APPENDIX 1 TO SCHEDULE 6

CLOSING BOND OR GUARANTY DETERMINATION PROCEDURE

1. **Closing Bond Determination Procedure**

1.1 This Appendix 1 to Schedule 6 comprises procedures and requirements to apply to the determination to be made by an expert (the "Closing Bond Expert") prior to any draw on the Closing LOC or the Closing Surety Bond or the Closing Corporate Guaranty, the purpose of which is to determine whether a Closing Bond Default or a Closing Corporate Guaranty Default has occurred (the "Closing Bond or Guaranty Determination").

1.2 The Concession Company shall only be considered to be in default, and a draw:

1.2.1 on the Closing LOC or the Closing Surety Bond be allowed as a result (the "Closing Bond Default"), when:

(i) prior to the earliest of (A) Closing, (B) the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement), and (C) termination of the Agreement under Section 2.4(d)(i) to Section 2.4(d)(vi) of the Agreement, the Concession Company or Surety has withdrawn or attempted to withdraw, or altered or attempted to alter, any part or all of the Closing LOC or the Closing Surety Bond; or

(ii) the Authority has terminated the Agreement pursuant to Section 2.4(d)(iv) because a condition set forth in Section 2.4(b) of the Agreement remains unsatisfied as of the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement) (unless such Section 2.4(b) condition remains unsatisfied solely because a condition set forth in Section 2.4(a) or (c) remains unsatisfied or such condition remains unsatisfied as a result of the occurrence of an event of Force Majeure) and provided that the conditions set forth in Section 2.4(a) of the Agreement have been satisfied (other than any condition (x) the satisfaction of which depends on an action of the Concession Company or the satisfaction of any condition set forth in Section 2.4(b) or Section 2.4(c) of the Agreement; or (y) which has not been satisfied as a result of the Concession Company's failure to comply with the provisions of the Agreement);

1.2.2 on the Closing Corporate Guaranty be allowed as a result (the "Closing Corporate Guaranty Default"), when:

(i) prior to the earliest of (A) Closing, (B) the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement), (C) termination of the Agreement under Section 2.4(d)(i) to Section 2.4(d)(vi) of the Agreement and (D) expiry of this Guaranty under clause 10 therein, the Concession Company or the Guarantor has withdrawn or attempted to withdraw, or altered or attempted to alter, any part or all of the Closing Corporate Guaranty; or

(ii) the Authority has terminated the Agreement pursuant to Section 2.4(d)(iv) thereof because a condition set forth in Section 2.4(b) thereof remains unsatisfied as of the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement) (unless such Section 2.4(b) condition remains unsatisfied solely because a condition set forth in Section 2.4(a) or (c) remains unsatisfied or any such condition remains unsatisfied as a result of the occurrence of an event of Force Majeure) and provided that the conditions in Section 2.4(a) have been satisfied (other than any condition (x) the satisfaction of which depends on an action of the Concession Company or the satisfaction of any condition set forth in Section 2.4(b) or Section 2.4(c); or (y) which has not been satisfied as a result of the Concession Company's failure to comply with the provisions of the Agreement); or

(iii) the Authority has terminated the Agreement pursuant to Section 2.4(d)(vii) thereof and none of the conditions set forth in Section 2.3(d) thereof is in effect on the Outside Closing Security Delivery Date and the Concession Company has not delivered the Cash Deposit, the Closing LOC or the Closing Surety Bond to the Authority on or before the Outside Closing Security Delivery Date.

2. **Closing Bond Expert Appointment**

2.1 The Parties have agreed that [*Name of the First Closing Bond and Guaranty Expert to be determined by mutual agreement of the Parties sixty (60) days before the Outside Closing Security Delivery Date but not earlier than thirty (30) days after signing of the Agreement*] (the "First Closing Bond and Guaranty Expert") shall act as the Closing Bond Expert.

