

WHEREAS, National, Assured, Syncora and the Ad Hoc Group (the "**Forbearing Creditors**") collectively hold or insure more than 60% of the total outstanding principal amount of the Bonds.

WHEREAS, the Forbearing Creditors agree to this Amendment No. 4 in exchange for the below terms and conditions.

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. Definitions. 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. From and after the Amendment No. 4 Effective Date (as defined below), (i) the terms "Parties," "Ad Hoc Group," and "Forbearing Creditors," as used in the Agreement, shall have the meanings assigned to such terms in this Amendment No. 4; and (ii) the phrase "the Bonds outstanding subject to this Agreement," as used in the Agreement, shall be interpreted by reference to the Agreement as amended by this Amendment No. 4.

2. Conditions to Effectiveness. This Amendment No. 4 shall become effective as of the date (the "**Amendment No. 4 Effective Date**") that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 4;

(b) PREPA shall have executed amendments to the Citibank/Scotiabank Forbearance Agreements in form and substance acceptable to the Forbearing Creditors;

(c) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now or hereinafter enacted, has been instituted by or on behalf of PREPA; and

(d) 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. 4, including, without limitation, submission to the Forbearing 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. 4.

3. Representations.

(a) Representations of the Insurers. Each of the Insurers hereby represents and warrants (which is a continuing representation and warranty, and shall be true throughout the Forbearance Period) that each of the representations in the Recitals set forth above as to such Insurer is true and accurate as of the date hereof.


(b) Representations of the Holders. Each of the Holders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the

provisions of the Agreement relating to Transfer, be true throughout the Forbearance Period) that:

- (i) it owns or has investment management responsibility for accounts that own Bonds that are not Insured Bonds in the principal amounts set forth on its respective signature page hereto or Forbearing Creditor Joinder (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 7 of the 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.

4. Forbearance Termination Date. Section 5(a) of the Agreement is hereby amended and restated in its entirety as follows:

"This Agreement shall terminate at 11:59 p.m. (prevailing Eastern Time) on June 18, 2015 (the "***Forbearance Termination Date***"), unless terminated earlier in accordance with the terms of this Agreement."

 5. Binding Effect. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Amendment No. 4, shall continue to constitute a binding agreement among the Parties executing this Amendment No. 4. For the avoidance of doubt, the Parties acknowledge and agree that, any term set forth in this Agreement to the contrary notwithstanding, the terms and conditions of Amendment No. 4 are not binding upon, nor do they inure to the benefit of, any of the following: (i) any party to either (w) the original Agreement dated as of August 14, 2014, (x) Amendment No. 1, (y) Amendment No. 2, or (z) Amendment No. 3 that is not a party to this Amendment No. 4 or (ii) any person or entity not otherwise a party to this Amendment No. 4 who has entered into a valid and binding agreement prior to the Amendment No. 4 Effective Date to purchase Bonds from a Forbearing Creditor

6. Effectiveness. On or after the Amendment No. 4 Effective Date, each reference in the Agreement to "this Agreement," "Forbearance 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. 4. Except as amended by this Amendment No. 4, the provisions of the Agreement are and shall remain in full force and effect. Except as provided in this Amendment No. 4, nothing in this Amendment No. 4 shall constitute a waiver of the rights or obligations of any of the Parties under the Agreement.

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

8. Counterparts. This Amendment No. 4 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. 4 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 4 by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

9. Entire Agreement. This Amendment No. 4 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]

gmb

IN WITNESS WHEREOF, this Amendment No. 4 has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER
AUTHORITY

By: 

Name: Juan F. Alicea Flores

Title: Executive Director

NATIONAL PUBLIC FINANCE GUARANTEE
CORPORATION

By: Math Gr

Name: Matthew Cohn

Title: Director

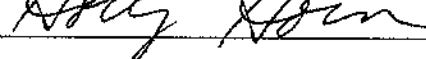
ASSURED GUARANTY MUNICIPAL CORP.

By: 

Name: HOLLY HORN

Title: CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

ASSURED GUARANTY CORP.

By: 

Name: HOLLY HORN

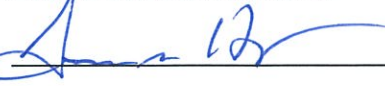
Title: CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

SYNCORA/GUARANTEE INC.

By: _____

Name: _____

Title: _____



FREDERICK B. HNAT

MANAGING DIRECTOR &
SENIOR COUNSEL

AG MM, L.P.

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

By: 

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CAPITAL RECOVERY PARTNERS VIII,
L.P.

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

By: 

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG ELEVEN PARTNERS, L.P.

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

By: 

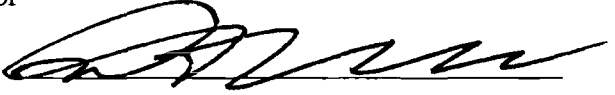
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG SUPER FUND INTERNATIONAL
PARTNERS, L.P.

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

By: 

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

NUTMEG PARTNERS, L.P.

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

By: 

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CENTRE STREET PARTNERSHIP, L.P.

