding any material developments with respect to the matters described in clauses (i)(A)-(F) of this subsection (in each case, to the extent not satisfied by PREPA pursuant to ~~S~~section 9(b)).

(c) It shall use reasonable commercial efforts to respond promptly to any reasonable written request for information concerning further diligence requests made by any Supporting Creditor (in each case, to the extent not provided by PREPA pursuant to ~~S~~section 9(d));

(d) Without limiting its other obligations hereunder, the Securitization SPV agrees to support and take any and all commercially reasonable, necessary or appropriate actions to facilitate, implement and consummate the transactions contemplated by the New January Bond Purchase Agreement and the July BPA; and

(e) To the extent relevant information is not provided by PREPA, it shall provide to the Supporting Creditors and their advisors reasonable access to its advisors that are participating in the development of the Securitization Documents (and any related transactions, if any) from time to time, including, without limitation, if requested, weekly meetings and/or telephone conference calls with the financial advisors to the Supporting Creditors to discuss, among other things, the information provided pursuant to section 2.2(a) of this Agreement.

3. Supporting Creditors' Obligations. During the Support Period, each Supporting Creditor (other than GDB) shall:

(a) support and take any and all commercially reasonable, necessary or appropriate actions to facilitate, implement and consummate the Recovery Plan, including, without limitation, by working cooperatively with PREPA, the Securitization SPV, the other Supporting Creditors, and their respective advisors to prepare

and execute any documentation necessary (including the Recovery Plan Documents) and by giving any notices, orders, instructions or directions that are commercially reasonable, necessary or appropriate to support, facilitate, implement or consummate, or otherwise give effect to the Recovery Plan; *provided*, *however*, that nothing in this Agreement shall require any Supporting Creditor to indemnify the Trustee;

(b) refrain from (i) taking, recommending, proposing, supporting, soliciting, or participating in any action not required by law that is inconsistent in any material respect with, or that would materially delay or impede approval, execution of documentation for, or implementation or consummation of the Recovery Plan, or that is otherwise inconsistent in any material respect with the express terms of this Agreement, and (ii) directly or indirectly, proposing, supporting, soliciting, or participating in the formulation of any plan or proposal to restructure PREPA other than the Recovery Plan; and

(c) Refrain from directly or indirectly promoting or supporting any bill or legislation that is materially inconsistent with the Recovery Plan or this Agreement, that would materially and adversely affect the ability of PREPA or the Securitization SPV to comply with its obligations under this Agreement or the Recovery Plan Documents including, without limitation, commencing any rate case with the Energy Commission, or that would materially and adversely affect any Supporting Creditor in its capacity as a PREPA creditor.

Notwithstanding anything in this Agreement, but subject to section 7 hereof, each Supporting Creditor is entitled to act to protect its interests as a holder of other obligations issued by the Commonwealth of Puerto Rico or any of its instrumentalities (other than PREPA).

Except as expressly provided in this Agreement, including the Recovery Plan and any Recovery Plan Document, each Supporting Creditor shall in no way be required as a result of this Agreement to expend any cash resources or assume any additional risk or liability (including, for the avoidance of doubt, indemnifying the Trustee) in support of the Recovery Plan or this Agreement. Each Supporting Creditor acknowledges that PREPA has made no representations as to what actions, if any, PREPA will take after this Agreement terminates.

4. Insurers' and Holders' Obligations.

(a) During the Support Period, the Ad Hoc Group and Solus shall:

(i) negotiate with PREPA in good faith to provide a backstop for the financing of a Cash Tender (as defined in the Recovery Plan Term Sheet) for the Non-Forbearing Uninsured Holders (as defined in the Recovery Plan Term Sheet) on terms to be determined by mutual agreement

between each Holder providing a portion of the backstop and PREPA (the "***Backstop Facility***").

(b) During the Support Period, each Holder shall:

(i) tender any and all Uninsured Bonds (other than any July Payment Bonds or January Payment Bonds (as defined herein)) owned or controlled by such Holder in the Exchange Offer. Notwithstanding anything to the contrary in this Agreement, no Holder shall be required to tender into the Exchange Offer any of the Bonds sold by PREPA pursuant to the July BPA (the "***July Payment Bonds***") or the New January Bond Purchase Agreement (the "***January Payment Bonds***"). The terms of any exchange of the January Payment Bonds shall be governed by the terms of the January Payment Bonds, New January Bond Purchase Agreement and the January Payment Term Sheet; the terms of any exchange of the July Payment Bonds shall be governed by the terms of the July Payment Bonds, July BPA and the July Payment Term Sheet.

(c) During the Support Period, each Insurer shall:

(i) participate in purchasing the January Payment Bonds and the July Payment Bonds as set forth in section 8 and undertake the transactions ascribed to such Insurer, including, in the case of National and Assured, providing the applicable DSRF sureties, in each case, subject to the terms and conditions set forth in Schedules II and II-A to the Recovery Plan Term Sheet (together, the "***Insurers' Transactions***"); *provided* that it shall be a condition precedent to each applicable Insurer's obligations hereunder and under Schedules II and II-A to the Recovery Plan Term Sheet that PREPA shall not have commenced or be subject to (a) any proceeding under bankruptcy or insolvency law, (b) any suspension period or proceeding under the Recovery Act, or (c) any other action or proceeding that seeks to adjust, extend or challenge the claims of the Supporting Creditors, in each case whether pursuant to any federal, state, Puerto Rico or other statute or law, now or hereinafter in effect.

For the avoidance of doubt, National and Assured's obligation to participate in the Insurers' Transactions in accordance with the terms of Schedule II to the Recovery Plan Term Sheet shall be limited to the amounts of the Insurers' Transactions that are set forth in the letter agreement between National and Assured described in footnote three of Schedule II to the Recovery Plan Term Sheet, and neither National nor Assured shall be obligated to participate in or perform the Insurers' Transactions in respect of amounts or obligations set forth in such letter or in Schedule II to the Recovery Plan Term Sheet with respect to the other Insurer.

~~(ii) Each of National and PREPA agree that they shall jointly seek approval of a stay related to National's petition for a temporary rate increase filed before the Energy Commission on September 17, 2015, and the subsequent appeal of that action filed with the Puerto Rico Circuit Court of Appeals on October 30, 2015 (the "*Action*") until the earlier of the following occurs (such period, the "*Suspension Period*"): (x) termination of this Agreement, (y) National's withdrawal from or termination of this Agreement and (z) December 19, 2016. Such stay shall be without prejudice to any of the Parties' rights upon resumption of litigation in those proceedings after termination of the Suspension Period. Notwithstanding the foregoing, this Agreement shall not prohibit National from responding to any pleading, order, court communication, or notice as necessary to preserve National's Action and National's rights in the Action during the Suspension Period, or from unilaterally dismissing its appeal of the Action.~~

(ii) [RESERVED].

(iii) ~~During the Suspension Period,~~ except to the extent provided in the last two sentences of this paragraph, refrain from instituting, commencing, prosecuting, joining, supporting or otherwise participating directly or indirectly in any way in any legal or administrative proceedings regarding PREPA's rates other than the Rate Structure contemplated in the Recovery Plan. Nothing in this Agreement shall prohibit or limit in any way the Insurers' participation in the Integrated Resources Plan proceedings. Except ~~with respect to the Action~~ to the extent provided herein, this Agreement does not prohibit the Insurers from intervening in, filing pleadings or other documents with, or otherwise participating in any proceeding before the Energy Commission; *provided* that~~, during the Suspension Period,~~ such intervention or filings shall in no way interfere with or delay PREPA's rate case related to the Rate Structure filed with the Energy Commission pursuant to the Recovery Plan.

(d) During the Support Period, each of the Insurers and Holders shall:

(i) consent to the execution and delivery by PREPA and the Trustee of the TA Amendment, in compliance with the terms of the Trust Agreement;

(ii) in the case of a Holder, deliver consents with respect to any and all Uninsured Bonds owned or controlled by such Holder in the Consent Solicitation, and, in the case of an Insurer, deliver consents with respect to any and all Insured Bonds owned or insured by such Insurer, as described in Schedule II and II-A to the Recovery Plan Term Sheet, in each case in accordance with the terms of the Bond Documents;

(iii) take all commercially reasonable and necessary actions to effectuate and/or implement the TA Amendment, the Insurers' Transactions, the

Consent Solicitation and the Exchange Offer, as applicable, including, without limitation, transmitting its consent direction to its Depository Trust Company participant or participants, and any other person whose action is required to effectuate and/or implement the TA Amendment, the Insurers' Transactions, the Consent Solicitation and the Exchange Offer, as applicable (but without any obligation under this Agreement to indemnify the Trustee); and

(iv) forbear from exercising, or consenting to the exercise of, any right to direct the Trustee to enforce or exercise any rights or remedies available to the Trustee under the Trust Agreement or applicable law arising solely by reason of any default or event of default under any Bond Document that may have occurred or may subsequently occur as identified on Annex E attached hereto (the "***Bond Potential Defaults***").

(e) Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall limit or restrict any Holder or Insurer or the Trustee from taking any action that the Trustee or any such Holder or Insurer may take under its respective Bond Documents, at law or in equity, that the Trustee or any such Holder or Insurer deems necessary or appropriate to preserve, protect or defend (but not to enforce) any trust rights, security interests, collateral, pledges of assets, liens, any other property rights or any other rights under the Bond Documents for the benefit of the Trustee or the Bonds, either held directly by the Holders or Insurers or held through the Trustee (the "***Rights***") against any challenge, infringement or assertion of priority, including, without limitation, (i) defending, intervening in or filing pleadings and other documents in any legal proceedings relating to any such Rights, (ii) sending notices to any persons, governmental authorities or entities concerning the existence of any such Rights, (iii) directing the Trustee to take any action to preserve, protect or defend any such Rights, (iv) appearing and participating as a party in interest in any matter to be adjudicated or decided in any bankruptcy or insolvency proceeding concerning PREPA, or (v) otherwise preserving any of the rights, remedies, positions or defenses of such Insurer or Holder or the Trustee, all of which are hereby expressly reserved.

(f) Notwithstanding anything to the contrary herein but subject to section 22, nothing in this Agreement or the Recovery Plan shall limit or restrict any Insurer or Holder from taking any action that any such Insurer or Holder shall deem necessary or appropriate to preserve, protect or defend any of its rights under this Agreement, the Recovery Plan or the Recovery Plan Documents.

(g) During the Support Period, (i) except as provided by the Recovery Plan, PREPA's obligations to pay any and all Principal and Interest Requirements when due in accordance with the terms of the Bond Documents shall continue, and (ii) the Insurers and Holders agree and acknowledge that PREPA shall not

be required to make transfers to the Revenue Fund or the Sinking Fund pursuant to Sections 506 or 507 of the Trust Agreement.

(h) Except as expressly provided herein or in the TA Amendment, none of (A) the existence, execution, delivery or performance of any term or provision of this Agreement or the TA Amendment, (B) any failure by any Holder or Insurer to object to any document or action contemplated by or taken under or in connection with this Agreement or the TA Amendment, or (C) any action taken under or in connection with this Agreement or the TA Amendment, including any approvals or consents to any action or document, shall (i) constitute a modification or relinquishment of any term or aspect of, or any right or remedy under or with respect to, the Bond Documents or any other document (other than this Agreement to the extent expressly provided herein) or under applicable law; (ii) constitute a consent to, waiver of, or admission of any default or event of default (or the absence of a default or event of default) in any of the Bond Documents; (iii) extend the due date of any obligations under the Bond Documents or otherwise affect the enforceability of such obligations; (iv) give rise to any obligation to extend, amend, waive or otherwise modify any term or condition of any of the applicable Bond Documents, or in the case of the Insurers and Holders, to direct the Trustee with respect to any of the foregoing; (v) give rise to any defenses or counterclaims to PREPA, the Insurers or the Holders, or to any right of the Insurers or Holders to direct the Trustee under the Bond Documents, to compel payment of the obligations under any of the applicable Bond Documents or to otherwise enforce rights or remedies thereunder or under applicable law; (vi) prohibit any Insurer or Holder from instituting, commencing, prosecuting, joining, interceding in, supporting or otherwise participating directly or indirectly in any way in any legal proceedings regarding the validity or enforceability of the Puerto Rico Public Corporation Debt Enforcement and Recovery Act, Act No. 71-2014 (as amended, supplemented, modified, superseded, or replaced with other legislation in respect of a restructuring of PREPA, the "***Recovery Act***") or any provision thereof, or intervening or otherwise participating in any lawsuit filed by any party regarding the validity or enforceability of the Recovery Act (any such legal proceedings, actions or lawsuits, "***Recovery Act Legal Actions***"); or (vii) prejudice the rights of any party to the Recovery Act Legal Actions. Except as expressly limited herein, each Insurer, each Holder and PREPA hereby expressly reserves all of its rights, remedies, positions and defenses under or with respect to the Bond Documents and under applicable law, and waives none. From and after the termination of this Agreement as to any Insurer or Holder, (x) each such Insurer or Holder (each, a "***Terminated Insurer***" or "***Terminated Holder***", respectively) shall be entitled to protect, defend, enforce and assert any of its rights, remedies, positions and defenses under or with respect to the Bond Documents, in accordance with their respective terms, or under applicable law, including without limitation, commencing legal proceedings and (y) PREPA shall, subject to its obligations under this Agreement to the remaining Parties, be entitled to protect, defend,

enforce and assert any of its rights, remedies, positions and defenses under or with respect to the Bond Documents, in accordance with their respective terms, or under applicable law, including without limitation, commencing legal proceedings, solely against the Terminated Insurer or Terminated Holder, as applicable. PREPA acknowledges that no Insurer or Holder has made any representations as to what actions, if any, any Holder or Insurer will take after this Agreement terminates as to such Holder or Insurer (including by withdrawal).

5. Scotiabank and the Scotiabank Lenders' Obligations.

(a) Scotiabank and the Scotiabank Lenders shall (i) (A) consent to the Scotiabank Credit Agreement Amendments (as defined in the Recovery Plan Term Sheet) with respect to all or part of the Scotiabank Loans and/or (B) exchange all or part of the Scotiabank Loans in the Exchange Offer (as described in the Recovery Plan Term Sheet) and (ii) agree to take any and all reasonably necessary and appropriate action to effectuate the Scotiabank Credit Agreement Amendments and/or the Exchange Offer, as applicable, in each case so that the entirety of the Scotiabank Loans are either subject to the Scotiabank Credit Agreement Amendments or exchanged into the Exchange Offer (or a combination thereof).

(b) PREPA, Scotiabank and the Scotiabank Lenders agree that the definition of "Maturity Date" under the Scotiabank Credit Agreement shall be amended in its entirety as follows:

> "*Maturity Date*" means the date that certain Amended and Restated Restructuring Support Agreement (as amended, the "Restructuring Support Agreement") between the Borrower and the Administrative Agent and the Scotiabank Lenders, among other parties, dated as of March 14, 2016, terminates with respect to the Administrative Agent and the Scotiabank Lenders, on the one hand, and the Borrower, on the other hand, or the Administrative Agent and the Scotiabank Lenders cease to be "Supporting Creditors" thereunder, in each case in accordance with the terms of the Restructuring Support Agreement."

(c) During the Support Period, subject to the terms and conditions set forth herein, Scotiabank and each of the Scotiabank Lenders agrees as follows:

(i) With respect to the Scotiabank Credit Agreement, Scotiabank and each Scotiabank Lender will forbear from exercising, or consenting to the exercise of, any right to direct the Agent (as such term is defined in the Scotiabank Credit Agreement) to enforce or exercise any rights or remedies available to the Agent under the Scotiabank Credit Agreement or applicable law arising solely by reason of any Default or Event of Default (as such terms are defined in the Scotiabank Credit Agreement)

that may have occurred or may subsequently occur as identified on Annex F attached hereto (the "***Scotiabank Potential Defaults***"); and

(ii) Scotiabank and each Scotiabank Lender will forbear from enforcing or exercising any rights or remedies available under the Loan Documents (as such term is defined in the Scotiabank Credit Agreement) or applicable law in respect of the Scotiabank Potential Defaults.

(d) Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall limit or restrict Scotiabank or any Scotiabank Lender from (i) taking any action that Scotiabank or any such Scotiabank Lender may take under the Loan Documents, at law or in equity, that Scotiabank or such Scotiabank Lender deems is necessary or appropriate to preserve, protect or defend (but not to enforce) any of the Scotiabank Priority Rights (as defined below) against any challenge, infringement or assertion of priority, including, without limitation, (A) defending, intervening in or filing any legal proceedings relating to any such Scotiabank Priority Rights, (B) sending notices to any persons, governmental authorities or entities concerning the existence of any such Scotiabank Priority Rights, or (C) otherwise preserving any of the rights, remedies, positions or defenses of Scotiabank or such Scotiabank Lender, all of which are hereby expressly reserved; (ii) defending, intervening in or filing pleadings and other documents in any legal proceedings relating to the validity, amount, priority, or other terms of the Scotiabank Credit Agreement or the Scotiabank Loan Obligations; (iii) intervening in, filing pleadings or other documents with, or otherwise participating in any proceeding before the Energy Commission; or (iv) appearing and participating as a party in interest in any matter to be adjudicated or decided in any bankruptcy or insolvency proceeding concerning PREPA, *provided* that the positions advocated in connection with such appearance are not materially inconsistent with the Recovery Plan and do not delay or hinder in any material respect, or prevent consummation of the Recovery Plan. For purposes hereof, "***Scotiabank Priority Rights***" shall mean the treatment of the Obligations (as such term is defined in the Scotiabank Credit Agreement, the "***Scotiabank Loan Obligations***") as "Current Expenses" under the Trust Agreement.

(e) PREPA shall continue to make scheduled payments of interest in cash under the Scotiabank Credit Agreement; *provided* that, notwithstanding anything to the contrary in the Scotiabank Credit Agreement, during the Support Period, interest shall accrue and be paid in cash on the Scotiabank Loan Obligations at a rate of 7.25% per annum on the first business day of each month. The Agent on behalf of the Scotiabank Lenders acknowledges and agrees that no default interest under the Scotiabank Credit Agreement will accrue or be paid during the Support Period.