2.2 If the First Closing Bond and Guaranty Expert dies, retires or is unable for any other reason to continue to act while a Closing Bond or Guaranty Determination is being considered, the Parties have agreed that [*Name of the Second Closing Bond and Guaranty Expert to be determined by mutual agreement of the Parties sixty (60) days before the Outside Closing Security Delivery Date but not earlier than thirty (30) days after signing of the Agreement*] (the "Second Closing Bond

and Guaranty Expert") shall replace him or her as Closing Bond Expert.

2.3 If [*Name of the Second Closing Bond and Guaranty Expert*] dies, retires or is unable for any other reason to continue to act while a Closing Bond or Guaranty Determination is being considered, the Parties have agreed that [*Name of the Third Closing Bond and Guaranty Expert to be determined by mutual agreement of the Parties sixty (60) days before the Outside Closing Security Delivery Date but not earlier than thirty (30) days after signing of the Agreement*] (the "Third Closing Bond and Guaranty Expert") shall replace him or her as Closing Bond Expert.

2.4 No person who has been appointed to act as Closing Bond Expert shall act as adviser to, or become an employee, agent, officer, or member of, or receive any compensation or benefit in any capacity from, either Party or an Affiliate of either Party following such appointment, or take any other part in any proceedings between the Parties arising from or in connection with the Agreement, including as counsel to any such Party.

2.5 No Closing Bond Expert may be a past or present employee or agent of, or consultant or counsel to, or in any other capacity receive any compensation or benefit from either Party or any Affiliate of either Party or have any interest, personal or financial, in any matter relating to the Closing Bond or Guaranty Determination or the Parties themselves.

2.6 Any Closing Bond Expert may be removed and replaced by agreement of both of the Parties.

3. **Closing Bond or Guaranty Determination Procedure**

3.1 When the Authority considers that a Closing Bond Default or a Closing Corporate Guaranty Default has occurred and wishes as a result to draw on the Closing LOC, the Closing Surety Bond, or the Closing Corporate Guaranty, as applicable, it shall serve a notice through a certified mail (with return receipt) on the Concession Company and the First Closing Bond and Guaranty Expert in accordance with the notification requirements of the Closing Bond and the Closing Corporate Guaranty, as applicable (the "Closing Bond or Guaranty Draw Notice").

3.2 Immediately following receipt of the Closing Bond or Guaranty Draw Notice, the First Closing Bond and Guaranty Expert shall notify its availability or unavailability to the Parties through a certified letter (with return receipt). If the First Closing Bond and Guaranty Expert is unavailable, the Parties shall immediately refer the Closing Bond or Guaranty Draw Notice to the Second Closing Bond and Guaranty Expert. The aforementioned procedure shall apply *mutatis mutandis* in the event the Second Closing Bond and Guaranty Expert would be

unavailable. If the Closing Bond Expert confirms its availability (the "Closing Bond Expert Availability Confirmation"), he/she shall immediately start working on the Closing Bond or Guaranty Determination.

3.3 The Closing Bond or Guaranty Draw Notice shall state the grounds on the basis of which the Authority considers that a Closing Bond Default or a Closing Corporate Guaranty Default has occurred. The Closing Bond Expert shall make the Closing Bond or Guaranty Determination on the basis of the grounds the Authority is claiming a Closing Bond Default or Closing Corporate Guaranty Default has occurred.

3.4 The Parties may appoint counsel or other professional advisers to advise and represent them in relation to the Closing Bond or Guaranty Determination.

3.5 The Closing Bond Expert shall be responsible for the proper and expeditious conduct of the Closing Bond or Guaranty Determination procedure.

3.6 The Closing Bond Expert shall act impartially.

3.7 The Closing Bond Expert shall proceed within as short a time as possible to establish the facts required by all appropriate means. To establish the facts, the Closing Bond Expert shall have all power to obtain any evidence he or she may deem necessary. To that extent, the Closing Bond Expert may in particular:

(i) order any Party to make any documents, goods, samples, property, site or thing under its control available for inspection by the Closing Bond Expert, any other Party, or any expert to such Party;

(ii) order any Party to produce to the Closing Bond Expert and to other parties documents or copies of documents in their possession, custody or power which the Closing Bond Expert decides to be relevant;

(iii) decide to hear any of the Party, witnesses, experts or any other person, in the presence of the Parties, or in their absence provided they have been duly summoned; or

(iv) decide whether or not to apply any strict rules of evidence (or any other rules) as to the admissibility, relevance or weight of any material tendered by a Party on any issue of fact or expert opinion and to decide the time, manner and form in which such material should be exchanged between the Parties and presented to the Closing Bond Expert.