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

By: 

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG PRINCESS, LP

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

By: 

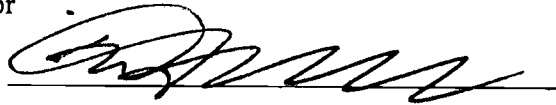
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG SUPER FUND, L.P.

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

By: 

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

BLUEMOUNTAIN GUADALUPE PEAK FUND
L.P.

BLUEMOUNTAIN LONG/SHORT CREDIT
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

By: BlueMountain Capital Management, LLC, its
investment manager

By: 
Name: David M. O'Mara
Assistant GCVP
Title: _____

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

CALIFORNIA INTERMEDIATE TERM TAX
FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND
FUN

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: Sheila Amoreso

Name: Sheila Amoreso

Title: SVP

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

REDACTED

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUND

REDACTED

TENNESSEE MUNICIPAL BOND FUND

REDACTED

Signature Page – Amendment No. 4 to Forbearance Agreement – PREPA/holders

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

By: James McCarthy

Name: James McCarthy

Title: Assistant Secretary

REDACTED

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

By: James McCarthy

Name: James McCarthy

Title: Assistant Secretary

REDACTED

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

By: James McCarthy

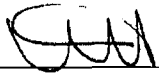
Name: James McCarthy

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 MASTER FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Manager

By:  _____


Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

KNIGHTHEAD (NY) FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____

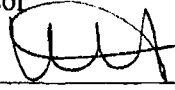
Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

LMA SPC FOR AND ON BEHALF OF THE
MAP84 SEGREGATED PORTFOLIO

By: Knighthood Capital Management, LLC, its
Investment Advisor

By:  _____

Name: Laura Torrado

Title: Authorized Signatory

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

Name: P. L. F. L.

Title: AUTHORIZED SIGNATORY

Schedule A:

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 SCA SICAV-SIF
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

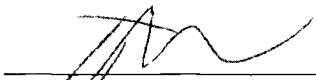
OPPENHEIMER ROCHESTER ARIZONA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER MARYLAND
MUNICIPAL FUND

OPPENHEIMER ROCHESTER NORTH
CAROLINA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MINNESOTA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER SHORT TERM
MUNICIPAL FUND


By: _____

Name: Troy Willis

Title: Vice President

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

MassMutual International Holding MSC and
MassMutual Unified Traditional Separate Account:

By: _____

Name: Troy Willis

Title: Vice President

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 LONG/SHORT CREDIT 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

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUN

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

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 SCA SICAV-SIF

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

OPPENHEIMER ROCHESTER SHORT TERM MUNICIPAL FUND

MASSMUTUAL INTERNATIONAL HOLDING MSC

MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT


AMENDMENT NO. 5 TO THE FORBEARANCE AGREEMENT

This Amendment No. 5, dated as of June 18, 2015 ("***Amendment No. 5***"), to the Forbearance Agreement, dated as of August 14, 2014 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 30, 2015, Amendment No. 2, dated April 15, 2015, Amendment No. 3, dated April 30, 2015, Amendment No. 4, dated June 4, 2015, and this Amendment No. 5, the "***Agreement***"), is entered into by and among PREPA, National, Assured, Syncora, and the undersigned members of the Ad Hoc Group identified on Annex A (the "***Ad Hoc Group***" and, together with PREPA, National, Assured and Syncora, the "***Parties***").

RECITALS

WHEREAS, the Parties desire to amend the Agreement to extend the term of the Agreement.

WHEREAS, as a condition to the Parties' entry into this Amendment No. 5, senior officials of the government of Puerto Rico, of the Forbearing Creditors, Solus Alternative Asset Management LP ("***Solus***") and Scotiabank will agree to meet in order to consider and discuss in good faith the alternative recovery plan(s) (or treatment therein) proposed by the Forbearing Creditors, Solus and Scotiabank.

 **WHEREAS**, as of the date hereof \$8,322,405,000 in principal amount of the Bonds is outstanding.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by National under the Bond Insurance Agreements is \$1,397,520,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by Assured under the Bond Insurance Agreements is \$940,260,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by Syncora under the Bond Insurance Agreements is \$212,855,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by each Holder is listed on each respective Holder's signature page to this Agreement.

WHEREAS, National, Assured, Syncora and the Ad Hoc Group (the "***Forbearing Creditors***") collectively hold or insure more than 60% of the total outstanding principal amount of the Bonds.

WHEREAS, the Forbearing Creditors agree to this Amendment No. 5 in exchange for the below terms and conditions.

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. Definitions. 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. From and after the Amendment No. 5 Effective Date (as defined below), (i) the terms "Parties," "Ad Hoc Group," and "Forbearing Creditors," as used in the Agreement, shall have the meanings assigned to such terms in this Amendment No. 5; and (ii) the phrase "the Bonds outstanding subject to this Agreement," as used in the Agreement, shall be interpreted by reference to the Agreement as amended by this Amendment No. 5.

2. Conditions to Effectiveness. This Amendment No. 5 shall become effective as of the date (the "***Amendment No. 5 Effective Date***") that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 5;

(b) PREPA shall have executed amendments to the Citibank/Scotiabank Forbearance Agreements in form and substance acceptable to the Forbearing Creditors;

(c) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now or hereinafter enacted, has been instituted by or on behalf of PREPA; and

 (d) 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. 5, including, without limitation, submission to the Forbearing 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. 5.