(f) Except as expressly provided herein, none of (A) the existence, execution, delivery or performance of any term or provision of this Agreement, (B) any failure by Scotiabank or any Scotiabank Lender to object to any document or

action contemplated by or taken under or in connection with this Agreement, or (C) any action taken under or in connection with this Agreement, including any approvals or consents to any action or document, shall (i) constitute a modification or relinquishment of any term or aspect of, or any right or remedy under or with respect to, the Loan Documents or a direction to Scotiabank with respect to any of the foregoing; (ii) constitute a consent to, waiver of, or admission of any default or event of default (or the absence of a default or event of default) in any of the Loan Documents; (iii) extend the due date of any obligations under the Loan Documents or otherwise affect the enforceability of such obligations; (iv) give rise to any obligation to extend, amend, waive or otherwise modify any term or condition of any of the applicable Loan Documents; (v) give rise to any defenses or counterclaims for PREPA, Scotiabank or the Scotiabank Lenders, or to any right of the Scotiabank Lenders to direct the Agent under the Loan Documents, to compel payment of the obligations under any of the applicable Loan Documents or to otherwise enforce rights or remedies thereunder; (vi) prohibit Scotiabank or the Scotiabank Lenders from instituting, commencing, prosecuting, joining, interceding in, supporting or otherwise participating directly or indirectly in any way in any legal proceedings regarding the validity, enforceability or application of the Recovery Act or any provision thereof, or intervening or otherwise participating in any Recovery Act Legal Action; or (vii) prejudice the rights of any party to the Recovery Act Legal Actions. Except as expressly limited herein, Scotiabank, each Scotiabank Lender and PREPA each hereby expressly reserve all of their respective rights, remedies, positions and defenses under or with respect to the Loan Documents and under applicable law, and waive none. From and after the termination of this Agreement as to Scotiabank and the Scotiabank Lenders, (x) Scotiabank and each Scotiabank Lender shall be entitled to protect, defend, enforce and assert any of their respective rights, remedies, positions and defenses under or with respect to the Loan Documents in accordance with their respective terms or under applicable law, including without limitation commencing legal proceedings, and (y) PREPA shall, subject to its obligations under this Agreement to the remaining Parties, be entitled to protect, defend, enforce and assert any of its respective rights, remedies, positions and defenses under or with respect to the Loan Documents in accordance with their respective terms or under applicable law, including without limitation commencing legal proceedings. PREPA acknowledges that none of Scotiabank and the Scotiabank Lenders have made any representations as to what actions, if any, Scotiabank and the Scotiabank Lenders will take after this Agreement terminates, and with respect thereto Scotiabank and the Scotiabank Lenders specifically reserve any and all rights, remedies, and claims Scotiabank and the Scotiabank Lenders have (after giving effect hereto) with respect to the Scotiabank Potential Defaults and each other Default (as such term is defined in the Scotiabank Credit Agreement) that may occur.

(g) Notwithstanding anything to the contrary herein but subject to section 22, nothing in this Agreement or the Recovery Plan shall limit or restrict

Scotiabank or any Scotiabank Lender from taking any action that Scotiabank or such Scotiabank Lender shall deem necessary or appropriate to preserve, protect or defend any of its rights under this Agreement, the Recovery Plan or the Recovery Plan Documents.

6. Solus and the Solus Lenders' Obligations.

(a) Each Solus Lender (i) shall (A) consent to the Solus Credit Agreement Amendments (as defined in the Recovery Plan Term Sheet, together with the Scotiabank Credit Agreement Amendments, the "***Credit Agreements Amendments***") with respect to all or part of the Solus Loans and/or (B) exchange all or part of the Solus Loans in the Exchange Offer (as described in the Recovery Plan Term Sheet) and (ii) agrees to take any and all reasonably necessary and appropriate action to effectuate the Solus Credit Agreement Amendments and/or the Exchange Offer, as applicable, in each case so that the entirety of the Solus Loans are either subject to the Solus Credit Agreement Amendments or exchanged into the Exchange Offer (or a combination thereof).

(b) During the Support Period, subject to the terms and conditions set forth herein, the Solus Lenders agree that, with respect to the Solus Credit Agreement, the Solus Lenders will forbear from enforcing or exercising any rights or remedies available to the Solus Lenders under the Solus Credit Agreement or applicable law arising solely by reason of any Default or Event of Default (as such terms are defined in the Solus Credit Agreement) that may have occurred or may subsequently occur as identified on Annex G attached hereto (the "***Solus Potential Defaults***", and collectively with the Scotiabank Potential Defaults and Bond Potential Defaults, the "***Potential Defaults***").

(c) Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall limit or restrict Solus from (i) taking any action that Solus may take under the Facility Documents (as such term is defined in the Solus Credit Agreement), at law or in equity, that Solus deems is necessary or appropriate to preserve, protect or defend (but not to enforce) any of the Solus Priority Rights (as defined below) against any challenge, infringement or assertion of priority, including, without limitation, (A) defending, intervening in or filing pleadings and other documents in any legal proceedings relating to any such Solus Priority Rights, (B) sending notices to any persons, governmental authorities or entities concerning the existence of any such Solus Priority Rights, or (C) otherwise preserving any of the rights, remedies, positions or defenses of Solus, all of which are hereby expressly reserved; (ii) defending, intervening in or filing pleadings and other documents in any legal proceedings relating to the validity, amount, priority, or other terms of the Solus Credit Agreement or the Solus Loan Obligations; (iii) intervening in, filing pleadings or other documents with, or otherwise participating in any proceeding before the Energy Commission; or (iv) appearing and participating as a party in interest in any matter to be adjudicated or decided in any bankruptcy or insolvency proceeding concerning PREPA, *provided* that the positions advocated in

connection with such appearance are not materially inconsistent with the Recovery Plan and do not delay or hinder in any material respect, or prevent consummation of the Recovery Plan. For purposes hereof, "***Solus Priority Rights***" shall mean the treatment of the Obligations (as such term is defined in the Solus Credit Agreement, the "***Solus Loan Obligations***") as "Current Expenses" under the Trust Agreement.

(d) PREPA shall continue to make scheduled payments of interest in cash under the Solus Credit Agreement; *provided* that notwithstanding anything to the contrary in the Solus Credit Agreement, during the Support Period, interest shall accrue and be paid in cash on the Solus Loan Obligations at a rate of 7.25% per annum on the first business day of each month. Each of the Solus Lenders acknowledges and agrees that no default interest under the Solus Credit Agreement will accrue or be paid during the Support Period.

(e) Except as expressly provided herein, none of (A) the existence, execution, delivery or performance of any term or provision of this Agreement, (B) any failure by any Solus Lender to object to any document or action contemplated by or taken under or in connection with this Agreement, or (C) any action taken under or in connection with this Agreement, including any approvals or consents to any action or document, shall (i) constitute a modification or relinquishment of any term or aspect of, or any right or remedy under or with respect to, the Facility Documents; (ii) constitute a consent to, waiver of, or admission of any default or event of default (or the absence of a default or event of default) in any of the Facility Documents; (iii) extend the due date of any obligations under the Facility Documents or otherwise affect the enforceability of such obligations; (iv) give rise to any obligation to extend, amend, waive or otherwise modify any term or condition of any of the applicable Facility Documents; (v) give rise to any defenses or counterclaims to PREPA or the Solus Lenders, or to any right of the Solus Lenders to compel payment of the obligations under any of the applicable Facility Documents or to otherwise enforce rights or remedies thereunder; (vi) prohibit the Solus Lenders from instituting, commencing, prosecuting, joining, interceding in, supporting or otherwise participating directly or indirectly in any way in any legal proceedings regarding the validity, enforceability or application of the Recovery Act or any provision thereof, or intervening or otherwise participating in any Recovery Act Legal Actions; or (vii) prejudice the rights of any party to the Recovery Act Legal Actions. Notwithstanding anything to the contrary, nothing in this Agreement shall amend or modify ~~S~~sections 8.02 and 8.04 of the Solus Credit Agreement. Except as expressly limited herein, each Solus Lender and PREPA hereby expressly reserves all of its rights, remedies, positions and defenses under or with respect to the Facility Documents and under applicable law, and waives none. From and after the termination of this Agreement as to Solus, the Solus Lenders and PREPA shall, subject to PREPA's obligations under this Agreement to the remaining Parties, be entitled to protect, defend, enforce and assert any of their respective rights, remedies, positions and defenses under or

with respect to the Loan Documents in accordance with their respective terms or under applicable law, including without limitation commencing legal proceedings. PREPA acknowledges that Solus has made no representations as to what actions, if any, Solus will take after this Agreement terminates as to Solus (including by withdrawal), and with respect thereto Solus hereby specifically reserves any and all rights, remedies, and claims it has (after giving effect hereto) with respect to the Solus Potential Defaults and each other Default (as such term is defined in the Solus Credit Agreement) that may occur.

(f) Notwithstanding anything to the contrary herein but subject to section 22, nothing in this Agreement or the Recovery Plan shall limit or restrict Solus from taking any action that Solus shall deem necessary or appropriate to preserve, protect or defend any of its rights under this Agreement, the Recovery Plan or the Recovery Plan Documents.

7. GDB's Obligations.

(a) During the Support Period:

(i) GDB shall work cooperatively with PREPA, the Securitization SPV, the Supporting Creditors and their advisors to prepare and execute any documentation necessary (including the Recovery Plan Documents), as well as to take such steps as are commercially reasonable, necessary or appropriate to support, facilitate, implement and consummate the Recovery Plan;

(ii) GDB (x) shall consent to the GDB Loan Amendments (as defined in the Recovery Plan Term Sheet) with respect to all or part of its indebtedness under the GDB Loan Agreements and/or (y) exchange all or part of its indebtedness under the GDB Loan Agreements in the Exchange Offer (as described in the Recovery Plan Term Sheet) and (z) agrees to take any and all reasonably necessary and appropriate action to effectuate the GDB Loan Amendments and/or the Exchange Offer, as applicable, in each case so that the entirety of its indebtedness under the GDB Loan Agreements is either subject to the GDB Loan Amendments or exchanged into the Exchange Offer (or a combination thereof);

(iii) upon the request of PREPA, the Securitization SPV or the Supporting Creditors, GDB shall provide reasonable access to its management in connection with the documentation, execution, and implementation of the Recovery Plan in the form of regular meetings between and/or among such management, advisors to PREPA, the Securitization SPV and the Supporting Creditors and/or their advisors;

(iv) upon the terms and subject to the conditions set forth herein, GDB shall not enforce any rights or remedies (including, without limitation, the

commencement of any legal proceedings and the exercise of any right of setoff or recoupment) against PREPA or its assets in respect of GDB's rights or claims under the GDB Loan Agreements or GDB's pecuniary rights or claims to payment under any other contract or agreement between GDB and PREPA;

(v) GDB shall refrain from directly or indirectly promoting or supporting any bill or legislation that is materially inconsistent with the Recovery Plan or this Agreement, that would materially and adversely affect the ability of PREPA or the Securitization SPV to comply with its obligations under this Agreement or under the Recovery Plan Documents, or that would materially and adversely affect any Supporting Creditor in its capacity as a PREPA creditor; and

(vi) GDB shall refrain from (i) taking, recommending, proposing, supporting, soliciting, or participating in any action not required by law that is inconsistent in any material respect with, or that would materially delay or impede approval, execution of documentation for, or implementation or consummation of the Recovery Plan, or that is otherwise inconsistent in any material respect with the express terms of this Agreement, and (ii) directly or indirectly, proposing, supporting, soliciting, or participating in the formulation of any plan or proposal to restructure PREPA other than the Recovery Plan.

(b) Nothing contained in this Agreement is intended, or shall be deemed or construed to (i) constitute a waiver of any term or provision of the GDB Agreements (other than waiver of the exercise of any rights or remedies, including any exercise of a setoff or recoup right, in each case during the Support Period) and any other agreements between GDB and PREPA or applicable law, (ii) establish a custom or course of dealing between PREPA, on the one hand, and GDB, on the other hand, or (iii) limit or restrict GDB's ability or right to exercise its duty to act as the fiscal agent to any other person.

(c) Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall limit or restrict GDB from taking any action that GDB may take under the GDB Agreements, at law or in equity, that is necessary or appropriate to preserve, protect or defend (but not to enforce) any of GDB's rights thereunder against any challenge, including, without limitation, (i) defending, intervening in or filing any legal proceedings relating to any such GDB's rights, (ii) sending notices to any persons, governmental authorities or entities concerning the existence of any such GDB's rights, or (iii) otherwise preserving any of the rights, remedies, positions or defenses of GDB, all of which are hereby expressly reserved; *provided*, however that during the Support Period GDB shall not have the right to setoff against any of PREPA's

moneys, notwithstanding if GDB has such rights under the GDB Loan Agreements or under any other applicable documents or law.

(d) Upon termination of this Agreement, without the requirement of any notice to PREPA or any other person or Party: (i) all agreements set forth in section 7(a)(iv) of this Agreement shall terminate automatically and be of no further force or effect, and (ii) subject to the terms of the GDB Agreements and applicable law, except as otherwise required by this Agreement, GDB and PREPA shall be free in their sole and absolute discretion without limitation to proceed to enforce any or all of their respective rights and remedies set forth in the GDB Agreements and applicable law including, without limitation, commencing legal proceedings. Notwithstanding anything to the contrary herein but subject to section 22, nothing in this Agreement or the Recovery Plan shall limit or restrict GDB from taking any action that GDB shall deem necessary or appropriate to preserve, protect or defend any of its rights under this Agreement, the Recovery Plan or the Recovery Plan Documents.

(e) GDB agrees that during the Support Period PREPA shall have no obligation to pay any principal or interest under the GDB Loan Agreements, *provided* that interest shall continue to accrue but shall not be payable unless and until all principal and interest due and payable to the Supporting Creditors shall have been paid; notwithstanding the foregoing, such GDB principal or interest payments may be made on a current basis to the extent paid out of funds disbursed by a federal or local governmental entity (other than PREPA) for the purpose of paying such amounts pursuant to a federal or local program or appropriation.

(f) Except as expressly provided in this Agreement, including the Recovery Plan and any Recovery Plan Document, GDB shall in no way be required as a result of this Agreement to expend any cash resources or assume any additional risk or liability in support of the Recovery Plan or this Agreement. GDB acknowledges that PREPA and the Supporting Creditors have made no representations as to what actions, if any, PREPA or any of the Supporting Creditors will take after this Agreement terminates.

8. Additional Covenant by the Participating Holders, PREPA, and the Insurers.

(a) Each of the Participating Holders (as defined in the January Payment Term Sheet), PREPA and the applicable Insurers agree to execute a mutually agreeable bond purchase agreement, in accordance with and subject to the terms and conditions set forth in Annex H hereto ("***January Payment Term Sheet***").

(b) Each of the Participating Holders (as defined in the July Payment Term Sheet), PREPA and the Insurers agree to execute a mutually agreeable bond purchase

agreement, in accordance with and subject to the terms and conditions set forth in Annex I hereto ("***July Payment Term Sheet***").

9. Additional Covenants by PREPA. PREPA hereby covenants as follows:

(a) During the Support Period, PREPA shall provide the following to each Supporting Creditor or, if so directed by a Supporting Creditor in writing, such Supporting Creditor's financial and legal advisors, in each case, subject to an Acceptable NDA:

(i) Within two (2) business days after receipt, any default, event of default or termination notice received by PREPA under the Trust Agreement, the Credit Agreements, the GDB Loan Agreements or any other agreement under which PREPA owes or could owe more than $10 million if a counterparty exercises remedies thereunder;

(ii) Within five (5) business days after the end of any month, a cash report showing account balances for the General Fund and the Construction Fund (as each term is defined in the Trust Agreement);

(iii) Within five (5) business days after execution by PREPA, copies of any agreements with vendors for the delivery of fuel oil or for the purchase of power with projected annual spend of greater than $50 million;

(iv) Within five (5) business days after PREPA has proposed or received any proposal that it intends in good faith to consider, any such proposal (whether formal or informal) that concerns any new financing or loan facility or any proposed recovery program or debt enforcement plan;

(v) Within five (5) business days after the Effective Date, a 13-week cash flow statement (the "***Initial 13-Week Cash Flow Statement***") and weekly updates to the Initial 13-Week Cash Flow Statement (the "***Rolling 13-Week Cash Flow Statement***");

(vi) No later than seven (7) business days prior to the end of the period covered by the Initial 13-Week Cash Flow Statement and each subsequent 13-week period, a budget covering the next 13-week period including the same categories as the Initial 13-Week Cash Flow Statement;

(vii) Copies of all documents filed or published by any person relating to the PREC Public Hearing (including any comment period), to the extent not publicly available online and to the extent permissible under any relevant confidentiality obligation; and

(viii) Written notice of any (A) default by any Party under this Agreement, or (B) Termination Event (as defined herein), and, in the case of clause (A), the waiver or cure of any such default, in each case within two (2) business days after the occurrence of such default, Termination Event, waiver, or cure, shall have been notified in writing to PREPA or PREPA shall have otherwise obtained actual knowledge of the occurrence of such default, Termination Event, waiver, or cure.

