AMENDMENT NO. 3 TO THE RESTRUCTURING SUPPORT AGREEMENT

This Amendment No. 3, dated as of December 7, 2015 (“Amendment No. 3”), to the Restructuring Support Agreement, dated as of November 5, 2015 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated November 12, 2015 and Amendment No. 2, dated November 20, 2015, the “Agreement”), is entered into by and among PREPA, 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”). The Ad Hoc Group, together with Scotiabank, the Scotiabank Lenders, Solus and GDB will be referred to herein collectively as the “Supporting Creditors.” The Supporting Creditors, together with PREPA, will be referred to herein collectively as the “Parties.”

RECITALS

WHEREAS, the Parties desire to amend the Agreement to extend the deadline for PREPA and the Insurers to reach an agreement reasonably acceptable to the Supporting Creditors with respect to the Insurers’ participation in the Recovery Plan, in accordance with the terms of the Agreement as amended by this Amendment No. 3.

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. Conditions to Effectiveness. This Amendment No. 3 shall become effective as of the date (the “Amendment No. 3 Effective Date”) that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 3; and

(b) PREPA shall have received and provided written confirmation to all Forbearing Creditors of all approvals required to enter into and perform the Agreement, as amended by this Amendment No. 3, 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 Amendment No. 3.

2. Amendment. This Amendment No. 3 amends the Agreement as follows:

(a) Sections 1(d) and 13(b)(i) are amended to replace the words “December 10, 2015” with “December 17, 2015”.

EXECUTION VERSION
(b) Section 9(n) is amended to replace the words “December 15, 2015” with “January 22, 2016”.

(c) Section 13(b)(ii) is amended to replace the words “December 21, 2015” with “February 1, 2016”.

(d) Section 13(b)(iii) is amended to replace the words “December 18, 2015” with “January 11, 2016”.

(e) Section 13(b)(iv) is amended to replace the words “December 7, 2015” with “December 17, 2015”.

(f) Sections 13(c)(v) and 13(e)(xxi) are amended to replace the words “December 14, 2015” with “December 17, 2015”.

3. **Effectiveness.** On or after the Amendment No. 3 Effective Date, each reference in the Agreement to “this Agreement,” “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 Amendment No. 3. Except as expressly amended by this Amendment No. 3, the provisions of the Agreement are and shall remain in full force and effect.

4. **Governing Law.** This Amendment No. 3 shall be governed and construed and enforced in accordance with the laws of the State of New York.

5. **Counterparts.** This Amendment No. 3 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 Amendment No. 3 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 3 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 Amendment No. 3, 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.

[Signature Pages Follow]
IN WITNESS WHEREOF, this Amendment No. 3 has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER AUTHORITY

By: 

Name: Javier A. Quintana Méndez

Title: 

[RSA – Amendment No. 3 – Signature Page]
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: Gavin Bajera

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: [Signature]

Name: David M. O'Mara

Title: Deputy General Counsel

REDACTED
D. E. SHAW GALVANIC PORTFOLIOS, L.L.C.

By: __________________________

Name: Seth Charnow

Title: Authorized Signatory

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

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUND

TENNESEE 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

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

FTIF – FRANKLIN STRATEGIC INCOME FUND

FT OPPORTUNISTIC DISTRESSED FUND, LTD.

By: ____________________________

Name: __________________________

Title: ____________________________

REDACTED

By: [Signature]

Name: David Fishman

Title: Assistant Secretary

REDACTED
LMA SPC FOR AND ON BEHALF OF THE MAP84 SEREGATED PORTFOLIO

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 Advisor- Manager

By: ____________________________

Name: ____________________________

Title: ____________________________

REDACTED
KNIGHTHEAD (NY) FUND, L.P.

BY: Knighthead Capital Management, LLC, its Investment Advisor

By: __________________________

Name: Laura Torrado

Authorized Signatory

Title: __________________________

REDACTED
KNIGHTHEAD ANNUITY & LIFE ASSURANCE COMPANY

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 F Coppa

Title: ________________________________

REDACTED
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: Scott Cottin

Name: Scott Cottin

Title: VP/PM

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

MassMutual International Holding MSC and MassMutual Unified Traditional Separate Account

By: Scott Cottin

Name: Scott Cottin

Title: VP/PM
SCOTIABANK DE PUERTO RICO, as Agent and as Lender

By: [Signature]

Name: Roy Purcell

Title: Vice President

BANCO POPULAR DE PUERTO RICO, as Lender

By: ______________________

Name: ______________________

Title: ______________________

ORIENTAL BANK, as Lender

By: ______________________

Name: ______________________

Title: ______________________

By: ______________________

Name: ______________________

Title: ______________________

FIRSTBANK PUERTO RICO, as Lender

By: ______________________

Name: ______________________

Title: ______________________

[RSA – Amendment No. 3 – Signature Page]
SCOTIABANK DE PUERTO RICO, as Agent and as Lender

By: ____________________________

Name: ____________________________

Title: ____________________________

BANCO POPULAR DE PUERTO RICO, as Lender

By: ____________________________

Name: Liza M. Lugaro

Title: VP

ORIENTAL BANK, as Lender

By: ____________________________

Name: ____________________________

Title: ____________________________

By: ____________________________

Name: ____________________________

Title: ____________________________

FIRSTBANK PUERTO RICO, as Lender

By: ____________________________

Name: ____________________________

Title: ____________________________

[RSA – Amendment No. 3 – Signature Page]
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: __________________________________________

[RSA – Amendment No. 3 – Signature Page]
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: ____________________________

By: ____________________________

Name: __________________________

Title: ____________________________

FIRSTBANK PUERTO RICO, as Lender

By: ____________________________

Name: __________________________

Title: ____________________________

[RSA – Amendment No. 3 – Signature Page]
SOLA LTD, as Lender and Holder

By: Solus Alternative Asset Management LP
   Its Investment Advisor

Name: C.J. Lumbitew
Title: Partner

Solus Opportunities Fund 5 LP, as Lender and Holder

By: Solus Alternative Asset Management LP
   Its Investment Advisor

Name: C.J. Lumbitew
Title: Partner

Ultra Master LTD, as Lender and Holder

By: Solus Alternative Asset Management LP
   Its Investment Advisor

Name: C.J. Lumbitew
Title: Partner
GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO

By: [Signature]

Name: Helba Acosta Febo

Title: President

[RSA–Amendment No. 3 – Signature Page]
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.
D.E. SHAW GALVANIC PORTFOLIOS, L.C.C.
CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND
CALIFORNIA HIGH YIELD MUNICIPAL BOND FUND
TENNESEE 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
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
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.

MV CREDIT OPPORTUNITY FUND, L.P.

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

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