3. Representations.

(a) Representations of the Insurers. Each of the Insurers hereby represents and warrants (which is a continuing representation and warranty, and shall be true throughout the Forbearance Period) that each of the representations in the Recitals set forth above as to such Insurer is true and accurate as of the date hereof.

(b) Representations of the Holders. Each of the Holders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions of the Agreement relating to Transfer, be true throughout the Forbearance Period) that:

(i) it owns or has investment management responsibility for accounts that own Bonds that are not Insured Bonds in the principal amounts set forth on its respective signature page hereto or Forbearing Creditor Joinder (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 7 of the 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.

4. Forbearance Termination Date. Section 5(a) of the Agreement is hereby amended and restated in its entirety as follows:

“This Agreement shall terminate at 11:59 p.m. (prevailing Eastern Time) on June 30, 2015 (the “*Forbearance Termination Date*”), unless terminated earlier in accordance with the terms of this Agreement.”

5. Binding Effect. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Amendment No. 5, shall continue to constitute a binding agreement among the Parties executing this Amendment No. 5. For the avoidance of doubt, the Parties acknowledge and agree that, any term set forth in this Agreement to the contrary notwithstanding, the terms and conditions of Amendment No. 5 are not binding upon, nor do they inure to the benefit of, any of the following: (i) any party to either (v) the original Agreement dated as of August 14, 2014, (w) Amendment No. 1, (x) Amendment No. 2, (y) Amendment No. 3, or (z) Amendment No. 4 that is not a party to this Amendment No. 5 or (ii) any person or entity not otherwise a party to this Amendment No. 5 who has entered into a valid and binding agreement prior to the Amendment No. 5 Effective Date to purchase Bonds from a Forbearing Creditor

6. Effectiveness. On or after the Amendment No. 5 Effective Date, each reference in the Agreement to “this Agreement,” “Forbearance 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. 5. Except as amended by this Amendment No. 5, the provisions of the Agreement are and shall remain in full force and effect. Except as provided in this Amendment No. 5, nothing in this Amendment No. 5 shall constitute a waiver of the rights or obligations of any of the Parties under the Agreement.

7. Governing Law. This Amendment No. 5 shall be governed and construed and enforced in accordance with the laws of the State of New York.

8. Counterparts. This Amendment No. 5 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. 5 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 5 by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

9. Entire Agreement. This Amendment No. 5 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. 5 has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER
AUTHORITY

By: 

Name: Juan F. Alian

Title: Executive Director

NATIONAL PUBLIC FINANCE GUARANTEE
CORPORATION

By: Matthew Cz

Name: Matthew Cz

Title: Director

ASSURED GUARANTY MUNICIPAL CORP.

By: 

Name: HOLLY HORN

Title: CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

ASSURED GUARANTY CORP.

By: 

Name: HOLLY HORN

Title: CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

SYNCORA GUARANTEE INC.

By:



Name:


Frederic B. Hnat

Title:

Managing Director

AG MM, L.P.

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

By: _____

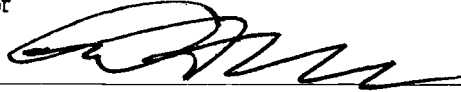
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CAPITAL RECOVERY PARTNERS VIII,
L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG ELEVEN PARTNERS, L.P.

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

By: _____

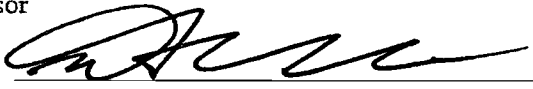
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG SUPER FUND INTERNATIONAL
PARTNERS, L.P.

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

By: _____

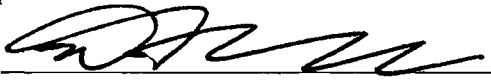
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

NUTMEG PARTNERS, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CENTRE STREET PARTNERSHIP, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG PRINCESS, LP

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

By: _____



Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG SUPER FUND, L.P.

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

By:

A handwritten signature in black ink, appearing to read 'D. Forest Wolfe', is written over a horizontal line.

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

BLUEMOUNTAIN GUADALUPE PEAK FUND
L.P.

BLUEMOUNTAIN LONG/SHORT CREDIT
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

By: BlueMountain Capital Management, LLC, its
investment manager

By: _____

Name: David M. O'Mara
Assistant GC/VP

Title: _____

REDACTED

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

CALIFORNIA INTERMEDIATE TERM TAX
FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND
FUN

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

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: Sheila Amoroso

Name: Sheila Amoroso

Title: SVP

REDACTED

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

By: James McCarthy

Name: James McCarthy

Title: Assistant Secretary

REDACTED

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

By: James McCarthy

Name: James McCarthy

Title: Assistant Secretary

REDACTED

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

By: James McCarthy

Name: James McCarthy

Title: Assistant Secretary

REDACTED

KNIGHTHEAD ANNUITY & LIFE ASSURANCE
COMPANY

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____

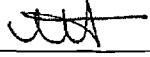
Name: _____ Laura Torrado
Authorized Signatory