(b) During the Support Period, PREPA shall (i) consult, in good faith, with the Supporting Creditors' financial and legal advisors with respect to (A) any proposal that concerns any new financing or loan facility, (B) any proposed recovery program or debt enforcement plan, (C) any rate case (a "***Rate Case***") to be submitted to the Energy Commission (including with respect to the Rate Structure (as defined in the Recovery Plan Term Sheet)), the initial petition and other substantive pleadings (excluding any pleadings responding to information requests) submitted to the Energy Commission, (D) any substantive pleadings (excluding any pleadings responding to information requests) submitted to the Energy Commission in connection with the SPV Petition, (E) to the extent practicable, any amendments to the Act and any related legislation, and (F) to the extent permissible under relevant confidentiality agreements with the rating agencies, any presentations provided to, or discussions or correspondence with, any rating agency in connection with PREPA's efforts to obtain a rating on the Securitization Bonds; (ii) consider, in good faith, any recommendations made by such advisors with respect to each of the foregoing; *provided*, that, with respect to item (C), (D) and (F) above (to the extent practicable, and for (F), only with respect to presentations provided to any rating agencies), PREPA shall provide a copy of each of the documents described therein to each of the Supporting Creditors' financial and legal advisors no later than five (5) business days prior to submission to the Energy Commission or a rating agency, as applicable; and (iii) keep the Supporting Creditors' financial and legal advisors reasonably informed regarding any material developments with respect to (X) the matters described in clauses (i)(A)-(F) of this subsection, (Y) any power purchase agreement or public-private partnership with PREPA, and (Z) any other material transaction outside the ordinary course of PREPA's business.

(c) Except as provided by the Recovery Plan, PREPA shall not agree to any amendments, modifications, or supplements to the Bond Documents, Credit Agreements or GDB Loan Agreements (collectively, the "***Supporting Creditor Agreements***") that (A) prejudice or impair any Supporting Creditors' rights (as applicable) under the applicable Supporting Creditor Agreements or are otherwise adverse to any Supporting Creditors in their capacity as PREPA creditors, (B) enhance the existing rights of the Insurers, Holders, Scotiabank, the Scotiabank Lenders, Solus or GDB (as applicable), or (C) without limiting the preceding clauses (A) or (B), modify any Supporting Creditor Agreement (as applicable) in any way that is adverse to any Supporting Creditor (in its capacity as a PREPA creditor) not party to such agreement or which enhances

the rights of any Supporting Creditor under a Supporting Creditor Agreement, in the case of clauses (A), (B) and (C), without the written consent of the Requisite Supporting Creditors and Supermajority Insurers, counting, for purposes of clause (C) only, only those Supporting Creditors within each class of Supporting Creditors that are not parties to such Supporting Creditor Agreement.

Prior to entering into any amendment, modification or supplement to the Supporting Creditor Agreements, PREPA shall provide written notice of any such proposed amendment (each, a "***Proposed Amendment***") to the financial and legal advisors of any Supporting Creditors not party to such Supporting Creditor Agreement no less than ten (10) business days prior to the effectiveness of such Proposed Amendment. If PREPA does not receive any written objection to a Proposed Amendment from counsel to any such Supporting Creditors within ten (10) business days after providing such notice, no consent of such Supporting Creditors shall be required pursuant to the preceding paragraph prior to PREPA's entry into the applicable Proposed Amendment;

(d) It shall use reasonable commercial efforts to respond promptly to any reasonable written request for information concerning further diligence requests made by any Supporting Creditor;

(e) It shall provide to the Supporting Creditors and their advisors reasonable access to its management and advisors that are participating in the development of the Recovery Plan from time to time, including, without limitation, if requested, weekly meetings and/or telephone conference calls with the financial advisors to the Supporting Creditors to discuss, among other things, any of the reports provided pursuant to section 9(a) of this Agreement;

(f) It shall use commercially reasonable efforts to pursue any overdue accounts in respect of its accounts receivable from all of its customers (including, without limitation, all governmental entities and municipalities) and take all reasonable actions to seek to collect such Revenues;

(g) It shall attempt, in good faith, to minimize potential setoff risks in conducting its cash management practices;

(h) It shall satisfy, when due and in accordance with their terms, its payment obligations under (i) the interest rate swap transaction between PREPA and UBS AG, Stamford Branch, evidenced by a confirmation, dated April 18, 2007, as amended and supplemented from time to time; and (ii) the interest rate swap transaction between PREPA and JPMorgan Chase Bank, N.A., evidenced by a confirmation, dated April 27, 2007, as amended and supplemented from time to time (such swaps, the "***Assured Swaps***");

(i) PREPA shall record (i) revenue from municipalities and associated receivable balances on a gross basis, without reflecting any offset or accounting

adjustment for Contributions in Lieu of Taxes ("***CILT***"); and (ii) CILT liabilities on a gross basis;

(j) PREPA shall post the following to its publicly accessible website within two (2) business days after the date such documents are delivered to the Trustee (and shall make such delivery on a timely basis): (i) the annual report of the consulting engineers required under Section 706 of the Trust Agreement and (ii) the monthly statements under Section 710 of the Trust Agreement;

(k) On the Effective Date, PREPA paid to each (x) Holder (or its designee) a support fee (the "***Holder Support Fee***") in cash in an amount equal to its pro rata share (calculated based on the Bond Principal Amount held or controlled by all Holders) of $1,250,000, and (y) Credit Agreements Lender (or its designee) a support fee (the "***Lender Support Fee***") in cash in an amount equal to its pro rata share (calculated based on the Credit Agreements Principal Amount held or controlled by the Credit Agreements Lenders in their capacities as such) of $400,000; in each case under clauses (x) and (y) above, upon PREPA's receipt of a written certification by such Supporting Creditor (or its designee) that such pro rata share does not exceed, after giving effect to amounts reimbursed to their advisors from payments of prior fees made by PREPA under the Prior Forbearance Agreements, the aggregate amount of fees and expenses incurred by such Supporting Creditor relating to work performed in connection with PREPA's restructuring, including the negotiation and documentation of this Agreement and the Recovery Plan and related diligence (but excluding, for the avoidance of doubt, any work related to litigation by such Supporting Creditor, or in which such Supporting Creditor participates, against PREPA or in respect of the Recovery Act or in respect of any rate case brought by such Supporting Creditor or in which such Supporting Creditor participates), which shall be creditable against any obligation of PREPA to pay any fees and expenses of such Supporting Creditor;

(l) No later than the first (1st) business day of each month after the Effective Date (as defined herein) during the Support Period, counsel to each Supporting Creditor that executed the Supplement (as defined herein) shall, by written notice to PREPA's counsel, subject to section 14, advise PREPA of any changes in the aggregate principal amount of Uninsured Bonds, Insured Bonds (solely in the case of the Insurers), Scotiabank Loans or Solus Loans (as applicable) beneficially owned, controlled or insured by its clients that are Supporting Creditors. On the fifteenth (15th) day of each calendar month (or the first business day thereafter), starting on the first such day after ~~the Supplement Effective Date~~June 30, 2016 and through ~~the Closing Date (as defined herein)~~and including December 15, 2016, PREPA shall pay, in arrears, a support fee to (x) each Ad Hoc Group member that is a Party to this Agreement at such time (or its designee) equal to its pro rata share (calculated based on the aggregate principal amount of Uninsured Bonds held or controlled by all Ad Hoc Group members Party to this Agreement at such time) of

$700,000, and (y) each Credit Agreements Lender that is a Party to this Agreement at such time (or its designee) equal to its pro rata share (calculated based on the Credit Agreements Principal Amount held or controlled by the Credit Agreements Lenders in their capacities as such) of $200,000; in each case, upon PREPA's receipt of a written certification by such Supporting Creditor (or its designee) that such pro rata share does not exceed, after giving effect to amounts reimbursed to their advisors from payments of prior fees made by PREPA under the Prior Forbearance Agreements or otherwise, the aggregate amount of fees and expenses incurred by such Supporting Creditor relating to work performed in connection with PREPA's restructuring, including the negotiation and documentation of this Agreement and the Recovery Plan and related diligence (but excluding, for the avoidance of doubt, any work related to litigation by such Supporting Creditor, or in which such Supporting Creditor participates, against PREPA or in respect of the Recovery Act or in respect of any rate case brought by such Supporting Creditor or in which such Supporting Creditor participates), which shall be creditable against any obligation of PREPA to pay any fees and expenses of such Supporting Creditor;

(m) On the fifteenth (15th) day of each calendar month (or the first business day thereafter), starting on the first such day after ~~the Supplement Effective Date~~June 30, 2016 and through ~~the Closing Date (as defined herein)~~and including December 15, 2016, PREPA shall pay, in arrears, a support fee to (A) National, if National is a Party to this Agreement at such time, of $380,000; (B) Assured, if Assured is a Party to this Agreement at such time, of $245,000 and (C) Syncora, if Syncora is a Party to this Agreement at such time, of $50,000, in each case upon PREPA's receipt of a written certification by the relevant Insurer (or its designee) that such support fee does not exceed, after giving effect to amounts reimbursed to its advisors from payments of prior fees made by PREPA under the Prior Forbearance Agreements or otherwise, the aggregate amount of fees and expenses incurred by such Insurer relating to work performed in connection with PREPA's restructuring, including the negotiation and documentation of this Agreement and the Recovery Plan and related diligence (but excluding, for the avoidance of doubt, any work related to litigation by such Insurer, or in which such Insurer participates, against PREPA or in respect of the Recovery Act or in respect of any rate case brought by such Insurer or in which such Insurer participates), which shall be creditable against any obligation of PREPA to pay any fees and expenses of such Insurer. In consideration of the fees set forth in this paragraph, notwithstanding any other contractual rights to the contrary, the Insurers shall not be entitled to any fees or expenses (including, for the avoidance of doubt, any fees and expenses of legal and financial advisors) incurred in connection with PREPA's restructuring other than the monthly fees payable hereunder and, solely with respect to National and Assured, the Quarterly Fee and the DSRF surety premiums described in Schedule II of the Recovery Plan Term Sheet;

(n) PREPA shall include in the Consent Solicitation documents a description of the revised "Current Expenses" definition to be incorporated in the Trust Agreement pursuant to the Closing Date Trust Agreement Amendments (as described in the Recovery Plan Term Sheet), which definition in the Closing Date Trust Agreement Amendments shall expressly provide that the Scotiabank Loan Obligations and the Solus Loan Obligations shall constitute "Current Expenses" under the Trust Agreement, as provided in the Recovery Plan Term Sheet;

(o) PREPA shall retain a recognized search firm with extensive experience in selecting executives and directors for electric utility companies (other than PREPA) of similar size, complexity and risks as PREPA (the "***Search Firm***") to conduct a search for independent directors as contemplated by the Act on or before February 26, 2016, and shall consult, in good faith, with the Supporting Creditors (subject to an Acceptable NDA) and the financial and legal advisors of the Supporting Creditors before retaining any search firm;

(p) During the Support Period PREPA shall not institute, join or support any action or proceeding to challenge, modify, alter or otherwise take any public position regarding the treatment of the Solus Loan Obligations and the Scotiabank Loan Obligations as "Current Expenses" under the Trust Agreement;

(q) [RESERVED]; and

(r) During the Support Period:

(i)(A) after the Amendment Effective Date (as defined in the TA Amendment) and not less than ten (10) business days before the first transfer of moneys from the General Fund to the Capital Improvement Fund pursuant to clause (4) of section 505 of the Trust Agreement to be added by Section 1.F of the TA Amendment, and (B) at any point thereafter during the Amendment Period (as defined in the TA Amendment), at least ten (10) business days before the requested date of approval, in each case, PREPA shall submit to the Scotiabank Lenders and Solus Lenders or their respective advisors for approval the same schedule of expected costs of Improvements (and of extensions to the System) provided by PREPA to the Amending Creditors (as defined in the TA Amendment) pursuant to section 505(1)-(2) of the Trust Agreement to be added by Section 1.F of the TA Amendment.

(ii) PREPA agrees that it shall not provide a certificate to the Trustee and the Amending Creditors or their respective advisors pursuant to section 505(3) of the Trust Agreement to be added by Section 1.F of the TA Amendment unless, in addition to the satisfaction of the conditions specified therein, (A) the Majority Scotiabank Lenders and Majority Solus Lenders shall have also delivered their written confirmations that such Proposed Improvements (as defined in the TA Amendment) are reasonably acceptable, or (B) such

Proposed Improvements shall have been deemed to be reasonably acceptable to the Majority Scotiabank Lenders and Majority Solus Lenders on the same terms as those set forth in section 505(3) of the Trust Agreement to be added by Section 1.F of the TA Amendment with respect to the Amending Creditors.

s) PREPA shall have discussions with the Supporting Creditors regarding the January 1, 2017 interest payment due on the ~~b~~Bonds on or before November 4, 2016.

10. Withdrawal. Any Supporting Creditor (other than GDB) may withdraw from this Agreement upon the occurrence of any of the following events (each, a "***Withdrawal Event***") upon written notice to PREPA and the advisors to the other Supporting Creditors, in which case this Agreement will terminate as to such notifying Supporting Creditor (each a "***Withdrawing Creditor***") and it will no longer be considered a Supporting Creditor as of the date of delivery of such written notice (or the expiration of any applicable cure period):

(a) The TA Amendment is not effective on or before March 18, 2016;

(b) PREPA does not receive from the U.S. Internal Revenue Service (the "***IRS***"), on or before ~~December 15, 2016~~a date to be mutually agreed among the Parties, a private letter ruling or a closing agreement in an Acceptable Form as determined in good faith by such Withdrawing Creditor; *provided*, that such failure has not been cured within ten (10) days after receipt of a written notice thereof from such Withdrawing Creditor; *provided* further that such notice may be provided no later than ten (10) days after the legal advisors to the Supporting Creditors receive notice of and an executed copy of such IRS private letter ruling or closing agreement (as applicable);

(c) During the Support Period, any regulatory authority or court of competent jurisdiction appoints a receiver with respect to PREPA; unless such appointment has, prior to the withdrawal of such Withdrawing Creditor, been stayed, reversed or vacated;

(d) Any of GDB, Scotiabank, the Scotiabank Lenders, the Solus Lenders, Holders of more than 15.0% in principal amount of the aggregate amount of the Uninsured Bonds beneficially owned or controlled by all the Holders at such time, or the individual Insurers (each, a "***Triggering Creditor***"), fail to comply with any of the material terms, covenants, provisions, or conditions of this Agreement or any such material terms, provisions or conditions are otherwise subject to any breach, default or violation on the part of any Triggering Creditor, or any of the material representations or warranties of any Triggering Creditor as set forth in this Agreement is not true or accurate in any material respect at any time during the Support Period (each of the foregoing, a "***Default***"), which Default, if capable of being cured, is not cured within ten

(10) days after receipt of a written notice thereof from such Withdrawing Creditor; *provided* that such Default materially and adversely affects the rights or interests of such Withdrawing Creditor under this Agreement;

(e) Either of PREPA, the Securitization SPV or GDB breaches its obligations under sections 2(d), 2(f), 2.1(d), 2.1(f), or 7(a)(v), respectively; *provided* that such breach, if capable of being cured, is not cured within ten (10) days after receipt of a written notice thereof from such Withdrawing Creditor;

(f) The Energy Commission or the Commonwealth orders or approves (i) a reduction in the base rates of PREPA or (ii) an adjustment in any rates of PREPA in a manner that adversely and materially affects the Supporting Creditors in their capacity as PREPA creditors as determined in good faith by such Withdrawing Creditor; *provided*, that, such order or approval has not been stayed, reversed or vacated within ten (10) days after receipt of a written notice thereof from such Withdrawing Creditor;

(g) PREPA or the Securitization SPV files any document in or regarding any Validation Proceeding in respect of the Securitization Bonds, their issuance or the relevant authorizing legislation or publicly discloses (or permits to be publicly disclosed) any written legal opinions regarding the validity of the securitization charge for the Securitization Bonds or the validity of the legislation authorizing the Securitization Bonds that are not reasonably acceptable as determined in good faith by such Withdrawing Creditor; *provided*, however, that, if PREPA or its legal advisors do not receive any written objection to any such document or written legal opinion from counsel to the Supporting Creditor within five (5) days after providing such counsel with a copy of the final form of such document or written legal opinion (and where all or a portion of such document or written legal opinion is not in English, an English translation of such document or written legal opinion) accompanied by a notice stating the accompanying document or written legal opinion is in final form, such document or written legal opinion shall be deemed to be reasonably acceptable to such Supporting Creditor for purposes of this section 10(g);

(h) An Amendment pursuant to section 17(e)(C) becomes effective without the consent of such Withdrawing Creditor; *provided* that a Supporting Creditor may only withdraw from this Agreement pursuant to this section 10(h) within ten (10) days after receipt of a notice pursuant to section 17 that such Amendment has been entered into;

(i) An Amendment becomes effective without the consent of such Withdrawing Creditor which (x) effects a change in (A) the Exchange Offer exchange ratio, (B) the interest rates of the Securitization Bonds, (C) the Ratings Condition (as defined in the Recovery Plan Term Sheet) or (D) the date prior to which the optional redemption of the Securitization Bonds is not permitted, or (y) reflects an agreement with one or more Insurers (or any other person that insures

Bonds) with respect to any participation or change in participation for any Insurer (or any other person that insures Bonds) in the Recovery Plan, including the terms set forth in Schedules II and II-A to the Recovery Plan Term Sheet; *provided* that a Supporting Creditor may only withdraw from this Agreement pursuant to this section 10(i) within ten (10) days after receipt of a notice pursuant to section 17 that such Amendment has been entered into;

(j) PREPA or any other party acting on its behalf commences any proceeding under any bankruptcy or insolvency law, suspension period or proceeding under the Recovery Act or any other action or proceeding that seeks to adjust, extend or challenge the claims of the Supporting Creditors pursuant to any federal, state or Puerto Rico statute, now or hereinafter enacted into law, except for any such proceeding to implement the Recovery Plan in accordance with section 2(c); *provided* that each Supporting Creditor shall be deemed to have withdrawn automatically (without the requirement to deliver any written notice) upon commencement of any such proceeding, unless such Supporting Creditor shall have elected to expressly waive in writing its withdrawal right;

(k) PREPA fails to make any required debt service payment on any of the Bonds;

(l) Legislation containing substantive provisions that implements the Recovery Plan is not enacted into law on or before February 16, 2016; or

(m) An Amendment becomes effective without the consent of such Withdrawing Creditor which effects a change to (A) sections 13(e)(vi) or 13(e)(viii) or (B) notices delivered pursuant thereto, or any consequences of the notices contemplated thereby; *provided* that a Supporting Creditor may only withdraw from this Agreement pursuant to this section 10(m) within ten (10) days after receipt of a notice pursuant to section 17 that such Amendment has been entered into.