3.8 The Closing Bond Expert shall have the power to open up, review and revise any opinion, certificate, instruction, determination or decision of whatever nature given or made under the Agreement.

3.9 The Closing Bond Expert may hear the Parties or decide the case solely on the documents submitted by the Parties.

3.10 In the event a hearing is to be held, such hearing shall take place no later than twenty (20) days following the date of the Closing Bond Expert Availability Confirmation. The Closing Bond Expert, giving reasonable notice, shall summon the Parties to appear for the hearing on the day and at the place fixed by it. The hearing shall not last more than five (5) Business Days.

3.11 The place of any hearings for the Closing Bond or Guaranty Determination shall be San Juan, Puerto Rico.

3.12 Each Party shall be allowed to submit written representations and/or evidence to the Closing Bond Expert, with copies to the other Party, but in any event such representations and/or evidence shall be submitted by the Parties no later than seven (7) Business Days prior to the date fixed for the Closing Bond or Guaranty Determination (as per paragraph 3.13 of this Appendix 1 to Schedule 6) or, as the case may be, the hearing (as per paragraph 3.10 of this Appendix 1 to Schedule 6). In the case of responding to any request of the Closing Bond Expert, the Parties shall submit written representations and/or evidence within such time period for response specified by the Closing Bond Expert in such request.

3.13 Within five (5) Business Days from the end of the hearing or, at the latest within thirty (30) days from the date of the Closing Bond Expert Availability Confirmation, the Closing Bond Expert shall deliver to both Parties its Closing Bond or Guaranty Determination. This time period may be extended by the Closing Bond Expert for reasonable cause, after consultation with the Parties, or by the agreement of the Parties.

3.14 In the event the Closing Bond Expert considers that a Closing Bond Default or Closing Corporate Guaranty Default has occurred, the Closing Bond or Guaranty Determination shall explicitly state as a minimum:

3.14.1 In the case of a Closing Bond Default:

(i) in the event of a Closing Bond Default under paragraph 1.2.1(i) of this Appendix 1 to Schedule 6, that prior to the earliest of (A) Closing, (B) the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement) or (C) termination of the Agreement under Section 2.4(d)(i) to Section 2.4(d)(vi) of the Agreement, the Concession Company or the Surety has either:

(a) withdrawn any part or all of the Closing LOC or the Closing Surety Bond; or

(b) attempted to withdraw any part or all of the Closing LOC or the Closing Surety Bond; or

(c) altered any part or all of the Closing LOC or the Closing Surety Bond; or

(d) attempted to alter any part or all of the Closing LOC or the Closing Surety Bond; or

(ii) in the event of a Closing Bond Default under paragraph 1.2.1(ii) of this Appendix 1 to Schedule 6:

(a) that a condition set forth in Section 2.4(b) of the Agreement remained unsatisfied as of the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement);

(b) that such condition set forth in Section 2.4(b) did not remain unsatisfied solely because a condition set forth in Section 2.4(a) or (c) remained unsatisfied or that such condition did not remain unsatisfied as a result of the occurrence of an event of Force Majeure; and

(c) that the conditions set forth in Section 2.4(a) had been satisfied (other than any condition (x) the satisfaction of which depended on an action of the Concession Company or the satisfaction of any condition set forth in Section 2.4(b) or Section 2.4(c) of the Agreement, or (y) which had not been satisfied as a result of the Concession Company's failure to comply with the provisions of the Agreement).