Title: _____

REDACTED

KNIGHTHEAD (NY) FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____

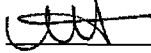
Name: Laura Torrado
Authorized Signatory

Title: _____

REDACTED

KNIGHTHEAD MASTER FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Manager

By:  _____

Name: _____

Laura Torrado

Title: _____

Authorized Signatory

REDACTED

LMA SPC FOR AND ON BEHALF OF THE
MAP84 SEGREGATED PORTFOLIO

By: Knighthead Capital Management, LLC, its
Investment Advisor

By: 

Name: _____

Title: Laura Torrado
Authorized Signatory

REDACTED

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

Name: PLTH

Title: AUTHORIZED SIGNATORY

REDACTED

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

OPPENHEIMER ROCHESTER SHORT TERM
MUNICIPAL FUND

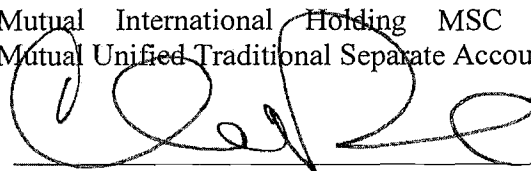
By: 

Name: Charles Pulire

Title: Vice President

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

MassMutual International Holding MSC and
MassMutual Unified Traditional Separate Account:

By: 

Name: Charles Pulire

Title: Vice President

REDACTED

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 LONG/SHORT CREDIT 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

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUN

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

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

OPPENHEIMER ROCHESTER SHORT TERM MUNICIPAL FUND

MASSMUTUAL INTERNATIONAL HOLDING MSC

MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT

AMENDMENT NO. 6 TO THE FORBEARANCE AGREEMENT

This Amendment No. 6, dated as of June 30, 2015 (“***Amendment No. 6***”), to the Forbearance Agreement, dated as of August 14, 2014 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 30, 2015, Amendment No. 2, dated April 15, 2015, Amendment No. 3, dated April 30, 2015, Amendment No. 4, dated June 4, 2015, Amendment No. 5, dated June 18, 2015, and this Amendment No. 6, the “***Agreement***”), is entered into by and among PREPA, National, Assured, Syncora, and the undersigned members of the Ad Hoc Group identified on Annex A (the “***Ad Hoc Group***” and, together with PREPA, National, Assured and Syncora, the “***Parties***”).

RECITALS

WHEREAS, the Parties desire to amend the Agreement to (i) extend the term of the Agreement, (ii) modify the terms of certain termination rights in accordance with the terms of this Amendment No. 6, and (iii) modify certain covenants of the Parties in accordance with the terms of this Amendment No. 6.

WHEREAS, PREPA has requested, and the Forbearing Creditors have agreed, subject to the terms and conditions of this Amendment No. 6 to consent to an amendment of the Trust Agreement in the form and substance attached hereto as Annex B (the “***June 2015 Supplemental Agreement***,” and together with the Amendment, the “***Amendments***”).

WHEREAS, 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 June 2015 Supplemental Agreement, for so long as the Insurers are not in default under the Bond Insurance Agreements.

WHEREAS, as of the date hereof \$8,322,405,000 in principal amount of the Bonds is outstanding.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by National under the Bond Insurance Agreements is \$1,397,520,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by Assured under the Bond Insurance Agreements is \$940,260,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by Syncora under the Bond Insurance Agreements is \$212,855,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by each Holder is listed on each respective Holder’s signature page to this Agreement.

WHEREAS, National, Assured, Syncora and the Ad Hoc Group (the “***Forbearing Creditors***”) collectively hold or insure more than 60% of the total outstanding principal amount of the Bonds for purposes of consenting to the June 2015 Supplemental Agreement.

WHEREAS, in connection with this Amendment No. 6, the Insurers have entered into a bond purchase agreement with PREPA and the Trustee (the “**Bond Purchase Agreement**”) for the purchase by the Insurers of certain short-term bridge bonds pursuant to the terms thereunder (such bonds, the “**Bridge Bonds**”).

WHEREAS, the Forbearing Creditors agree to this Amendment No. 6 in exchange for the below terms and conditions.

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. Definitions. 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. From and after the Amendment No. 6 Effective Date (as defined below), (i) the terms “Parties,” “Ad Hoc Group,” and “Forbearing Creditors,” as used in the Agreement, shall have the meanings assigned to such terms in this Amendment No. 6; and (ii) the phrase “the Bonds outstanding subject to this Agreement,” as used in the Agreement, shall be interpreted by reference to the Agreement as amended by this Amendment No. 6.

2. June 2015 Supplemental Agreement.

(a) Each of the Forbearing Creditors (i) consents to the execution and delivery by PREPA and the Trustee of the June 2015 Supplemental Agreement and (ii) shall take all reasonably necessary actions to effectuate the June 2015 Supplemental Agreement, including, without limitation, transmitting its consent to its Depository Trust Company participants, and any other person whose action is required to effectuate the June 2015 Supplemental Agreement (but without any obligation to indemnify the Trustee).