Once a Party is no longer a Party to this Agreement (including due to a withdrawal pursuant to section 10), such Party shall be entitled to exercise any rights or remedies it may have under or in respect of the Bond Documents, Loan Documents, Facility Documents or applicable law, at law or in equity, and any applicable statutes of limitation with respect to any such rights or remedies shall be tolled during the Support Period applicable to such Party; *provided* that in such event, PREPA or GDB shall, subject to their respective obligations under this Agreement to the remaining Parties, be entitled to protect, defend, enforce and assert any of its rights, remedies, positions and defenses or take any other action that PREPA or GDB may take under the Bond Documents, Loan Documents, Facility Documents, GDB Agreements (as applicable) or applicable law, at law or in equity, in connection thereto, in each case, solely against Parties no longer Party to this Agreement, subject in all respects to section 16. The withdrawal of a Supporting Creditor from this Agreement shall be deemed a withdrawal from this Agreement with respect to all Bonds, Scotiabank Loans and Solus Loans (as applicable) held or insured by such Withdrawing Creditor. For the avoidance of doubt, a Supporting Creditor that only holds Uninsured Bonds that Transfers all of its Uninsured Bonds in

compliance with this Agreement shall be deemed to have withdrawn from this Agreement and shall no longer be deemed a Supporting Creditor hereunder.

11. Conditions to Effectiveness. The Initial RSA was initially executed and became effective on November 5, 2015 (the "***Effective Date***"). The December RSA was initially executed on December 23, 2015 and became effective on December 28, 2015 (the "***December RSA Restatement Effective Date***"). The New RSA was initially executed on January 27, 2016 and became effective on February 3, 2016 (the "***New Effective Date***"). The New RSA was amended and restated on March 14, 2016, and became effective on March 30, 2016. The First Supplement to this Agreement ~~(the "~~was executed by the Parties on June 29, 2016. The Second Supplement to this Agreement was executed by the Parties on October 14, 2016. The Third Supplement to this Agreement (the "***Third Supplement***") was executed by the Parties on ~~June 29~~December 15, 2016 and shall become effective as of the date (the "***Supplement Effective Date***") that each of the following shall have occurred:

(a) Each Party (including, for the avoidance of doubt, members of the Ad Hoc Group beneficially owning or controlling, in the aggregate, not less than 35% of the Bond Principal Amount) shall have duly delivered and executed a counterpart of this Agreement no later than 11:59 p.m. (prevailing Eastern Time) on ~~June 30~~December 15, 2016;

(b) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of the Supporting Creditors pursuant to any federal, state, or Puerto Rico statute, now or ~~hereinafter~~hereafter enacted into law, shall have been instituted by or on behalf of PREPA; and

(c) PREPA shall, no later than ~~June 30~~January 9, ~~2016~~2017, have provided written confirmation to all Supporting Creditors of all approvals required to enter into and perform this Agreement, including, without limitation, (i) submission to the Supporting Creditors of resolutions duly adopted by the boards of directors of each of PREPA, the Securitization SPV and GDB, in each case authorizing PREPA, the Securitization SPV and GDB, respectively, to enter into and perform this Agreement, and (ii) submission of this Agreement for registration with the Office of the Comptroller of the Commonwealth of Puerto Rico pursuant to the provisions of Act. No. 18 of the Legislative Assembly of the Commonwealth, approved on October 30, 1975, as amended.

12. Representations.

(a) Mutual Representations. Each Party hereby represents and warrants to the other as follows (each of which is a continuing representation and warranty, and shall be true during the Support Period):

(i) it has the legal right, power and authority to enter into this Agreement and consummate the transactions contemplated hereby;

(ii) this Agreement is a legal, valid and binding obligation of such Party, enforceable against it in accordance with its terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding at equity or law));

(iii) (A) with respect to each of PREPA and the Securitization SPV, it is a public corporation of the Commonwealth of Puerto Rico, duly existing under the laws of the Commonwealth of Puerto Rico, and (B) with respect to each Party, it is duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization with full power and authority to execute and deliver, and to perform and observe the terms and provisions of, this Agreement; and

(iv) the execution, delivery, performance and observance of this Agreement by such Party (A) have been duly authorized by all necessary action on the part of such Party, do not and will not conflict with, or result in a violation of, any law applicable to it, and do not require it to obtain any permit, consent, approval, order or authorization of, or provide notice to or make a filing with, any court, governmental or regulator agency or authority or other person or entity that has not been obtained, provided or made, as applicable, (B) (1) with respect to each of PREPA and the Securitization SPV, do not contravene, or constitute a default under, any provision of applicable law or regulation or of any agreement, judgment, injunction, order, decree or other instrument binding on PREPA or the Securitization SPV, as applicable and (2) with respect to each Party, do not and will not violate, conflict with or result in the breach of any provision of its organizational or governance documents and (C) do not and will not result in any breach of, constitute a default (or event which with the giving of notice or lapse of time, or both, would become a default) under, require any consent under or give to others any rights of termination, amendment, acceleration, suspension, revocation or cancellation of, any note, bond, mortgage, indenture, contract, agreement, lease, sublease, license, permit, franchise or other instrument or arrangement (including without limitation the Bond Documents, Loan Documents, Facility Documents and GDB Agreements) to which it is a party, which would materially adversely affect its ability to carry out its obligations under and otherwise observe this Agreement or cause the occurrence of a Termination Event.

(b) Additional Representations of PREPA. PREPA hereby represents and warrants as follows (each of which is a continuing representation and warranty, and shall be true during the Support Period):

(i) except to the extent that a Potential Default has occurred, no default under any Bond Document, Loan Document, Facility Document or GDB Agreement has occurred and is continuing to the best of its knowledge;

(ii) it is in full compliance with, and no breach or default has occurred or is continuing in respect of, the covenants contained in Section 712 of the Trust Agreement; and

(iii) each of the representations in the Recitals set forth above as to PREPA is true and accurate as of the date hereof.

(c) Additional Representations of the Insurers. Each of the Insurers hereby represents and warrants as follows (each of which is a continuing representation and warranty, and shall, subject to the provisions herein relating to Transfer (as defined in section 18(a) below) be true throughout the Support Period):

(i) with respect to the Insured Bonds identified on its respective signature page hereto, the applicable Insurer has the sole right in lieu of the beneficial owners of such Insured Bonds to consent to the TA Amendment and to deliver the consents set forth in Schedules II and II-A to the Recovery Plan Term Sheet as part of the Consent Solicitation;

(ii) no default or event of default has occurred with respect to it under any Bond Insurance Agreement to which it is a party;

(iii) it has not transferred any voting, consent or direction rights related to the applicable Insured Bonds; and

(iv) each of the representations in the Recitals set forth above as to such Insurer is true and accurate as of the date hereof.

(d) Additional Representations of the Holders. Each of the Holders hereby represents and warrants as follows (each of which is a continuing representation and warranty, and shall, subject to the provisions relating to Transfer (as defined in section 18(a) below) be true throughout the Support Period):

(i) it owns or has investment management responsibility for accounts that own Uninsured Bonds in the principal amounts set forth on its respective signature page hereto or joinder to this Agreement in the form of Annex B-1 (as applicable), and that it has not sold, assigned, transferred, participated or otherwise pledged such Bonds, or any voting, consent or direction rights related to such Bonds, to any other person or entity, in each case, except as permitted by section 18 of this Agreement; and

(ii) each of the representations in the Recitals set forth above as to the Holders is true and accurate as of the date hereof.

(e) Additional Representations of Scotiabank and the Scotiabank Lenders. Each of Scotiabank and the Scotiabank Lenders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions herein relating to Transfer (as defined in section 18(a), below) be true throughout the Support Period) that each of the representations in the Recitals set forth above as to Scotiabank and the Scotiabank Lenders is true and accurate as of the date hereof.

(f) Additional Representations of Solus. Solus hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions herein relating to Transfer (as defined in section 18(a), below) be true throughout the Support Period) that each of the representations in the Recitals set forth above as to Solus is true and accurate as of the date hereof.

13. Termination.

(a) This Agreement shall terminate as to all Parties at 11:59 p.m. (prevailing Eastern Time) on ~~December 15~~March 31, ~~2016~~2017 (the "***Termination Date***"), unless terminated earlier in accordance with the terms of this Agreement.

(b) In addition, this Agreement shall terminate as to all Parties automatically upon the occurrence of each of the following events (or the expiration of any applicable cure period) (each an "***Automatic Termination Date***"):

(i) [RESERVED];

(ii) PREPA does not initiate a rate approval process with respect to the Rate Structure on or before May 27, 2016;

(iii) The Securitization SPV does not file with the Energy Commission a petition (including the proposed Restructuring Resolution and other supporting documentation, the "***SPV Petition***") for the approval of the calculation methodology for the Transition Charges and the Adjustment Mechanism (each as defined in the Recovery Plan Term Sheet) on or before April 7, 2016; provided, that failure to include a Proposed Restructuring Order in the SPV Petition shall not give rise to an automatic termination under this section 13(b)(iii);

(iv) Legislation containing substantive provisions that implements the Recovery Plan is not enacted into law on or before February 16, 2016;

(v) The Energy Commission does not conduct a public hearing process to approve a revised rate structure (which may include a provisional rate in accordance with Schedule VI to the Recovery Plan Term Sheet) designed to implement the Recovery Plan as contemplated by, and in accordance with each deadline set forth in, the Act (the "***Rate Public Hearing***");

(vi) (A) The Energy Commission does not approve a revised rate, which may be a provisional rate, on or prior to June 30, 2016, or (B) any rate so approved, is rescinded, withdrawn or materially and adversely modified, by or at the direction of PREPA, the Energy Commission or any court of competent jurisdiction, and five (5) business days have passed following such rescission, withdrawal, or modification; *provided, however*, that the approval of a permanent rate or a replacement of a provisional rate with a permanent rate shall not be deemed a rescission, withdrawal or modification of the provisional rate for purposes of this clause (vi)(B), unless such approval or replacement authorizes a material and adverse adjustment to PREPA's rates;

(vii) The Energy Commission does not conduct a public hearing process to approve the calculation methodology for the Transition Charges and the Adjustment Mechanism as contemplated by, and in accordance with each deadline set forth in, the Act (the "***SPV Public Hearing***", and together with the Rate Public Hearing, the "***PREC Public Hearing***");

(viii) On or prior to the seventy-fifth (75th) day after the SPV Petition is filed with the Energy Commission, the Energy Commission has not issued the Restructuring Order (as defined in the Recovery Plan Term Sheet) or the calculation methodology for the Transition Charges and the Adjustment Mechanism have not otherwise been approved or deemed approved in accordance with the Act; provided that if within five (5) days from the date the SPV Petition is filed with the Energy Commission the Energy Commission notifies the Securitization SPV that the SPV Petition is incomplete and requires it to provide missing information, then this Agreement will only terminate pursuant to this section 13(b)(viii) if, on or prior to the eighty-second (82nd) day after the date of such notification, the Energy Commission has not issued the Restructuring Order (as defined in the Recovery Plan Term Sheet) or the calculation methodology for the Transition Charges and the Adjustment Mechanism have not otherwise been approved or deemed approved in accordance with the Act;

(ix) PREPA does not commence the Exchange Offer, Consent Solicitation and Credit Agreements Amendment Solicitation (each as defined in the Recovery Plan Term Sheet) on or before ~~December 15, 2016~~a date to be mutually agreed among the Parties;

(x) PREPA does not consummate the Exchange Offer, Consent Solicitation or Credit Agreements Amendments on or before forty-five (45) days after the commencement thereof, unless with respect to (x) the Exchange Offer and Consent Solicitation, each is extended with the consent of Majority Holders and Supermajority Insurers, or (y) the Credit Agreements Amendments, the Credit Agreements Amendment

Solicitation is extended with the consent of Majority Scotiabank Lenders and Majority Solus Lenders;

(xi) The Securitization SPV is not formed and its board is not appointed within three (3) business days after the Securitization Special Legislation is enacted into law;

(xii) The Securitization SPV does not adopt the Restructuring Resolution by five (5) business days after the earlier of (A) the date the Energy Commission issues the Restructuring Order or (B) the date the calculation methodology for the Transition Charges and the Adjustment Mechanism have otherwise been approved or deemed approved in accordance with the Act;

(xiii) Neither GDB nor the Securitization SPV publishes a notice to interested parties regarding challenges to the Securitization Special Legislation within three (3) business days after the Securitization Special Legislation is enacted into law;

(xiv) The Securitization SPV does not publish a notice to interested parties regarding challenges to the Restructuring Resolution and the Securitization Bonds within four (4) business day after the Restructuring Resolution is adopted;

(xv) During the Support Period, except as expressly permitted under this Agreement and the Recovery Plan, PREPA makes any principal repayment of any outstanding indebtedness under the Bond Documents, the Credit Agreements or the GDB Loan Agreements, except with respect to the Series 2015A Bonds issued by PREPA on July 30, 2015;

(xvi) In the event that (x) the New January Bond Purchase Agreement shall have terminated as to any of the Purchasers (as defined in the New January Bond Purchase Agreement) or (y) any Purchaser (as defined in the New January Bond Purchase Agreement) does not pay its respective purchase price for the 2016 Bonds (as defined in the New January Bond Purchase Agreement) on or prior to the respective dates when due under the New January Bond Purchase Agreement; in the case of either clause (x) or clause (y), other than as a result of (A) the failure by PREPA to satisfy conditions set forth under Section 4(1)(a)-(c), (f)-(k), (l) or (o) and Section 4(2)(a)-(c), (f)-(k), (l), (m) or (o) ("***Conditions of January Bond Purchasers' Obligations to Purchase***") of the New January Bond Purchase Agreement, or (B) a decision by PREPA in its discretion to not issue the 2016 Bonds or any series thereof as described in Section 2(c) of the New January Bond Purchase Agreement; provided, however, that such termination or failure to make a payment is not cured, or is not

otherwise waived by PREPA, within five (5) business days after receipt of a written notice by PREPA of such failure to fund;

(xvii) On the date on which each of the Exchange Offer, Consent Solicitation, Closing Date Trust Agreement Amendments and Credit Agreements Restructuring (each as defined in the Recovery Plan Term Sheet) closes and becomes effective (the "***Closing Date***");

(xviii) In the event that any Purchaser (as defined in the July BPA) does not pay its respective purchase price for the July Payment Bonds (as defined in the July BPA) on or prior to the date when due under the July BPA;

(xix) In the event that PREPA, the Securitization SPV and the Supporting Creditors have not executed and delivered supplements to this Agreement, which have been approved by each Party in its sole discretion, for the purpose of implementing the transactions contemplated hereunder pursuant to PROMESA or any other mutually agreeable mechanism, on or before January 31, 2017; and

(xx) In the event that PREPA does not pay the full interest payment amount, due under the Bonds or the Credit Agreements on January 1, 2017, including any interest payment amounts due on such date in connection with the mandatory redemption of the accreted amount of the January Payment Bonds or the July Payment Bonds.

(c) In addition, PREPA shall have the right, upon written notice to the Supporting Creditors, to terminate this Agreement upon the occurrence of any of the following events (each, a "***PREPA Termination Event***"):

(i) Solely as to the applicable Supporting Creditor (a "***Defaulting Creditor***"), if such Defaulting Creditor fails to comply with any of the material terms, covenants, provisions, or conditions of this Agreement or any Recovery Plan Document or any such material terms, provisions or conditions are otherwise subject to any breach, default or violation on the part of such Defaulting Creditor, or any of the material representations or warranties of such Defaulting Creditor as set forth in this Agreement is not true or accurate in any material respect at any time during the Support Period (each of the foregoing, a "***Supporting Creditor Default***"), which Supporting Creditor Default, if capable of being cured, is not cured within ten (10) days after receipt of a written notice thereof from PREPA;

(ii) Either (a) the Ad Hoc Group, together with any direct or indirect Bond Qualified Transferee of any of the members of the Ad Hoc Group, ceases to beneficially own or control, in the aggregate, at least 30% of the Bond Principal Amount or (b) one or more members of the Ad Hoc Group that are signatories to this Agreement as of the date hereof cease

to collectively beneficially own or control, in the aggregate, at least 40% in principal amount of the aggregate amount of the Uninsured Bonds collectively beneficially owned or controlled by the Ad Hoc Group as of the date hereof;

(iii) PREPA's governing board of directors adopts a resolution determining, after consultation with counsel, that materially changed circumstances exist warranting a termination of this Agreement as a result of the board's fiduciary or statutory duties; *provided* that in such case, PREPA shall provide no less than three (3) business days' prior written notice of such determination to the Supporting Creditors;

(iv) In the event that (x) PREPA and the Supporting Creditors that intend to participate in the Backstop Facility have not held discussions regarding a general framework for the Backstop Facility on or prior to ~~December 15, 2016~~a date to be mutually agreed among the Parties, or (y) PREPA has not reached an agreement with the applicable Supporting Creditors as to a term sheet setting forth the basic terms of the Backstop Facility (a "***Backstop Term Sheet***") on or prior to ~~December 15, 2016~~a date to be mutually agreed among the Parties;

(v) [RESERVED]

(vi) In the event that the Requisite Supporting Creditors do not provide their written approval of the final version of a definitive document described in section 13(e)(xiv) within five (5) business days after PREPA has requested such written approval; or

(vii) Solely as to the Defaulting Creditor, if such Defaulting Creditor breaches its obligations under section 3(c); *provided* that such breach, if capable of being cured, is not cured within ten (10) days after receipt of a written notice thereof from PREPA.

A PREPA Termination Event shall be deemed to have occurred as of the date and time when PREPA delivers such written notice (or after expiration of the relevant cure period or notice period) and shall terminate this Agreement with respect to all applicable Parties thereto.