3.14.2 In the case of a Closing Corporate Guaranty Default:

(i) in the event of a Closing Corporate Guaranty Default under paragraph 1.2.2(i) of this Appendix 1 to Schedule 6 that, prior to the earliest of (A) Closing, (B) the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement) or (C) termination of the Agreement under Section 2.4(d)(i) to Section 2.4(d)(vi) of the Agreement and (D) expiry of this Guaranty under clause 10 thereof, the Concession Company or the Guarantor has either:

(a) withdrawn any part or all of this Closing Corporate Guaranty; or

(b) attempted to withdraw any part or all of this Closing Corporate Guaranty; or

(c) altered any part or all of of this Closing Corporate Guaranty; or

(d) attempted to alter any part or all of of this Closing Corporate Guaranty.

(ii) in the event of a Closing Corporate Guaranty Default under paragraph 1.2.2(ii) of this Appendix 1 to Schedule 6:

(a) that a condition set forth in Section 2.4(b) of the Agreement remained unsatisfied as of the Outside Closing Date (as it may be amended pursuant to the terms of the Agreement);

(b) that such condition set forth in Section 2.4(b) of the Agreement did not remain unsatisfied solely because a condition set forth in Section 2.4(a) or (c) remained unsatisfied or such condition did not remain unsatisfied as a result of the occurrence of an event of Force Majeure; and

(c) that the conditions set forth in Section 2.4(a) of the Agreement had been satisfied (other than any condition (x) the satisfaction of which depended on an action of the Concession Company or the satisfaction of any condition set forth in Section 2.4(b) or Section 2.4(c) of the Agreement; or (y) which had not been satisfied as a result of the Concession Company's failure to comply with the provisions of the Agreement).

(iii) in the event of a Closing Corporate Guaranty Default under paragraph 1.2.2(iii) of this Appendix 1 to Schedule 6, that none of the conditions set forth in Section 2.3(d) of the Agreement is in effect on the Outside Closing Security Delivery Date and the Concession Company has not delivered the Cash Deposit, the Closing LOC or the Closing Surety Bond to the Authority on or before the Outside Closing Security Delivery Date.

3.15 In the event the Closing Bond Expert considers that no Closing Bond Default or no Closing Corporate Guaranty Default, as applicable, has occurred, the Closing Bond or Guaranty Determination shall explicitly state that no Closing Bond Default or Closing Corporate Guaranty Default, as applicable, has occurred.

3.16 The Closing Bond Expert shall give in any event written reasons for its determination.

3.17 The Closing Bond or Guaranty Determination shall be binding on both Parties who shall forthwith give effect to the determination.

3.18 Any Party may challenge the Closing Bond or Guaranty Determination within fifteen (15) Business Days from issuance. Such

challenge shall be considered a Technical Dispute and shall be resolved in accordance with the procedure set forth under Section 19.4 of the Agreement.

3.19 The Closing Bond Expert shall not be liable for anything done or omitted in the discharge of his or her functions unless the act or omission is fraudulent or in bad faith.

3.20 The Closing Bond or Guaranty Determination and all proceedings, documentation and determinations in relation to that procedure are to be in English. However, if the Closing Bond Expert is fluent in English and Spanish, either language may be used as agreed by the Parties or as determined by the Closing Bond Expert. Under such circumstances, (i) if the Closing Bond or Guaranty Determination process is conducted in English, the Parties may rely on documents in Spanish without the need to provide an English language translation; and (ii) if a hearing is conducted, witnesses may testify in Spanish without the need to provide a simultaneous translation to English; provided that a Party may, at its own expense, provide for such simultaneous translation.

3.21 The reasonable costs of the Closing Bond or Guaranty Determination process shall be borne by the Concession Company, to the extent the Closing Bond Expert determines that a Closing Bond Default or Closing Corporate Guaranty Default has occurred, and by the Authority, to the extent that the Closing Bond Expert determines that no Closing Bond Default or Closing Corporate Guaranty Default has occurred. As the case may be, any retainer fee for the Closing Bond Experts shall be initially borne equally by the Parties but, at the end of the proceeding, borne by the Party that ultimately retains the obligation to pay the reasonable costs of the Closing Bond or Guaranty Determination, reimbursing such Party the retainer fee advanced by the other Party.