(b) PREPA shall execute the June 2015 Supplemental Agreement and take all reasonably necessary actions to effectuate the June 2015 Supplemental Agreement in the event that the requisite percentage of beneficial owners or insurers of the Bonds delivers written consent to the June 2015 Supplemental Agreement.

3. Conditions to Effectiveness. This Amendment No. 6 shall become effective as of the date (the “**Amendment No. 6 Effective Date**”) that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 6;

(b) PREPA shall have executed amendments to the Citibank/Scotiabank Forbearance Agreements in form and substance acceptable to the Forbearing Creditors;

(c) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now or hereinafter enacted, has been instituted by or on behalf of PREPA; and

(d) 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. 6, including, without limitation, submission to the Forbearing Creditors of (i) 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. 6 and (ii) an opinion of counsel that PREPA has the legal right, power and authority to enter into the June 2015 Supplemental Agreement.

4. Representations.

(a) Representations of the Insurers. Each of the Insurers hereby represents and warrants (which is a continuing representation and warranty, and shall be true throughout the Forbearance Period) that each of the representations in the Recitals set forth above as to such Insurer is true and accurate as of the date hereof.

(b) Representations of the Holders. Each of the Holders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions of the Agreement relating to Transfer, be true throughout the Forbearance Period) that:

(i) it owns or has investment management responsibility for accounts that own Bonds that are not Insured Bonds in the principal amounts set forth on its respective signature page hereto or Forbearing Creditor Joinder (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 7 of the 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.

5. Incorporation of June 2015 Supplemental Agreement. The defined term “Amendment” shall be replaced with the defined term “Amendments” in the following Sections of the Agreement: 1(e), 3(b), 6(b), 13, 15 and 21.

6. Covenants by PREPA. Section 4 of the Agreement shall be amended to delete the word “and” immediately after clause (s), to add the word “and” immediately after clause (t), and to add (immediately following clause (t) and immediately prior to Section 5), the following:

“(u) Not later than the first (1st) business day of each month after the date on which the June 2015 Supplemental Agreement becomes effective pursuant to its terms, counsel for any Forbearing Creditor shall, by written notice to all Parties, subject to the confidentiality provisions in Section 6(b), advise PREPA of any changes in the aggregate principal amount of Bonds insured or beneficially owned by its clients that are Forbearing Creditors. On or before the fifteenth (15th) day of each month after the June 2015 Supplemental Agreement becomes effective pursuant to its terms, PREPA shall pay an amendment fee to each Forbearing Creditor that is a Forbearing Creditor at such time (or such Forbearing Creditor’s designee) equal to its pro rata share (based on the

aggregate principal amount of Bonds insured or beneficially owned subject to the Agreement at such time) of the sum of \$1,000,000, which shall be creditable against any obligation of PREPA to pay any fees and expenses of such Forbearing Creditor.”

7. Termination.

(a) Section 5(a) of the Agreement is hereby amended and restated in its entirety as follows:

“This Agreement shall terminate at 11:59 p.m. (prevailing Eastern Time) on September 15, 2015, unless terminated earlier in accordance with the terms of this Agreement (in each such case, the “**Forbearance Termination Date**”).”

(b) Section 5(b) of the Agreement shall be amended to delete the word “or” immediately after clause (i), and add (immediately following clause (ii) and immediately prior to Section 5(c)), the following:

“(iii) The June 2015 Supplemental Agreement is not effective on or before twenty (20) business days after the Amendment No. 6 Effective Date; or

(iv) An agreement to support a comprehensive recovery plan (the “**Restructuring Support Agreement**”) is not executed by PREPA, GDB and the Forbearing Creditors holding or controlling at least 60% of the outstanding Bonds on or before September 1, 2015.

(c) Section 5(c) of the Agreement shall be amended to delete the word “and” immediately after clause (ii), add the word “and” immediately after clause (iii), and add (immediately following clause (iii) and immediately prior to the final sentence of Section 5(c)) the following:

“(iv) The Insurers fail to purchase the aggregate amount of Bridge Bonds required by the Bond Purchase Agreement.”

(d) Section 5(d) of the Agreement is hereby amended and restated in its entirety as follows:

“In addition, if PREPA fails to satisfy its payment obligations under the Assured Swaps on July 1, 2015, Assured shall have the right in each case, upon written notice to PREPA, Solus Alternative Asset Management L.P., Scotiabank, GDB and the advisors to the other Forbearing Creditors, in each case, solely to the notice addresses listed for such advisors in Section 14 hereof, to withdraw from this Agreement, in which case Assured shall no longer be considered a Forbearing Creditor as of the date of delivery of such written notice.”

(e) Section 5(f) of the Agreement is hereby amended and restated in its entirety as follows:

“In addition, if PREPA fails to satisfy its payment or deposit obligations under the Bridge Bonds, any Insurer holding such Bridge Bonds shall have the right, upon written notice to PREPA, Solus Alternative Asset Management L.P., Scotiabank, GDB and the advisors to the other Forbearing Creditors, in each case, solely to the notice addresses listed for such advisors in Section 14 hereof, to terminate this Agreement. The Forbearance Termination Date shall be deemed to have occurred as of the date and time when any such Insurer delivers such written notice.”