(d) In addition, PREPA, the Securitization SPV or any Supporting Creditor shall have the right, upon written notice to the other Parties, to terminate this Agreement in the event that (i) at any time, the Supporting Creditors beneficially own, hold, control or insure in the aggregate less than 50% of the Outstanding Principal Amount or (ii) a court, arbitral tribunal, administrative agency or commission or other governmental or regulatory agency or authority issues, enters, enacts, promulgates or enforces a statute, law, ordinance, rule or regulation, or judgment, injunction or order (that is final and non-appealable and that has not been vacated, withdrawn or overturned within thirty (30) days

after notice thereof) enjoining, staying or otherwise prohibiting the transactions contemplated by this Agreement, including implementation of the Recovery Plan (each, a "***Mutual Termination Event***"). Such termination shall be deemed to have occurred as of the date and time when the notifying Party delivers such written notice.

(e) In addition, this Agreement may be terminated as between:

(1) the Holders, as a class, and the other Parties, by the delivery to PREPA and the other Supporting Creditors, of a written notice by the Holders that beneficially own or control at least 50.1% in principal amount of the aggregate amount of the Uninsured Bonds beneficially owned or controlled by all the Holders at such time (the "***Majority Holders***"); or

(2) one or more Insurers that beneficially control or insure at least 30% in principal amount of the aggregate amount of the Bonds beneficially controlled or insured by all the Insurers at such time (the "***Applicable Insurers***"), and the other Parties, by the delivery to PREPA and the other Supporting Creditors, of a written notice by such Applicable Insurers; or

(3) Scotiabank and the Scotiabank Lenders, as a class, and the other Parties, by the delivery to PREPA and the other Supporting Creditors, of a written notice by Scotiabank on behalf of the Scotiabank Lenders that hold or control at least 50.1% in principal amount of the Scotiabank Principal Amount held by them at such time (the "***Majority Scotiabank Lenders***"); or

(4) the Solus Lenders, as a class, and the other Parties, by the delivery to PREPA and the other Supporting Creditors, of a written notice by the Solus Lenders that hold or control at least 50.1% in principal amount of the Solus Principal Amount held by them at such time (the "***Majority Solus Lenders***", and the Majority Holders, Applicable Insurers and Majority Scotiabank Lenders, or Majority Solus Lenders, as applicable in the context in which such term is used, each a "***Requisite Supporting Creditor Majority***" and collectively the "***Requisite Supporting Creditors***");

in each case, in the exercise of their discretion upon the occurrence and continuation of any of the following events (each, a "***Creditor Termination Event***", and together with the Mutual Termination Events, the PREPA Termination Events, the Automatic Termination Dates or the Termination Date, each a "***Termination Event***"):

(i) A default by PREPA or the Securitization SPV, as applicable, or an event of default (except for the Potential Defaults), has occurred and is continuing under any Bond Document, Recovery Plan Document, Loan

Document or Facility Document and, if subject to a cure period, has not been cured by PREPA or the Securitization SPV, as applicable, within the applicable cure period;

(ii) Any federal or Puerto Rico law is enacted into law or a legal action is commenced by a party other than such Supporting Creditors either of which has a material adverse effect on PREPA or the Securitization SPV or the rights or interests of such Supporting Creditors, in their capacity as creditors of PREPA; *provided*, that in no event shall the enactment of ~~any federal law enacted by virtue of the enactment of H.R. 5278 (114th Congr.)~~PROMESA or any substantially similar federal law ~~(any such law, "PROMESA")~~ or a Recovery Act Legal Action constitute a material adverse effect on PREPA or the Supporting Creditors; *provided,* further, that if capable of being cured, such material adverse effect has not been cured within five (5) business days after receipt of a written notice thereof from such notifying Supporting Creditors;

(iii) PREPA or the Securitization SPV fails to comply with any of the material terms, covenants, provisions, or conditions of this Agreement or any such material terms, covenants provisions or conditions are otherwise subject to any breach, default or violation on the part of PREPA or the Securitization SPV, or any of the material representations or warranties of PREPA or Securitization SPV as set forth in this Agreement is not true or accurate in any material respect at any time during the Support Period (each of the foregoing, a "***PREPA or SPV Support Agreement Default***"), which PREPA or SPV Support Agreement Default, if capable of being cured, is not cured within ten (10) days after receipt of a written notice thereof from such notifying Supporting Creditors;

(iv) PREPA or the Securitization SPV seeks, or announces an intent, to effect a restructuring plan other than the plan contemplated by the Recovery Plan;

(v) [RESERVED]

(vi) (A) The Legislative Reform Package (other than the Securitization Special Legislation) is not enacted into law in an Acceptable Form or (B) any amendment to the Legislative Reform Package (other than the Securitization Special Legislation) is enacted into law and such amendment is not in an Acceptable Form, in each case, as determined in good faith by the notifying Majority Holders or Applicable Insurers; *provided*, that, such failure (whether described in the preceding clause (A) or (B)) has not been cured within ten (10) days after receipt of a written notice thereof from such notifying Majority Holders or Applicable Insurers; *provided* further that such notice may be provided no later than fifteen (15) days after the legal advisors to the Holders and Insurers receive notice of and a copy of the enacted legislation; and

provided further that if a Holder or Insurer (or the Majority Holders or Applicable Insurers on its behalf) fails to deliver a notice of termination under this section 13(e)(vi) within the aforementioned fifteen (15) day period, the Legislative Reform Package (other than the Securitization Special Legislation) shall be deemed to be in Acceptable Form as to such Holder or Insurer for purposes of this section 13(e)(vi) and condition precedent (6) set forth in January Payment Term Sheet under "Conditions Precedent to Purchasers' Obligations";

(vii) (A) The Legislative Reform Package (other than the Securitization Special Legislation) is not enacted into law in form and substance reasonably acceptable or (B) any amendment to the Legislative Reform Package (other than the Securitization Special Legislation) is enacted into law and such amendment is not in form and substance reasonably acceptable, in each case, as determined in good faith by the notifying Majority Scotiabank Lenders or Majority Solus Lenders; *provided*, that, such failure (whether described in the preceding clause (A) or (B)) has not been cured within ten (10) days after receipt of a written notice thereof from such notifying Majority Scotiabank Lenders or Majority Solus Lenders; *provided* further that such notice may be provided no later than fifteen (15) days after the legal advisors to the Scotiabank Lenders and Solus Lenders receive notice of and a copy of the enacted legislation;

(viii) (A) The Securitization Special Legislation is not enacted into law in form and substance reasonably acceptable or (B) any amendment to the Securitization Special Legislation is enacted into law and such amendment is not in form and substance reasonably acceptable, in each case, as determined in good faith by the notifying Majority Holders or Applicable Insurers; *provided*, that, such failure (whether described in the preceding clause (A) or (B)) has not been cured within ten (10) days after receipt of a written notice thereof from such notifying Majority Holders or Applicable Insurers; *provided* further that such notice may be provided no later than fifteen (15) days after the legal advisors to the Holders and Insurers receive notice of and a copy of the enacted legislation; and *provided* further that if a Holder or Insurer (or the Majority Holders or Applicable Insurers on its behalf) fails to deliver a notice of termination under this section 13(e)(viii) within the aforementioned fifteen (15) day period, the Securitization Special Legislation shall be deemed to be reasonably acceptable as to such Holder or Insurer for purposes of this section 13(e)(viii) and condition precedent (6) set forth in January Payment Term Sheet under "Conditions Precedent to Purchasers' Obligations";

(ix) (A) The Securitization Special Legislation is not enacted into law in an Acceptable Form or (B) any amendment to the Securitization Special

Legislation is enacted into law and such amendment is not in an Acceptable Form, in each case, as determined in good faith by the notifying Majority Scotiabank Lenders or Majority Solus Lenders; *provided*, that, such failure (whether described in the preceding clause (A) or (B)) has not been cured within ten (10) days after receipt of a written notice thereof from such notifying Majority Scotiabank Lenders or Majority Solus Lenders; *provided* further that such notice may be provided no later than fifteen (15) days after the legal advisors to the Scotiabank Lenders and Solus Lenders receive notice of and a copy of the enacted legislation;

(x) Any petition or substantive pleading (excluding any pleadings responding to information requests) filed by PREPA or the Securitization SPV with the Energy Commission in a Rate Case is not in an Acceptable Form as determined in good faith by the notifying Requisite Supporting Creditor Majority; *provided*, that, such failure has not been cured within ten (10) days after receipt of a written notice thereof from counsel to such Requisite Supporting Creditor Majority; *provided* further that such notice may be provided no later than (x) five (5) business days after the financial and legal advisors to the Supporting Creditors receive notice of and a copy of the filed petition or pleading in English (as applicable), and (y) fifteen (15) days after the financial and legal advisors to the Supporting Creditors receive notice of and a copy of the filed petition or pleading in Spanish (as applicable); *provided* further that, with respect to each Scotiabank Lender and each Solus Lender, any such petition or pleading that seeks a provisional rate that does not cover all operating costs, capital expenditures and debt costs (assuming a restructuring in accordance with the Recovery Plan) shall be deemed not to be in Acceptable Form;

(xi) PREPA or the Securitization SPV supports or proposes any bill or legislation relating to the Legislative Reform Package (or, for the avoidance of doubt, any amendment to any such bill or legislation) which is not in an Acceptable Form as determined in good faith by the notifying Requisite Supporting Creditor Majority; *provided*, that, such failure has not been cured within ten (10) days after receipt of a written notice thereof from such Requisite Supporting Creditor Majority; *provided* further that such notice may be provided no later than fifteen (15) days after the legal advisors to the Supporting Creditors receive notice of and a copy of any such bill or legislation;

(xii) The Energy Commission does not approve the Rate Structure in an Acceptable Form as determined in good faith by the notifying Majority Holders or Applicable Insurers; *provided*, that, such notice may be provided no later than fifteen (15) days after the legal advisors to the Holders and Insurers receive notice of and a copy of such approved Rate

Structure as well as, to the extent not publicly available online and to the extent permissible under any relevant confidentiality obligation, copies of all orders and regulations implementing such approved Rate Structure;

(xiii) The Energy Commission does not approve the Rate Structure in form and substance reasonably acceptable as determined in good faith by the notifying Majority Scotiabank Lenders or Majority Solus Lenders; *provided*, that, such notice may be provided no later than fifteen (15) days after the legal advisors to the Scotiabank Lenders and Solus Lenders receive notice of and a copy of such approved Rate Structure as well as, to the extent not publicly available online and to the extent permissible under any relevant confidentiality obligation, copies of all orders and regulations implementing such approved Rate Structure;

(xiv) Any of the definitive documentation (other than with respect to the Securitization Documents) relating to the Exchange Offer, Cash Tender, Backstop Facility, the January Payment Transactions, the July Payment Transactions, the Consent Solicitation, the TA Amendment, the Closing Date Trust Agreement Amendments, the Credit Agreements Amendments and the Credit Agreements Amendment Solicitation is not entered into or adopted in form and substance reasonably acceptable as determined in good faith by the notifying Requisite Supporting Creditor Majority; it being understood that any determination by a Requisite Supporting Creditor Majority that any such final definitive documentation is reasonably acceptable shall be evidenced by such Requisite Supporting Creditor Majority's written approval, which, in the case of the Insurers, for the avoidance of doubt, shall require the written approval of both National and Assured;

(xv) PREPA enters into any new financing or loan facility, recovery program or debt enforcement plan, any power purchase agreement or public-private partnership or any other material transaction outside the ordinary course of PREPA's business which the notifying Requisite Supporting Creditor Majority determines in good faith is not in Acceptable Form; *provided* that such notice may be provided no later than ten (10) days after the financial and legal advisors to the Supporting Creditors receive notice of and a copy of such executed definitive documentation entered into in connection with the foregoing;

(xvi) Any Securitization Documents are adopted, entered into or enacted into law in form or substance not reasonably acceptable as determined in good faith by the notifying Majority Holders or Applicable Insurers; *provided* however that, if neither PREPA nor the Securitization SPV receive any written objection to any such document from Majority Holders or Applicable Insurers within five (5) business days after such document has been adopted, entered into or enacted into law and a copy of such document was provided to the Holders' and the Insurers' legal

advisors together with notice that such document has been adopted, entered into or enacted into law, such document shall be deemed to be reasonably acceptable to each Holder and each Insurer for purposes of this section 13(e)(xvi);

(xvii) Any Securitization Documents are not adopted, entered into or enacted into law in an Acceptable Form as determined in good faith by the notifying Majority Scotiabank Lenders or Majority Solus Lenders; *provided* however that, if neither PREPA nor the Securitization SPV receive any written objection to any such document from Majority Scotiabank Lenders or Majority Solus Lenders within five (5) business days after such document has been adopted, entered into or enacted into law and a copy of such document was provided to the Scotiabank Lenders' and Solus Lenders' legal advisors together with notice that such document has been adopted, entered into or enacted into law, such document shall be deemed to be in Acceptable Form to each Scotiabank Lender and Solus Lender for purposes of this section 13(e)(xvii);

(xviii) PREPA does not launch (A) the RFQ Process (as defined in the Recovery Plan Term Sheet) on or before ~~December 15, 2016~~a date to be mutually agreed among the Parties, and (B) the RFP (as defined in the Recovery Plan Term Sheet) on or before ~~December 15, 2016~~a date to be mutually agreed among the Parties, in a manner and on terms consistent in all material respects with the Recovery Plan and this Agreement and which does not include any additional or inconsistent terms that materially and adversely affect such Supporting Creditor in its capacity as a PREPA creditor; *provided*, that, such failure has not been cured within ten (10) days after receipt of a written notice thereof from such notifying Requisite Supporting Creditor Majority;

(xix) [RESERVED]

(xx) Prior to, or after, its entry into this Agreement, the Securitization SPV takes an action that materially and adversely affects any Supporting Creditor in its capacity as a creditor of PREPA; *provided*, that, such material adverse effect has not been cured within ten (10) days after receipt of a written notice thereof from the notifying Requisite Supporting Creditor Majority;

(xxi) The Securitization SPV (i) does not approve a resolution reasonably acceptable to the Requisite Supporting Creditors authorizing the issuance of the July Payment Bonds, as contemplated under the July BPA, on or before June 29, 2016 or (ii) enters into any material transaction other than the Securitization Documents (if any) that is not reasonably acceptable to the Requisite Supporting Creditors;

(xxii) In the event that (x) PREPA and the Supporting Creditors that intend to participate in the Backstop Facility have not held discussions regarding a general framework for the Backstop Facility on or prior to ~~December 15, 2016~~a date to be mutually agreed among the Parties, or (y) PREPA has not reached an agreement with the applicable Supporting Creditors as to a Backstop Term Sheet on or prior to ~~December 15, 2016~~a date to be mutually agreed among the Parties; ~~or~~

(xxiii) In the event that (i) the SPV Petition, (ii) any other submissions or filings made by PREPA or the Securitization SPV in connection with the SPV Petition or (iii) the Restructuring Order is not reasonably acceptable as determined in good faith by the notifying Requisite Supporting Creditor Majority; *provided* that such notice may be provided no later than fifteen (15) days after the financial and legal advisors to the Supporting Creditors receive notice of and a copy of the document as filed with, submitted to or issued by the Energy Commission; *provided* further that if a Holder or Insurer (or the Majority Holders or Applicable Insurers on its behalf) fails to deliver a notice of termination under this section 13(e)(xxiii) with respect to the SPV Petition within the aforementioned fifteen (15) day period following receipt of the applicable notice required by this section 13(e)(xxiii), the SPV Petition shall be deemed to be reasonably acceptable as to such Holder or Insurer for purposes of this section 13(e)(xxiii) and the condition precedent set forth in Section 4(2)(n) of the New January Bond Purchase Agreement; *provided* further, that if a Holder or Insurer (or the Majority Holders or Applicable Insurers on its behalf) fails to deliver a notice of termination under this section 13(e)(xxiii) with respect to the Proposed Restructuring Order within the aforementioned fifteen (15) day period following receipt of the applicable notice required by this section 13(e)(xxiii), the Proposed Restructuring Order shall be deemed to be reasonably acceptable as to such Holder or Insurer for purposes of this section 13(e)(xxiii) and the condition precedent set forth in Section 4(2)(q) of the New January Bond Purchase Agreement; ~~or~~

(xxiv) A moratorium or state of emergency under the Puerto Rico Emergency Moratorium and Financial Rehabilitation Act is declared with respect to PREPA~~.~~; or

(xxv) In the event that PREPA and the Parties have not agreed in writing to the substantially final form of all definitive documentation relating to the Securitization Bonds, the Mirror Bonds (as defined in the Recovery Plan Term Sheet) and the Exchange Offer, other than the final terms of the backstop facility, cash tender and consent solicitation materials, on or before ~~November 15, 2016~~February 28, 2017.

Whenever a substantive provision of this Agreement requires that one or more Supporting Creditors be excluded in the determination of "Majority Solus Lenders", Majority Scotiabank

Lenders", "Applicable Insurers", "Majority Holders", "Requisite Supporting Creditor Majority" or "Requisite Supporting Creditors", such defined term or terms shall be calculated after giving effect to the exclusion of such Supporting Creditors, and the exclusion of the principal amount of claims held or insured by them from both numerator and denominator in the calculation of any majority, in connection with the use thereof in such substantive provision.

(f) In addition, this Agreement may be terminated as between Assured or National and the other Parties, by the delivery to PREPA and the other Supporting Creditors, of a written notice by such Insurer following a failure of PREPA to make required payments to holders of the Series 2015A Bonds, in which case such Insurer shall no longer be considered a Supporting Creditor as of the date of delivery of such written notice.

(g) In addition, this Agreement may be terminated as between Assured and the other Parties, by the delivery to PREPA and the other Supporting Creditors, of a written notice by Assured in the event that PREPA fails to satisfy its payment obligations under the Assured Swaps, in which case Assured shall no longer be considered a Supporting Creditor as of the date of delivery of such written notice.