8. Disclosure of Information. Section 6(b) of the Agreement shall be amended to replace the word “or” immediately after the word “attorneys” with “,”, and to add (immediately after the word “advisors” and immediately before the parenthetical), the following: “or exchange agent”.

9. Notice. Section 14 of the Agreement shall be amended to add (immediately prior to Section 15 of the Agreement) the following:

If to Solus Alternative Asset Management L.P.:

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

10. Binding Effect. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Amendment No. 6, shall continue to constitute a binding agreement among the Parties executing this Amendment No. 6. For the avoidance of doubt, the Parties acknowledge and agree that, any term set forth in this Agreement to the contrary notwithstanding, the terms and conditions of Amendment No. 6 are not binding upon, nor do they inure to the benefit of, any of the following: (i) any party to either (u) the original Agreement dated as of August 14, 2014, (v) Amendment No. 1, (w) Amendment No. 2, (x) Amendment No. 3, (y) Amendment No. 4, or (z) Amendment No. 5 that is not a party to this Amendment No. 6 or (ii) any person or entity not otherwise a party to this Amendment No. 6 who has entered into a valid and binding agreement prior to the Amendment No. 6 Effective Date to purchase Bonds from a Forbearing Creditor.

11. Effectiveness. On or after the Amendment No. 6 Effective Date, each reference in the Agreement to “this Agreement,” “Forbearance 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. 6. Except as amended by this Amendment No. 6, the provisions of the Agreement are and shall remain in full force and effect. Except as provided in this Amendment No. 6, nothing in this Amendment No. 6 shall constitute a waiver of the rights or obligations of any of the Parties under the Agreement.

12. Governing Law. This Amendment No. 6 shall be governed and construed and enforced in accordance with the laws of the State of New York.

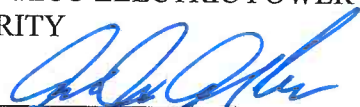
13. Counterparts. This Amendment No. 6 may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the Parties hereto may execute this Amendment No. 6 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 6 by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

14. Entire Agreement. This Amendment No. 6 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. 6 has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER
AUTHORITY

By:  June 30, 2015

Name: Carlos J. Castro-Montalvo

Title: Acting Executive Director

NATIONAL PUBLIC FINANCE GUARANTEE
CORPORATION

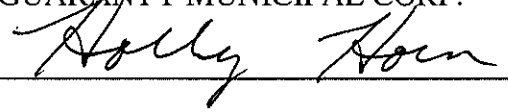
By: Math 62

Name: Matthew Cohn

Title: Director

ASSURED GUARANTY MUNICIPAL CORP.

By: _____



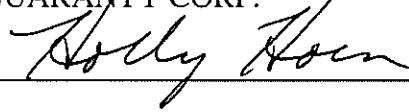
Name: _____

HOLLY HORN
CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

Title: _____

ASSURED GUARANTY CORP.

By: _____



Name: _____

HOLLY HORN
CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

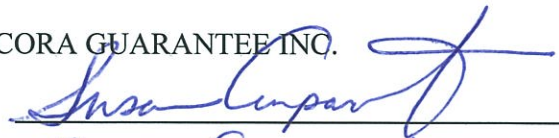
Title: _____

SYNCORA GUARANTEE INC.

By:

Name:

Title:



Susan Comparate

Chief Executive Officer

SOLUS SENIOR HIGH INCOME FUND LP

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By: J. Sack

Name: Joshua Sack

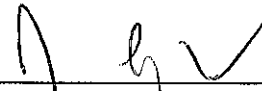
Title: Managing Director

Redacted

SOLUS OPPORTUNITIES FUND 5 LP

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By: 

Name: Joshua Sock

Title: Managing Director

Redacted

SOLA LTD

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By:  _____

Name: Joshua Sack

Title: Managing Director

Redacted

ULTRA MASTER LTD

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By: 

Name: Joshua Sork

Title: Managing Director

Redacted

AG MM, L.P.

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

By


Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CAPITAL RECOVERY PARTNERS VIII,
L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG ELEVEN PARTNERS, L.P.

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

By: 

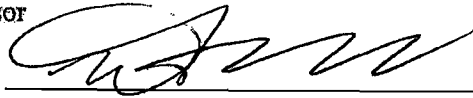
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG SUPER FUND INTERNATIONAL
PARTNERS, L.P.

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

By: _____


Name: D. Forest Wolfe

Title: General Counsel

REDACTED

NUTMEG PARTNERS, L.P.

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

By: _____

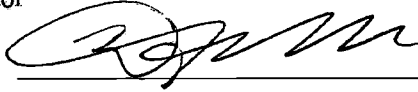
Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CENTRE STREET PARTNERSHIP, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG PRINCESS, LP

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

By: _____

Name: D. Forest Wolfe

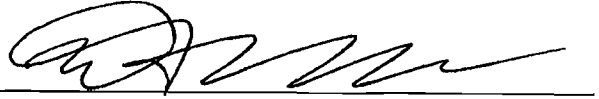
Title: General Counsel

REDACTED

AG SUPER FUND, L.P.

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

By:

A handwritten signature in black ink, appearing to read 'D. Forest Wolfe', is written over a horizontal line.

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

BLUEMOUNTAIN GUADALUPE PEAK FUND
L.P.

BLUEMOUNTAIN LONG/SHORT CREDIT
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

By: BlueMountain Capital Management, LLC, its
investment manager

By: 

Name: David M. O'Mara
Assistant GC/VP

Title: _____

REDACTED

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

CALIFORNIA INTERMEDIATE TERM TAX
FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND
FUN

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:

Sheila Amoroso

Name:


Sheila Amoroso

Title:

SVP

REDACTED

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

By: 

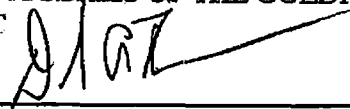
Name: DAVE Fishman

Title: Assistant Secretary

REDACTED

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

By:



Name:

DAVE FISHMAN

Title:

Assistant Secretary

REDACTED

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

By: 

Name: DAVE FISHMAN

Title: Assistant Secretary

REDACTED

KNIGHTHEAD ANNUITY & LIFE ASSURANCE
COMPANY

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____

Name: Laura Torrado
General Counsel

Title: _____

REDACTED

KNIGHTHEAD (NY) FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____

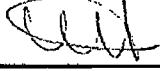
Name: Laura Torrado
General Counsel

Title: _____

REDACTED

KNIGHTHEAD MASTER FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Manager

By:  _____

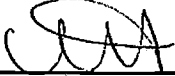
Name: Laura Torrado
General Counsel

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
General Counsel

Title: _____

REDACTED

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

Name: P. L. F. L.

Title: AUTHORIZED SIGNATORY

REDACTED

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

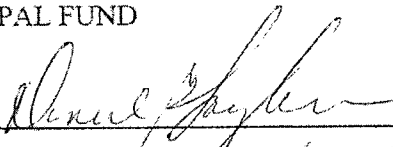
OPPENHEIMER ROCHESTER ARIZONA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER MARYLAND
MUNICIPAL FUND

OPPENHEIMER ROCHESTER NORTH
CAROLINA MUNICIPAL FUND

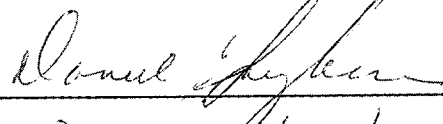
OPPENHEIMER ROCHESTER MINNESOTA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER SHORT TERM
MUNICIPAL FUND

By: 
Name: Daniel G. Loughran
Title: Vice President

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

MassMutual International Holding MSC and
MassMutual Unified Traditional Separate Account:

By: 
Name: Daniel G. Loughran
Title: Senior Vice President

REDACTED

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 LONG/SHORT CREDIT 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

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

OPPENHEIMER ROCHESTER SHORT TERM MUNICIPAL FUND

MASSMUTUAL INTERNATIONAL HOLDING MSC

MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT

Annex B – June 2015 Supplemental Agreement

SEVENTEENTH SUPPLEMENTAL AGREEMENT

THIS SEVENTEENTH SUPPLEMENTAL AGREEMENT, dated for convenience of reference as of the 1st day of July, 2015, by and between

PUERTO RICO ELECTRIC POWER AUTHORITY,

a government instrumentality of the Commonwealth of Puerto Rico (formerly Puerto Rico Water Resources Authority), and

U.S. BANK NATIONAL ASSOCIATION,

a national banking association existing under the laws of the United States of America and having an office in the Borough of Manhattan, City and State of New York, which is authorized under such laws to exercise corporate trust powers and is subject to examination by federal authority, successor Trustee under the Agreement hereinafter referred to (hereinafter sometimes called the "Trustee"),

WITNESSETH:

WHEREAS, Puerto Rico Electric Power Authority (hereinafter sometimes called the "Authority") and the Trustee have heretofore caused to be executed and delivered a Trust Agreement, dated as of January 1, 1974, as amended (the "Agreement"), for the purpose of fixing and declaring the terms and conditions upon which revenue bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become owners thereof, and in order to secure the payment of all the bonds at any time issued and outstanding thereunder, and the interest thereon, according to their tenor, purport and effect; and

WHEREAS, Section 1102 of the Agreement provides that the Authority and the Trustee may, from time to time, enter into such agreements supplemental thereto as shall be deemed necessary or desirable by the Authority for the purpose of modifying, altering, amending, adding to, repealing or rescinding, in any particular, any of the terms and conditions contained in the Agreement or in any supplemental agreement, with certain exceptions not here applicable, upon receipt of the written consent of the holders of not less than sixty percent (60%) in aggregate principal amount of the bonds then outstanding; and

WHEREAS, the Authority has determined that it is desirable to supplement the Agreement so as to make provision for certain actions to be undertaken consistent with Amendment No. 6 to the Forbearance Agreement, dated June 30, 2015 ("Amendment No. 6" and the Forbearance Agreement, dated as of August 14, 2014, as amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 30, 2015, Amendment No. 2, dated April 15, 2015, Amendment No. 3, dated April 30, 2015, Amendment No. 4, dated June 4, 2015, Amendment No. 5, dated June 18, 2015 and Amendment No. 6, by and among the Authority and the Forbearing Creditors defined therein, the "Forbearance Agreement"), by and among the Authority and the Forbearing Creditors; and