(h) [RESERVED]

If this Agreement is terminated as to the Solus Lenders as a class, this Agreement shall also terminate as to Solus in its capacity as a Holder (and the Bonds owned by Solus shall no longer be bound by this Agreement), and if this Agreement is terminated as to the Holders as a class, this Agreement shall also terminate as to the Solus Lenders as a class (and the Solus Loans owned by Solus shall no longer be bound by this Agreement), in either case without the need for any further approvals or consents.

14. Disclosure of Information.

(a) Subject to section 14(c) below, PREPA and the Securitization SPV (to the extent not provided by PREPA) shall be required to provide to the Supporting Creditors' advisors any information reasonably necessary to understand the transactions contemplated in this Agreement.

(b) Subject to section 14(c) below, during the Support Period, to the extent that a Supporting Creditor in good faith seeks any confidential information with respect to (i) a determination whether a basis exists for a Withdrawal Event, or (ii) a determination whether a basis exists for a Termination Event, PREPA (and, to the extent not provided by PREPA, the Securitization SPV) will provide such confidential information to the Supporting Creditor's advisors to the extent reasonably necessary to make such determination.

(c) Notwithstanding anything herein to the contrary:

(i) PREPA and the Securitization SPV shall not be required to provide any documents or information that is confidential information to any Supporting Creditor or any of its advisors that is not party to (A) if the Supporting Creditor or advisor has signed a non-disclosure agreement with PREPA in the past (including, for the avoidance of doubt, pursuant to Section 6 of any Prior Forbearance Agreement), a non-disclosure agreement on the same or substantially similar terms and with an agreed-upon cleansing date and that has a term until at least ~~December 31, 2016~~March 15, 2017 or an extension to the term of its existing non-disclosure agreement through at least ~~December 31~~March 15, ~~2016~~2017, or (B) if the Supporting Creditor or advisor has not signed a non-disclosure agreement with PREPA in the past, a non-disclosure agreement on terms reasonably acceptable to PREPA and with an agreed-upon cleansing date and that has a term until at least ~~December 31~~March 15, ~~2016~~2017 (each non-disclosure agreement that meets conditions under preceding clauses (A) or (B), an "***Acceptable NDA***"); and

(ii) PREPA and the Securitization SPV may elect to designate as confidential information, including on an advisors-only basis, any document or information that (A) is not otherwise required to be provided to the Trustee under the Trust Agreement, any Bond Document or applicable law or (B) has not been transmitted to other entities without an Acceptable NDA.

(d) Notwithstanding anything herein to the contrary, information concerning the Bonds beneficially owned or insured by the Supporting Creditors, including, without limitation, the description of such Bonds reflected on the signature pages hereto, the description of such Bonds on any documentation related to the TA Amendment, and information delivered pursuant to section 14(e), below, shall be confidential, and shall not be disclosed to any person without the prior written consent of the applicable Supporting Creditor, except to PREPA's, the Securitization SPV's and the other Supporting Creditors' attorneys or advisors (solely to the extent necessary for them to perform their obligations under this Agreement and the Trust Agreement) (collectively, the "***Authorized Persons***"); *provided*, *however*, that an Authorized Person that receives such confidential information shall be permitted to disclose such information (i) on an aggregate basis, the principal amount held by all Supporting Creditors collectively (without disclosing individual holdings), (ii) to the extent required by any law, rule or regulation or by any subpoena or similar judicial and/or administrative order, or other regulatory authority (including any self-regulatory organization having jurisdiction or claiming to have jurisdiction over such person), or (iii) to the extent that such information is or becomes generally available to the public other than as a result of disclosure by an

Authorized Person; *provided further, however*, that an Authorized Person that receives such confidential information concerning the Bonds beneficially owned or insured by the Supporting Creditors shall be permitted to disclose to its respective clients the aggregate percentage of Bonds beneficially owned or insured by any group of Insurers or Holders, without disclosure of the amount or percentage of Bonds beneficially owned or insured by any individual Insurer or Holder.

(e) PREPA authorizes the Trustee to disclose to a beneficial holder of Bonds, upon request of such holder, (i) any reports or certificates required to be filed with the Trustee under the following sections of the Trust Agreement: 502 (revisions of rates), 504 (annual and supplemental budgets), 505 (report of expenditure in excess of annual budget), 706 (report of the Consulting Engineers), 710 (monthly reports on income, expense and other matters set forth therein, annual audits and additional reports or audits required by law) and 712 (abandonment, sale or lease of any part of the System); and (ii) the balances in any funds or accounts held by the Trustee for the benefit of holders of Bonds.

15. Further Acquisition. This Agreement shall not limit, abridge, or otherwise impair, or be construed to preclude, the right of any Supporting Creditor to acquire additional Bonds or additional rights and obligations under any Credit Agreement; *provided* that any additional Uninsured Bonds or additional rights and obligations under any Credit Agreement acquired by any Party shall be, and shall automatically be deemed to be, subject to the terms and conditions of this Agreement.

16. Release of Claims and Waiver of Defenses.

(a) In further consideration of the Supporting Creditors' entry into and performance under this Agreement, PREPA, on behalf of itself and its successors, assigns, parents, subsidiaries, affiliates, officers, directors, employees, agents and attorneys hereby forever, fully, unconditionally and irrevocably waives and releases the Supporting Creditors (other than GDB) and their respective successors, assigns, parents, subsidiaries, affiliates, officers, directors, employees, attorneys, advisors and agents (collectively, the "***Releasees***") from any and all claims, liabilities, obligations, debts, causes of action (whether at law or in equity or otherwise), defenses, counterclaims and setoffs of any kind, whether known or unknown, liquidated or unliquidated, matured or unmatured, fixed or contingent, or otherwise, directly or indirectly arising out of, connected with, resulting from or related to any act or omission by such Supporting Creditors or any other Releasee with respect to the Bond Documents, Loan Documents and Facility Documents, except to the extent that any such claims, liabilities, obligations, debts, causes of action, defenses, counterclaims and setoffs are found in a final, nonappealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the applicable Releasees. Nothing in this Agreement shall (x) release any obligations of the Insurers (or any other person insuring Bonds) under the Bond Insurance Agreements, or (y) release GDB or any of its

affiliates, or any of their respective successors, assigns, officers, directors, employees, attorneys, or agents, from any claim, liability, obligation, debt, cause of action, defense, counterclaim, or setoff, except as provided in subsection 16(b) below.

(b) In further consideration of GDB's entry into and performance under this Agreement, upon the occurrence of the Closing Date, PREPA, on behalf of itself and its successors, assigns, parents, subsidiaries, affiliates, officers, directors, employees, agents and attorneys, shall forever, fully, unconditionally and irrevocably waive and release GDB and its Releasees from any and all claims, liabilities, obligations, debts, causes of action (whether at law or in equity or otherwise), defenses, counterclaims and setoffs of any kind, whether known or unknown, liquidated or unliquidated, matured or unmatured, fixed or contingent, or otherwise, directly or indirectly arising out of, connected with, resulting from or related to any act or omission by GDB or any other Releasee with respect to the Bond Documents and GDB Loan Agreements, except to the extent that any such claims, liabilities, obligations, debts, causes of action, defenses, counterclaims and setoffs are found in a final, nonappealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of GDB or the applicable Releasees.

17. Amendments and Waivers. Once effective, this Agreement, including, for the avoidance of doubt, the Recovery Plan Term Sheet attached hereto as Annex D, may not be modified, amended, supplemented or otherwise altered (except as expressly provided herein), and no term or condition may be waived (such modification, amendment, supplement and waiver, referred to collectively as an "***Amendment***"), except in a writing signed by PREPA, the Securitization SPV and Majority Holders, Supermajority Insurers, Majority Scotiabank Lenders and Majority Solus Lenders; *provided*, *however*, that:

(a) any Amendment to the terms described in Schedule I to the Recovery Plan Term Sheet (the "***Holders' Terms***"), shall require the written consent of: (i) PREPA and the Securitization SPV, (ii) Holders that beneficially own or control at least 80.0% in principal amount of the aggregate amount of the Uninsured Bonds beneficially owned or controlled by all the Holders that are Supporting Creditors at such time (the "***Supermajority Holders***") and (iii) (A) Supermajority Insurers, Majority Scotiabank Lenders and Majority Solus Lenders, if such Amendment (x) does not enhance or improve the Holders' Terms and (y) does not materially and adversely affect any of the Insurers or the Credit Agreements Lenders, or (B) Insurers that beneficially control or insure at least 75.0% in principal amount of the aggregate amount of the Bonds beneficially controlled or insured by all the Insurers that are Supporting Creditors at such time (the "***Supermajority Insurers***") if the conditions of either clause (x) or (y) above are not satisfied with respect to any Insurer and Supermajority Credit Agreements Lenders (as defined herein) if the conditions of either clause (x) or (y) above are not satisfied with respect to any Credit Agreements Lender;

(b) (A) any Amendment to the terms described in Schedule II to the Recovery Plan Term Sheet (the "***Schedule II Insurers' Terms***"), shall require the written consent of: (i) PREPA and the Securitization SPV, (ii) Supermajority Insurers and (iii) (A) Supermajority Holders, Majority Scotiabank Lenders and Majority Solus Lenders, if such Amendment (x) does not enhance or improve the Schedule II Insurers' Terms and (y) does not materially and adversely affect any of the Holders or the Credit Agreements Lenders, or (B) Supermajority Holders if the conditions of either clause (x) or (y) above are not satisfied with respect to any Holder and Supermajority Credit Agreements Lenders if the conditions of either clause (x) or (y) above are not satisfied with respect to any Credit Agreements Lender;

(B) (a) any Amendment to the terms described in Schedule II-A to the Recovery Plan Term Sheet (the "***Schedule II-A Insurers' Terms***"), shall require the written consent of: (i) PREPA, (ii) Syncora, (iii) Supermajority Insurers and (iv) (A) Supermajority Holders, Majority Scotiabank Lenders and Majority Solus Lenders, if such Amendment (x) does not enhance or improve the Schedule II-A Insurers' Terms and (y) does not materially and adversely affect any of the Holders or the Credit Agreements Lenders, or (B) Supermajority Holders if the conditions of either clause (x) or (y) above are not satisfied with respect to any Holder and Supermajority Credit Agreements Lenders if the conditions of either clause (x) or (y) above are not satisfied with respect to any Credit Agreements Lender, and (b) any Amendment that would have an adverse effect on any right or obligation of Syncora under this Agreement in a manner that is different or disproportionate in any material respect from the effect of such Amendment on the rights or obligations of the other Supporting Creditors under this Agreement shall require the prior written consent of Syncora;

(c) any Amendment to the terms described in Schedule III to the Recovery Plan Term Sheet (the "***Fuel Lines Lenders' Terms***"), shall require the written consent of: (i) PREPA and the Securitization SPV, (ii) Solus Lenders holding at least 75.0% in principal amount of the Solus Principal Amount held by all Solus Lenders that are Supporting Creditors at such time and Scotiabank Lenders holding at least 75.0% in principal amount of the Scotiabank Principal Amount held by all Scotiabank Lenders that are Supporting Creditors at such time (the "***Supermajority Credit Agreements Lenders***") and (iii) (A) Majority Holders and Supermajority Insurers, if such Amendment (x) does not enhance or improve the Credit Agreements Lenders' Terms and (y) does not materially and adversely affect any of the Holders or the Insurers, or (B) Supermajority Holders if the conditions of either clause (x) or (y) above are not satisfied with respect to any Holder and Supermajority Insurers if the conditions of either clause (x) or (y) above are not satisfied with respect to any Insurer; or

(d) any Amendment to the non-economic terms described in Schedules IV, VI, VII, VIII and IX to the Recovery Plan Term Sheet (the "***Non-Economic Terms***"), shall require the written consent of: (i) PREPA and the Securitization SPV,

(ii) Supermajority Holders, (iii) Supermajority Insurers and (iv) Supermajority Credit Agreements Lenders.

(e) Notwithstanding anything in this section 17,

(A) any Amendment that alters the percentage of Bond Principal Amount, Solus Principal Amount or Scotiabank Principal Amount, as applicable, required for (i) determining consents, amendments, terminations, withdrawals, extensions or other actions hereunder (including, without limitation, this section 17), or (ii) determining the termination or withdrawal rights of such Supporting Creditors hereunder (including, without limitation, sections 10 or 13), in each case, shall not be effective unless in writing and signed by PREPA, the Securitization SPV and each Supporting Creditor affected by such Amendment;

(B) any Amendment whose sole effect is to change one or more dates or deadlines set forth in sections 10 or 13 (other than as set forth in sections 13(a) and 10(l)) shall require the consent of PREPA, the Securitization SPV, GDB, Supermajority Insurers and the Requisite Supporting Creditors; and

(C) other than as provided in sections 17(e)(A) and 17(e)(B), any Amendment that materially alters any provision relating to termination or extension of, or withdrawal from, this Agreement (including for the avoidance of doubt, an amendment to the dates set forth in sections 13(a) or 10(l)) shall not be effective unless in writing and signed by PREPA, the Securitization SPV, GDB, the Supermajority Holders, the Supermajority Insurers and the Supermajority Credit Agreements Lenders;

provided, that section 13(d) and this section 17 shall not be amended without the written consent of each Supporting Creditor that is a Party to this Agreement as of the date of such Amendment.

Notice of any Amendment pursuant to this section 17 shall be provided to each Supporting Creditor within two (2) business days of the date of such Amendment.

18. Assignment; Transfer Restrictions.

(a) For the period commencing as of the date any Supporting Creditor executes this Agreement until the earliest to occur of (i) the fifteenth (15th) business day following such date if the Supplement Effective Date has not occurred and (ii) termination of this Agreement as to such Supporting Creditor pursuant to the terms hereof (the "***Bond Transfer Limitation Period***"), such Supporting Creditor shall not sell, assign, transfer or otherwise pledge or dispose ("***Transfer***") any Uninsured Bonds beneficially owned by such Supporting Creditor, or any voting, consent or direction rights related to such Uninsured

Bonds, except such Transfer may be made (A) if the transferee is a Supporting Creditor at the time of the Transfer or (B) if the transferee is not a Supporting Creditor at the time of the Transfer, such transferee (a transferee pursuant to this clause (B) or the immediately preceding clause (A), a "***Bond Qualified Transferee***") delivers to each of the Supporting Creditors' advisors and PREPA, at or prior to the time of the Transfer, the joinder attached hereto as Annex B-1, pursuant to which such transferee shall assume all obligations of such Supporting Creditor transferor hereunder (such transferee, if any, shall also be a "Supporting Creditor" hereunder). In addition, and without limiting the foregoing, each of the Insurers agrees that it will not transfer any voting, consent or direction rights related to Insured Bonds during the Bond Transfer Limitation Period unless the transferee agrees to be bound by the terms of this Agreement and delivers notice of such agreement to each of the Supporting Creditors and PREPA; provided that an Insurer may Transfer Insured Bonds beneficially owned by such Insurer if the Transfer is by an Insurer and the Bonds Transferred are Insured Bonds, and the representations and warranties of the applicable Insurer contained in section 12(c) hereof are true after giving effect to the Transfer with respect to such Bonds. To the extent that a Transfer violates the provisions of this section, the Transfer shall be void *ab initio* and the applicable Bonds and the Supporting Creditor attempting the Transfer of the Bonds shall continue to remain subject to the terms of this Agreement. This Agreement shall in no way be construed to preclude any of the Supporting Creditors from acquiring additional Bonds; *provided* that any such acquired Uninsured Bonds shall automatically and immediately upon acquisition by a Supporting Creditor be deemed subject to all of the terms of this Agreement.

(b) For the period commencing as of the date any Supporting Creditor executes this Agreement until the earliest to occur of (i) the fifteenth (15th) business day following such date if the Supplement Effective Date has not occurred and (ii) termination of this Agreement pursuant to the terms hereof (the "***Fuel Line Limitation Period***"), such Supporting Creditor shall not Transfer all or a portion of any of its rights and obligations under any Credit Agreement except such Transfer may be made (A) if the transferee is a Supporting Creditor at the time of the Transfer, or (B) if the transferee is not a Supporting Creditor at the time of the Transfer, such transferee (a "***Credit Agreement Qualified Transferee***") delivers to each of the Supporting Creditors' advisors and PREPA, at or prior to the time of the Transfer, the joinder attached hereto as Annex B-2, pursuant to which such transferee shall assume all obligations of such Supporting Creditor transferor hereunder (such transferee, if any, shall also be a "Supporting Creditor" hereunder). To the extent that a Transfer violates the provisions of this section, the Transfer shall be void *ab initio* and the applicable rights and obligations under the applicable Credit Agreement and the Supporting Creditor attempting the Transfer of such rights and obligations shall continue to remain subject to the terms of this Agreement. This Agreement shall in no way be construed to preclude any of the Supporting Creditors from acquiring additional rights and obligations under any Credit

Agreement; *provided* that any such acquired rights and obligations under a Credit Agreement shall automatically and immediately upon acquisition by a Supporting Creditor be deemed subject to all of the terms of this Agreement.

(c) Notwithstanding anything contained in this Agreement to the contrary, (i) a Supporting Creditor may Transfer any right, title or interest in the Uninsured Bonds, the Scotiabank Credit Agreement, or the Solus Credit Agreement to a Qualified Marketmaker, acting in its capacity as a Qualified Marketmaker, without the requirement that such Qualified Marketmaker be or become a Supporting Creditor; *provided* that such Qualified Marketmaker subsequently Transfers such right, title or interest in the Uninsured Bonds, the Scotiabank Credit Agreement or the Solus Credit Agreement to a Supporting Creditor, a Bond Qualified Transferee or a Credit Agreement Qualified Transferee within the earlier of (x) the date that is ten (10) days after such Qualified Marketmaker's acquisition of such right, title or interest and (y) in the event the transfer to the Qualified Marketmaker occurs prior to the record date set for the Exchange Offer and Consent Solicitation, the record date set for the Exchange Offer and Consent Solicitation; and (ii) to the extent that a Supporting Creditor is acting in its capacity as a Qualified Marketmaker, it may Transfer any right, title or interest in the Uninsured Bonds that the Qualified Marketmaker acquires from a holder of the Uninsured Bonds that is not a Supporting Creditor without the requirement that the transferee be or become a Supporting Creditor.

(d) "***Qualified Marketmaker***" means an entity that (x) holds itself out to the market as standing ready in the ordinary course of its business to purchase from customers and sell to customers debt securities such as the Bonds or debt obligations such as the Scotiabank Loans and the Solus Loans or enter with customers into long and short positions in debt securities such as the Bonds, in its capacity as a dealer or market maker in such Bonds; (y) is in fact regularly in the business of making a market in debt securities or bank debt obligations; and (z) if transacting with respect to Bonds, is registered with the Securities and Exchange Commission and Financial Institutions Regulatory Authority.

No later than the first (1st) business day of each month, and upon PREPA's reasonable request, (i) each Holder shall disclose to PREPA a list of the principal amount of Uninsured Bonds beneficially owned by such Holder, and (ii) the Ad Hoc Group shall disclose to PREPA a list, by CUSIP number, of the aggregate principal amount of Uninsured Bonds collectively held by the Ad Hoc Group, which disclosures pursuant to the preceding clauses (i) and (ii) shall be treated as confidential information by PREPA and the Securitization SPV in accordance with section 14(d). The foregoing shall not prohibit PREPA from disclosing the aggregate holdings of the Ad Hoc Group or all Supporting Creditors collectively.

19. No Third Party Beneficiaries. The terms and conditions of this Agreement are intended solely for the benefit of the Parties and their respective successors and permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person; *provided* that beneficial holders of the January Payment

Bonds and beneficial holders of the July Payment Bonds shall be third-party beneficiaries of ~~S~~section 2.2(d) of this Agreement and of ~~S~~section 22 of this Agreement to the extent it relates to ~~S~~section 2.2(d).

20. No Solicitation. The Parties acknowledge and agree that neither the negotiation nor the execution and delivery of this Agreement is, nor shall it be deemed to be, a solicitation within the meaning of any applicable state or federal securities laws.

21. Settlement Discussions. This Agreement is the product of negotiations among the Parties hereto and reflects various agreements and compromises to implement the Recovery Plan. Pursuant and subject to Federal Rule of Evidence 408 and any applicable state or Commonwealth rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement.

22. Remedies. The sole and exclusive remedy of any Party for any breach of this Agreement by any other Party shall be termination under section 13 or withdrawal under section 10, and such breach shall not give rise to any claims against any Party at law or in equity; *provided*, *however*, that notwithstanding the foregoing, the Parties agree that (i) irreparable damage would occur in the event that any Supporting Creditor breaches its obligations under sections 4(b)(i), 4(c)(i)-(iii), 4(d)(i)-(ii), 5(a)(i), 6(a)(i), 7(a)(ii)(x) and (y), 15 or 17(e) (the "***Specified Sections***") of this Agreement, and accordingly PREPA shall be entitled to specific performance in the event of any breach of the Specified Sections in the Enforcement Court (as defined below) if such breach has not been cured within ten (10) days after receipt by the applicable Supporting Creditor of a written notice specifying such breach and requesting its cure; (ii) irreparable damage would occur in the event that PREPA or any Supporting Creditor breaches its obligations under sections 1(b) or 14 of this Agreement, and accordingly PREPA and each Supporting Creditor shall be entitled to specific performance in the event of any breach of sections 1(b) or 14 of this Agreement in the Enforcement Court; (iii) irreparable damage would occur in the event that the Securitization SPV breaches its obligations under section 2.2(d) of this Agreement, and accordingly PREPA and the holders of the January Payment Bonds and the holders of the July Payment Bonds shall be entitled to specific performance in the event of any breach of section 2.2(d) of this Agreement in the Enforcement Court; and (iv) specific performance in accordance with the preceding clauses (i) , (ii) and (iii) (as applicable), together with termination of this Agreement in accordance with section 13 and withdrawal from this Agreement in accordance with section 10, as applicable, shall be the sole remedies for any breach of the Specified Sections or sections 1(b), 14 or 2.2(d) of this Agreement. For the avoidance of doubt, no Party shall be entitled to monetary damages for any breach of any provision of this Agreement, including the Specified Sections. As used herein, the "***Enforcement Court***" refers to any federal court sitting in the Puerto Rico district and any appellate court from any thereof or, in the event such federal court does not have or accept jurisdiction, a Commonwealth court and any appellate court from any thereof.

For the avoidance of doubt, any consent right, termination right or withdrawal right provided to a Supporting Creditor under this Agreement shall be cumulative to, and not in lieu of, any other consent right, termination right or withdrawal right provided to such Supporting Creditor hereunder.

23. No Waiver. The failure or neglect by a Party to enforce any rights under this Agreement will not be deemed to be a waiver of that Party's rights. No waiver of satisfaction or nonperformance of an obligation under this Agreement will be effective unless in writing and signed by the Party granting the waiver.

24. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors, legal representatives and assigns. PREPA shall not assign or transfer its rights under this Agreement without the consent of each of the Supporting Creditors. No Supporting Creditor shall assign or transfer its rights under this Agreement other than in connection with a Transfer pursuant to section 18 of this Agreement. This Agreement is entered into for the exclusive benefit of the Parties hereto, no other person shall derive any rights or benefits herefrom, and all third-party beneficiary rights are hereby expressly disclaimed; *provided* that beneficial holders of the January Payment Bonds and beneficial holders of the July Payment Bonds shall be third-party beneficiaries of ~~S~~section 2.2(d) of this Agreement and of Section 22 of this Agreement to the extent it relates to ~~S~~section 2.2(d).

25. Further Assurances. The Parties hereto agree that upon the reasonable request of any other Party to this Agreement, each such Party will execute and deliver to the requesting Party such other additional instruments and documents or perform or cause to be performed such other and further acts and things, as may be reasonably necessary to more fully consummate the transactions as set forth in this Agreement; *provided*, *however*, that performance by any Party under this paragraph shall not create any new liability or obligation on the performing Party whatsoever.

26. Notice. All notices or demands given or made by one Party to the other relating to this Agreement shall be in writing and either (i) personally served or sent by registered or certified mail, postage paid, return receipt requested, overnight delivery service, in each case, with a copy by electronic mail transmission or (ii) by electronic mail transmission with a copy by first-class mail, and shall be deemed given for purposes of this Agreement on the earlier of the date of actual receipt or three (3) days after the deposit thereof in the mail; *provided*, *however*, that no notice or consent pursuant to any provision of this Agreement, including for the avoidance of doubt ~~S~~sections 10, 13 and 17, shall be deemed to have been delivered by any Scotiabank Lender unless given by Scotiabank, in which case such notice or consent shall be deemed to have been given by, and be effective as to, all Scotiabank Lenders. Scotiabank and each Scotiabank Lender hereby agree, for the sole benefit of Scotiabank and each other Scotiabank Lender, as applicable, that Scotiabank shall give such notices and consents in accordance with and subject to the provisions of the Scotiabank Credit Agreement, including Section 9.02 thereof. Any notice required to be given by any Party hereunder may be delivered by such Party's counsel on such Party's behalf. Unless a different or additional address for subsequent

notices is specified in a notice sent or delivered in accordance with this section, such notices or demands shall be sent solely to the notice addresses listed below for advisors to the Supporting Creditors and the other below-listed entities:

If to PREPA:

Richard J. Cooper, Esq. and
Sean A. O'Neal, Esq.
Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
rcooper@cgsh.com
soneal@cgsh.com

and

Puerto Rico Electric Power Authority
Attention: Office of the General Counsel
P.O. Box 364267
San Juan, Puerto Rico 00936-4267

If to GDB:

Alejandro Febres
Government Development Bank for Puerto Rico
P.O. Box 42001
San Juan, PR 00940-2001
Alejandro.Febres@bgfpr.com

If to Syncora:

Richard F. Hahn, Esq. and
My Chi To, Esq.
Debevoise & Plimpton LLP
919 Third Avenue
New York, NY 10022
rfhahn@debevoise.com
mcto@debevoise.com

and

James W. Lundy, Jr.
Syncora Holdings Ltd.
135 W. 50th Street, 20th Floor
New York, New York 10020
James.lundy@scafg.com

If to National:

Marcia Goldstein, Esq.,
~~Joseph Smolinsky~~Nellie Camerik, Esq. and
~~Sara Coelho~~Debora Hoehne, Esq.
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153
~~M~~marcia.goldstein@weil.com
~~Joseph.Smolinsky~~nellie.camerik@weil.com
~~Sara.coelho~~debora.hoehne@weil.com

and

Patricia Ferrari and
Adam Bergonzi
National Public Finance Guarantee Corporation
1 Manhattanville Road, Suite 301
Purchase, NY 10577
Trish.Ferrari@mbia.com
Adam.bergonzi@nationalpfg.com

If to the Ad Hoc Group:

Amy Caton, Esq.,
Alice J. Byowitz, Esq. and

If to Assured:

Jorge Gana and
Kevin Lyons

Steven Segal, Esq.
Kramer Levin Naftalis & Frankel LLP
1177 Avenue of the Americas
New York NY 10036
acaton@kramerlevin.com
abyowitz@kramerlevin.com
ssegal@kramerlevin.com

and

Ari Gabinet
Michael Sternhell
Oppenheimer Funds
Two World Financial Center
225 Liberty Street, New York, NY 10281
agabinet@ofiglobal.com
msternhell@ofiglobal.com

If to Solus:

Stephen Blauner
Francis Blair
Solus Alternative Asset Management LP
410 Park Avenue
11th Floor
New York, NY 10022
sblauner@soluslp.com
fblair@soluslp.com

and

Steve Fuhrman
Nicholas Baker
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
sfuhrman@stblaw.com
nbaker@stblaw.com

If to the Securitization SPV:

Melba Acosta Febo
Chairman Board of Directors
Puerto Rico Electric Power Authority
Revitalization Corporation

Assured Guaranty Corp.
31 W. 52nd St
New York, NY 10019
jgana@assuredguaranty.com
klyons@assuredguaranty.com

and

Lary Stromfeld, Esq.
Howard Hawkins, Esq.
Mark Ellenberg, Esq. and
Ivan Loncar, Esq.
Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, NY 10281
lary.stromfeld@cwt.com
howard.hawkins@cwt.com
mark.ellenberg@cwt.com
ivan.loncar@cwt.com

If to Scotiabank:

Richard G. Mason,
Austin T. Witt and
Brian Bolin
Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
rgmason@wlrk.com
awitt@wlrk.com
bbolin@wlrk.com

and

Roy Purcell
Scotiabank de Puerto Rico
Scotiabank Plaza
290 Jesus T. Pinero Avenue
8th Floor
San Juan, PR 00918
Roy.purcell@scotiabank.com

c/o Government Development Bank for
Puerto Rico
Centro Gubernamental Roberto Sánchez
Vilella (Minillas)
Ave. De Diego, Parada 22
San Juan, PR 00907
c/o Melba.Acosta@bgfpr.com

27. Governing Law. This Agreement, but for the avoidance of doubt, not the TA Amendment, shall be governed and construed and enforced in accordance with the laws of the State of New York. Terms used in the TA Amendment that are defined herein shall be construed in accordance with the last paragraph of Section 1301 of the Trust Agreement when interpreting the TA Amendment, and shall be construed in accordance with the laws of the State of New York when interpreting this Agreement.

28. Jurisdiction. Subject to section 22, any dispute arising under or in connection with this Agreement shall be brought in the exclusive jurisdiction and venue of the courts of the Commonwealth of Puerto Rico or the United States District Court for the District of Puerto Rico. For the avoidance of doubt, this section 28 shall not apply to any Recovery Plan Document and each such document shall be governed in accordance with its own terms.

29. WAIVER OF TRIAL BY JURY. EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING SOLELY OUT OF THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY PRESENT OR FUTURE MODIFICATION THEREOF, WHETHER SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION IS NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF ANY RIGHT THEY MIGHT OTHERWISE HAVE TO TRIAL BY JURY. For the avoidance of doubt, this section shall not apply to any definitive documentation relating to any Recovery Plan Document, the Exchange Offer, Consent Solicitation or Credit Agreements Amendments and such documentation shall be governed in accordance with its own terms.

30. Survival. Upon the termination of this Agreement as to a Party hereunder, (i) such Party shall cease to be a party to this Agreement and this Agreement shall be null and void and of no further force or effect with respect to such Party, except that, notwithstanding anything to the contrary in this Agreement, sections 1(b), 16, 19, 21, 22, 26 – 30 and 32 (and, in the event the Exchange Offer is consummated, section 2.2(d)) shall survive and continue to be fully enforceable in accordance with their terms notwithstanding such termination, (ii) the applicable Party shall be free to enforce its respective rights and remedies under (A) the Bond Documents and applicable law, (B) the Loan Documents, the Facility Documents and applicable law, and (C) the GDB Agreements and applicable law, in each case as applicable, and (iii) nothing herein shall be construed as a waiver by any Party of any or all of such Party's rights, and the Parties expressly reserve any and all of their respective rights, subject to the terms of section 16.

31. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and either of the Parties hereto may execute this Agreement by signing any such counterpart. Delivery of an executed signature page of this Agreement by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

32. Business Day. The term "business day" means any day other than a Saturday, Sunday, or legal holiday on which the banking institutions in the Municipality of San Juan, Puerto Rico are authorized by law to be closed.

33. Entire Agreement. This Agreement constitutes the entire agreement, and supersedes any prior agreements, including any deemed agreements, among the Parties regarding the subject matter hereof other than the New January Bond Purchase Agreement and the July BPA.

34. Headings. The headings of the sections, paragraphs, and subsections of this Agreement are inserted for convenience only and shall not affect the interpretation hereof.

35. Deemed Amendment to Annex H. Annex H shall be deemed to be amended to conform to, and to incorporate, the terms of the New January Bond Purchase Agreement and all references in this Agreement to the bond purchase agreement contemplated by Annex H and to the bonds contemplated to be sold pursuant thereto shall be understood to include the New January Bond Purchase Agreement and the bonds sold pursuant thereto.

36. Deemed Amendment to Annex I. Annex I shall be deemed to be amended to conform to, and to incorporate, the terms of the July BPA and all references in this Agreement to the bond purchase agreement contemplated by Annex I and to the bonds contemplated to be sold pursuant thereto shall be understood to include the July BPA and the bonds sold pursuant thereto.

[Remainder of page intentionally blank; signature pages follow]

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER AUTHORITY

By:_____

Name:_____

Title:_____

PUERTO RICO ELECTRIC POWER
AUTHORITY REVITALIZATION
CORPORATION

By:_____

Name:_____

Title:_____

[HOLDER NAME]

By:_____

Name:_____

Title:_____

Total Principal Amount of Uninsured Bonds Beneficially Owned:

_____

SCOTIABANK DE PUERTO RICO, as Agent and as Lender

By:_____

Name:_____

Title:_____

BANCO POPULAR DE PUERTO RICO, as Lender

By:_____

Name:_____

Title:_____

ORIENTAL BANK, as Lender

By:_____

Name:_____

Title:_____

FIRSTBANK PUERTO RICO, as Lender

By:_____

Name:_____

Title:_____

SOLA LTD, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name:_____

Title:_____

Solus Opportunities Fund 5 LP, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name:_____

Title:_____

Ultra Master LTD, as Lender

By: Solus Alternative Asset Management LP
Its Investment Advisor

Name:_____

Title:_____

GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

By:_____

Name:_____

Title:_____

NATIONAL PUBLIC FINANCE GUARANTEE CORPORATION

By:_____

Name:_____

Title:_____

Total Principal Amount of Insured Bonds Beneficially Owned:

_____

Total Principal Amount of Uninsured Bonds Beneficially Owned:

_____

ASSURED GUARANTY CORP.,

ASSURED GUARANTY MUNICIPAL CORP.

By:_____

Name:_____

Title:_____

Total Principal Amount of Insured Bonds
Beneficially Owned:

_____

Total Principal Amount of Uninsured Bonds
Beneficially Owned:

_____

SYNCORA GUARANTEE INC.

By:_____

Name:_____

Title:_____

Total Principal Amount of Insured Bonds Beneficially Owned:

_____

Total Principal Amount of Uninsured Bonds Beneficially Owned:

_____

List of Annexes

Annex A - Ad Hoc Group Members

Annex B-1 – RSA Joinder Form (Bonds)

Annex B-2 – RSA Joinder Form (Credit Agreements)

Annex C – Trust Agreement Amendment

Annex D – Recovery Plan Term Sheet

Annex E - Bond Potential Defaults

Annex F – Scotiabank Potential Defaults

Annex G – Solus Potential Defaults

Annex H – January Payment Term Sheet

Annex I – July Payment Term Sheet

Annex A
Ad Hoc Group Members

AG MM, L.P.

AG CAPITAL RECOVERY PARTNERS VIII, L.P.

AG ELEVEN PARTNERS, L.P.

AG SUPER FUND INTERNATIONAL PARTNERS, L.P.

NUTMEG PARTNERS, L.P.

AG CENTRE STREET PARTNERSHIP, L.P.

AG PRINCESS, LP

AG SUPER FUND, L.P.

BLUEMOUNTAIN GUADALUPE PEAK FUND L.P.

BLUEMOUNTAIN FOINAVEN MASTER FUND L.P.

BLUEMOUNTAIN CREDIT OPPORTUNITIES MASTER FUND I L.P.

BLUEMOUNTAIN KICKING HORSE FUND L.P.

BLUEMOUNTAIN STRATEGIC CREDIT MASTER FUND L.P.

BLUEMOUNTAIN DISTRESSED MASTER FUND L.P.

BLUEMOUNTAIN TIMBERLINE LTD.

BLUEMOUNTAIN CREDIT ALTERNATIVES MASTER FUND L.P.

BLUEMOUNTAIN MONTENVERS MASTER FUND SCA SICAV-SIF

BLUEMOUNTAIN CAPITAL MANAGEMENT, LLC

BLUEMOUNTAIN LOGAN OPPORTUNITIES MASTER FUND L.P.

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUND

TENNEESEE MUNICIPAL BOND FUND

CALIFORNIA TAX FREE INCOME FUND

NEW YORK TAX FREE INCOME FUND

FEDERAL TAX FREE INCOME FUND

DOUBLE TAX FREE INCOME FUND

COLORADO TAX FREE INCOME FUND

GEORGIA TAX FREE INCOME FUND

PENNSYLVANIA TAX FREE INCOME FUND

HIGH YIELD TAX FREE INCOME FUND

MISSOURI TAX FREE INCOME FUND

OREGON TAX FREE INCOME FUND

VIRGINIATAX FREE INCOME FUND

FLORIDA TAX FREE INCOME FUND

LOUISIANA TAX FREE INCOME FUND

MARYLAND TAX FREE INCOME FUND

NORTH CAROLINA TAX FREE INCOME FUND

NEW JERSEY TAX FREE INCOME FUND

FRANKLIN STRATEGIC INCOME FUND UNITED STATES

FIST -FRANKLIN TOTAL RETURN FUND

FRANKLIN STRATEGIC INCOME FUND CANADA

FTIF- FRANKLIN US TOTAL RETURN FUND

FTVIP- FRANKLIN STRATEGIC INCOME VIP FUND

FDP SERIES FT TOTAL RETURN FDP FUND

FTIF- FRANKLIN STRATEGIC INCOME FUND

FT OPPORTUNISTIC DISTRESSED FUND, LTD.

GOLDMAN SACHS HIGH YIELD MUNICIPAL FUND, A SERIES OF THE GOLDMAN SACHS TRUST

GOLDMAN SACHS DYNAMIC MUNICIPAL INCOME FUND, A SERIES OF THE GOLDMAN SACHS TRUST

GOLDMAN SACHS SHORT DURATION TAX-FREE FUND, A SERIES OF THE GOLDMAN SACHS TRUST

KNIGHTHEAD MASTER FUND, L.P.

KNIGHTHEAD ANNUITY & LIFE ASSURANCE COMPANY

LMA SPC FOR AND ON BEHALF OF THE MAP 84 SEGREGATED PORTFOLIO

KNIGHTHEAD (NY) FUND, L.P.

MARATHON CREDIT DISLOCATION FUND, LP

MARATHON STRATEGIC OPPORTUNITIES PROGRAM, LP

MARATHON COURT SQUARE, LP

MARATHON CENTRE STREET PARTNERSHIP, L.P.

KTRS CREDIT FUND, LP

MARATHON CURRITUCK FUND, LP – SERIES C

BALDR MASON FUND INC.

MARATHON CREDIT OPPORTUNITY MASTER FUND, LTD.

MARATHON SPECIAL OPPORTUNITY MASTER FUND, LTD

MARATHON LES GRANDES JORASSES MASTER FUND

PENTELI MASTER FUND, LTD

MASTER SIF SICAV SIF

MARATHON LIQUID CREDIT LONG SHORT FUND

MARATHON BLUE GRASS CREDIT FUND LP

OPPENHEIMER ROCHESTER AMT –FREE MUNICIPAL FUND

OPPENHEIMER ROCHESTER AMT –FREE NEW YORK MUNICIPAL FUND

OPPENHEIMER ROCHESTER CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM MUNICIPAL FUND (A SERIES OF OPPENHEIMER MUNICIPAL FUND)

OPPENHEIMER ROCHESTER LIMITED TERM NEW YORK MUNICIPAL FUND (A SERIES OF ROCHESTER PORTFOLIO SERIES)

OPPENHEIMER ROCHESTER NEW JERSEY MUNICIPAL FUND (A SERIES OF OPPENHEIMER MULTI-STATE MUNICIPAL TRUST)

OPPENHEIMER ROCHESTER PENNSYLVANIA MUNICIPAL FUND (A SERIES OF OPPENHEIMER MULTI-STATE MUNICIPAL TRUST)

OPPENHEIMER ROCHESTER HIGH YIELD MUNICIPAL FUND (A SERIES OF OPPENHEIMER MULTI-STATE MUNICIPAL TRUST)

OPPENHEIMER ROCHESTER FUND MUNICIPALS

OPPENHEIMER ROCHESTER OHIO MUNICIPAL FUND

OPPENHEIMER ROCHESTER MICHIGAN MUNICIPAL FUND

OPPENHEIMER ROCHESTER MASSACHUSETTS MUNICIPAL FUND

OPPENHEIMER ROCHESTER VIRGINIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER ARIZONA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MARYLAND MUNICIPAL FUND

OPPENHEIMER ROCHESTER NORTH CAROLINA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MINNESOTA MUNICIPAL FUND

MASSMUTUAL INTERNATIONAL HOLDING MSC

MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT

Annex B-1
RSA Joinder Form (Bonds)

FORM OF JOINDER

This Joinder to the Amended and Restated Restructuring Support Agreement (as amended, supplemented or otherwise modified from time to time, the "***Restructuring Support Agreement***"), dated as of [●], 2016 by and among: Puerto Rico Electric Power Authority ("***PREPA***"), the Puerto Rico Electric Power Authority Revitalization Corporation (the "Securitization SPV"), National Public Finance Guarantee Corporation ("***National***"), Assured Guaranty Corp., Assured Guaranty Municipal Corp. (together with Assured Guaranty Corp., "***Assured***"), Syncora Guarantee Inc. ("***Syncora***"), the members of the Ad Hoc Group of PREPA Bondholders identified on Annex A thereto (the "***Ad Hoc Group***"), Scotiabank de Puerto Rico (in its capacity as administrative agent for the Scotiabank Lenders, "***Scotiabank***"), the lenders (the "***Scotiabank Lenders***") under that certain Scotiabank Credit Agreement, Solus Opportunities Fund 5 LP, Sola LTD and Ultra Master LTD (the "***Solus Lenders***" or "***Solus***"), and Government Development Bank for Puerto Rico ("***GDB***"), is executed and delivered by [_____] (the "***Joining Supporting Creditor***"). Each capitalized term used herein but not defined herein shall have the meaning set forth in the Restructuring Support Agreement.

1. Agreement to be Bound. The Joining Supporting Creditor hereby agrees to be bound by all of the terms of the Restructuring Support Agreement. The Joining Supporting Creditor shall hereafter be deemed to be a "Supporting Creditor" and a Party for all purposes under the Restructuring Support Agreement.

2. Representations and Warranties. With respect to the aggregate principal amount of Uninsured Bonds held by the Joining Supporting Creditor upon consummation of the Transfer of such Uninsured Bonds to the Joining Supporting Creditor, the Joining Supporting Creditor hereby makes, as of the date hereof, the representations and warranties of the Holders set forth in sections 12(a) and 12(d) of the Restructuring Support Agreement to each of the other Parties to the Restructuring Support Agreement.

3. Governing Law. Section 27 of the Restructuring Support Agreement is incorporated by reference as if set forth fully herein, except that any references to "Agreement" shall be replaced with references to "Joinder".

* * * *

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IN WITNESS WHEREOF, the Joining Supporting Creditor has caused this Joinder to be executed as of the date first written above.

_____
Entity Name of Joining Supporting Creditor

Authorized Signatory:

By: _____

Name:

Title:

Address:

Principal amount of Uninsured Bonds beneficially owned by Joining Supporting Creditor, or beneficially owned by accounts for which Joining Supporting Creditor has investment management responsibility:

Annex B-2
RSA Joinder Form (Credit Agreements)

FORM OF JOINDER

This Joinder to the Amended and Restated Restructuring Support Agreement (as amended, supplemented or otherwise modified from time to time, the "***Restructuring Support Agreement***"), dated as of [●], 2016 by and among: Puerto Rico Electric Power Authority ("***PREPA***"), the Puerto Rico Electric Power Authority Revitalization Corporation (the "Securitization SPV"), National Public Finance Guarantee Corporation ("***National***"), Assured Guaranty Corp., Assured Guaranty Municipal Corp. (together with Assured Guaranty Corp., "***Assured***"), Syncora Guarantee Inc. ("***Syncora***"), the members of the Ad Hoc Group of PREPA Bondholders identified on Annex A thereto (the "***Ad Hoc Group***"), Scotiabank de Puerto Rico (in its capacity as administrative agent for the Scotiabank Lenders, "***Scotiabank***"), the lenders (the "***Scotiabank Lenders***") under that certain Scotiabank Credit Agreement, Solus Opportunities Fund 5 LP, Sola LTD and Ultra Master LTD (the "***Solus Lenders***" or "***Solus***"), and Government Development Bank for Puerto Rico ("***GDB***"), is executed and delivered by [_____] (the "***Joining Supporting Creditor***"). Each capitalized term used herein but not defined herein shall have the meaning set forth in the Restructuring Support Agreement.

1. Agreement to be Bound. The Joining Supporting Creditor hereby agrees to be bound by all of the terms of the Restructuring Support Agreement. The Joining Supporting Creditor shall hereafter be deemed to be a "Supporting Creditor" and a Party for all purposes under the Restructuring Support Agreement.

2. Representations and Warranties. With respect to any rights and obligations under any Credit Agreement held by the Joining Supporting Creditor upon consummation of the Transfer of such rights and obligations to the Joining Supporting Creditor, the Joining Supporting Creditor hereby makes, as of the date hereof, the representations and warranties of (i) Scotiabank and the Scotiabank Lenders, set forth in sections 12(a) and 12(e) of the Restructuring Support Agreement, or (ii) Solus, set forth in sections 12(a) and 12(f) of the Restructuring Support Agreement, as applicable, to each of the other Parties to the Restructuring Support Agreement.

3. Governing Law. Section 27 of the Restructuring Support Agreement is incorporated by reference as if set forth fully herein, except that any references to "Agreement" shall be replaced with references to "Joinder".

* * * *

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IN WITNESS WHEREOF, the Joining Supporting Creditor has caused this Joinder to be executed as of the date first written above.

_____
Entity Name of Joining Supporting Creditor

Authorized Signatory:

By: _____

Name:

Title:

Address:

Principal amount under Scotiabank Credit Agreement and Solus Credit Agreement beneficially owned by Joining Supporting Creditor, or beneficially owned by accounts for which Joining Supporting Creditor has investment management responsibility:

Annex C
Trust Agreement Amendment

Annex D
Recovery Plan Term Sheet

Annex E
Bond Potential Defaults[1]

1. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 501 of the Trust Agreement or any similar provision of any other Bond Document, insofar as such noncompliance or failure is a result of PREPA's failure to establish and enforce reasonable regulations in relation to the collection of bills for services and facilities provided by PREPA.

2. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 502 of the Trust Agreement or any similar provision of any other Bond Document, insofar as such noncompliance or failure is a result of PREPA's failure to revise the rates and charges for the services and facilities furnished by PREPA, or the result of PREPA's failure to revise its regulations in relation to the collection of bills for such services and facilities.

3. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 503 or section 505 of the Trust Agreement or any similar provision of any other Bond Document, insofar as such noncompliance or failure is a result of PREPA's use of monies from the General Fund to service its debt under its line of credit with Scotiabank and/or its line of credit with Solus in accordance with the Restructuring Support Agreement in effect as of the Effective Date.

4. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 504 of the Trust Agreement or any similar provision of any other Bond Document, insofar as such noncompliance or failure is a result of PREPA's failure to adopt and file a budget that is consistent with the procedural and/or substantive requirements of section 504 of the Trust Agreement or any such similar provision contained in the Bond Documents, as applicable.

5. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 506 of the Trust Agreement or any similar provision of any other Bond Document, insofar as such noncompliance or failure is a result of PREPA's failure to transfer monies from the General Fund to the Revenue Fund in a manner consistent with section 506 of the Trust Agreement or any such similar provision contained in the Bond Documents, as applicable.

6. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 507 of the Trust Agreement or any similar provision of any other Bond Document, insofar as such noncompliance or failure is a result of PREPA's failure to transfer monies from the Revenue

[1]Capitalized terms used in this Annex E that are not defined in the Restructuring Support Agreement shall have the meanings ascribed to them in the Trust Agreement.

Fund to the Sinking Fund in a manner consistent with section 507 of the Trust Agreement or any such similar provision contained in the Bond Documents, as applicable.

7. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to comply with or perform its obligations under section 702 of the Trust Agreement or any similar provision of any other Bond Document, as applicable, insofar as such noncompliance or failure is a result of PREPA's failure to operate in an efficient and economical manner, maintain the system in good repair and sound operating condition (including by making all necessary repairs, renewals and replacements), or as a result of PREPA's employment of more persons than are necessary and non-compliance with all valid and applicable rules, regulations, and orders.

8. Any default or event of default under section 802(h) of the Trust Agreement as a result of PREPA's failure to keep accurate records or complete and file its audited financial statements within the time periods specified in section 710 of the Trust Agreement or any similar provision of any other Bond Document; provided that the failure to cause to be filed with the Trustee and the Consulting Engineers the monthly reports required by section 710 of the Trust Agreement shall not be a Bond Potential Default.

9. Any default or event of default under Section 802(i) of the Trust Agreement.

10. Any default or event of default under the Bond Insurance Agreements as a result of PREPA's failure to pay or reimburse the Insurers for any and all charges, fees, costs and expenses incurred by the Insurers in connection with the Bond Insurance Agreements.

11. Any default or event of default under the Bond Insurance Agreements as a result of PREPA's failure to comply with any reporting requirements to the Insurers under the Bond Insurance Agreements.

Annex F
Scotiabank Potential Defaults[1]

1. Any Default or Event of Default under clause (d) of Article VII of the Scotiabank Credit Agreement, solely with respect to any failure to comply with Section 5.02(a) of the Scotiabank Credit Agreement in relation to PREPA's obligation to give notice within 10 days of (a) the change in PREPA's Senior Debt rating by Moody's or S&P's (an Adjustment Event), specifically (i) Moody's change of its rating of PREPA's Senior Debt to *"Ba2"* on February 7, 2014, (ii) S&P's change of its rating of PREPA's Senior Debt to *"BBB-"* on June 18, 2014 and (b) a Default due to such change in Senior Debt rating resulting in the counterparties under certain interest rate swap agreements or Solus under the Solus Credit Agreement, each constituting Material Indebtedness under the Scotiabank Credit Agreement, having the right to cause the corresponding Indebtedness to become due prior to their respective scheduled maturities under the Scotiabank Credit Agreement.

2. Any Default or Event of Default under clause (f) of Article VII of the Scotiabank Credit Agreement in connection with any defaults listed on (i) Annex E to the Restructuring Support Agreement and (ii) Annex G to the Restructuring Support Agreement.

3. Any Default or Event of Default under clause (g) of Article VII of the Scotiabank Credit Agreement in connection with any defaults listed on (i) Annex E to the Restructuring Support Agreement and (ii) Annex G to the Restructuring Support Agreement.

4. Any Default or Event of Default under sub-clause (vi) of clause (i) of Article VII of the Scotiabank Credit Agreement (solely with respect to relief under the Recovery Act).

5. Any Default or Event of Default under clause (j) of Article VII of the Scotiabank Credit Agreement.

6. Any Default or Event of Default under clause (a) of Article VII of the Scotiabank Credit Agreement as a result of PREPA's failure to pay any principal of or default interest on any Advance during the Support Period.

7. Any Default or Event of Default under clause (b) of Article VII of the Scotiabank Credit Agreement as a result of PREPA's failure to pay any fees incurred by advisors to the Administrative Agent and the Scotiabank Lenders during the Support Period (other than fees required to be paid pursuant to the Restructuring Support Agreement).

[1]Capitalized terms used in this Annex F that are not defined in the Restructuring Support Agreement shall have the meanings ascribed to them in the Scotiabank Credit Agreement.

Annex G
Solus Potential Defaults[1]

1. Any Default or Event of Default under clause (d) of Article VII of the Solus Credit Agreement, solely with respect to any failure to comply with Section 5.02(a) of the Solus Credit Agreement in relation to PREPA's obligation to give notice within 10 days of (a) the change in PREPA's Senior Debt rating by Moody's or S&P's (an Adjustment Event) and (b) a Default due to such change in Senior Debt rating resulting in the counterparties under certain interest rate swap agreements or the Scotiabank Lenders under the Scotiabank Credit Agreement, each constituting Material Indebtedness under the Solus Credit Agreement, having the right to cause the corresponding Indebtedness to become due prior to their respective scheduled maturities under the Solus Credit Agreement.

2. Any Default or Event of Default under clause (f) of Article VII of the Solus Credit Agreement, in connection with any default listed on (i) Annex E to the Restructuring Support Agreement and (ii) Annex F to the Restructuring Support Agreement.

3. Any Default or Event of Default under clause (g) of Article VII of the Solus Credit Agreement, in connection with any default listed on (i) Annex E to the Restructuring Support Agreement and (ii) Annex F to the Restructuring Support Agreement.

4. Any Default or Event of Default under sub-clause (vi) of clause (i) of Article VII of the Solus Credit Agreement (solely with respect to relief under the Recovery Act).

5. Any Default or Event of Default under clause (j) of Article VII of the Solus Credit Agreement.

6. Any Default or Event of Default under clause (a) of Article VII of the Solus Credit Agreement as a result of PREPA's failure to pay any principal of or default interest on any Advance during the Support Period.

7. Any Default or Event of Default under clause (q) of Article VII of the Solus Credit Agreement as a result of the downgrading of the long term rating of the Senior Debt, specifically (i) Moody's change of its rating of PREPA's Senior Debt to *"Caa2"* on July 1, 2014, (ii) S&P's change of its rating of PREPA's Senior Debt to *"CCC"* on July 31, 2014.

8. Any Default or Event of Default under clause (b) of Article VII of the Solus Credit Agreement as a result of PREPA's failure to pay any fees incurred by advisors to Solus during the Support Period (other than fees required to be paid pursuant to the Restructuring Support Agreement).

[1]Capitalized terms used in this Annex G that are not defined in the Restructuring Support Agreement shall have the meanings ascribed to them in the Solus Credit Agreement.

Annex H
January Payment Term Sheet

Annex I
July Payment Term Sheet