WHEREAS, the Trustee has received an opinion of counsel that (a) the Authority has the right, power and authority to enter into this Seventeenth Supplemental Agreement, (b) this Seventeenth Supplemental Agreement is duly authorized, executed and delivered by the Authority, and is enforceable against the Authority in accordance with its terms, (c) this Seventeenth Supplemental Agreement complies with the provisions of the Agreement, and that it is proper for the Trustee to join in the execution hereof under the provisions of Article XI of the Agreement with the written consent of the holders of at least sixty percent (60%) in aggregate principal amount of the outstanding bonds, and (d) all of the conditions precedent to the execution and delivery by the Trustee of this Seventeenth Supplemental Agreement have been satisfied; and

WHEREAS, the execution and delivery of this Seventeenth Supplemental Agreement have been duly authorized by the resolution of the Governing Board of the Authority, and the Authority has requested the Trustee to join with it in the execution of this Seventeenth Supplemental Agreement; and

WHEREAS, the notice and publication requirements of Section 1102 of the Agreement for this Seventeenth Supplemental Agreement have been satisfied; and

WHEREAS, the Trustee has received written evidence of the consent of the holders or (without duplication) insurers of at least sixty percent (60%) in aggregate principal amount of the outstanding bonds in a form acceptable to the Trustee under Section 1001 of the Agreement; and

WHEREAS, all other acts, conditions and things required by the Puerto Rican Federal Relations Act and the Constitution and laws of the Commonwealth of Puerto Rico and by the rules and regulations of the Authority to happen, exist and be performed precedent to and in the execution and delivery of this Seventeenth Supplemental Agreement have happened, exist and have been performed as required and the Authority has delivered to the Trustee a certificate dated the date of this Seventeenth Supplemental Agreement, representing the same; and

WHEREAS, the Trustee in reliance on the foregoing has accepted the trusts created by this Seventeenth Supplemental Agreement and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS SEVENTEENTH SUPPLEMENTAL AGREEMENT WITNESSETH, that in consideration of the premises and of the existing rights and duties of the parties under the Agreement, it is mutually agreed and covenanted by and between the parties hereto, as follows:

1. The Agreement is hereby amended and supplemented in the following respects:

A. Section 101 is hereby amended or modified by the addition of and changes to the following definitions in appropriate alphabetical order in said Section (and all capitalized terms that are used but not defined herein shall have the same meanings as given in the Agreement):

The term “Ad Hoc Group” shall mean such term as defined in the Forbearance Agreement.

The term “Amending Creditors” shall mean Assured Guaranty Corp., Assured Guaranty Municipal Corp., National Public Finance Guarantee Corporation, Syncora Guarantee Inc., and the Ad Hoc Group, including successors and assigns thereof. For the purposes of this Agreement, the Trustee shall be entitled to rely on a certification of an Amending Creditor that it is an Amending Creditor.

The term “Amending Creditor Bonds” shall mean, with respect to any date, all outstanding bonds that are beneficially owned or (without duplication) insured by the Amending Creditors as of such date (which outstanding bonds that are beneficially owned by the Amending Creditors shall only include such bonds of which the other Amending Creditors have received written notice, which notice will be effective one (1) business day after receipt). For purposes of this Agreement, the Trustee shall be entitled to rely on a certification by an Amending Creditor that it beneficially owns or (without duplication) insures certain principal amount of outstanding bonds.

The term “Amendment” shall refer to the Seventeenth Supplemental Agreement, dated as of July 1, 2015, by and among the Authority and the Trustee.

The term “Amendment Effective Date” shall mean _____, 2015, being the effective date of the Amendment.

The term “Amendment Period” shall mean the period from the Amendment Effective Date until the Amendment Termination Date.

The term “Amendment Termination Date” shall mean the earliest of (a) the Scheduled Amendment Termination Date, (b) the filing of a proceeding by or on behalf of the Authority pursuant to the Puerto Rico Public Corporation Debt Enforcement and Recovery Act or any other action or proceeding that seeks to adjust or challenge the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now in effect or enacted after the Amendment Effective Date, and (c) date on which (i) the “Forbearance Period” (as defined in the Forbearance Agreement) has expired or terminated, and (ii) the Trustee has received written notice from the Authority or any Forbearing Creditor (as defined in the Forbearance Agreement) confirming the same.

The term “Citibank/Scotiabank Forbearance Agreements” shall mean the forbearance agreements, dated August 14, 2014, by and among the Citibank/Scotiabank Lenders and the Authority, as the same may be amended from time to time as therein permitted.

The term “Citibank/Scotiabank Lenders” shall mean Citibank, N.A. or its transferees, as applicable, and the Lenders (as defined in the Scotiabank Credit Agreement).

The term “Citibank/Scotiabank Lines of Credit” shall mean that certain Trade Finance Facility Agreement, dated as of July 20, 2012, between the Authority and Citibank, N.A. or its transferees, as applicable, as amended or otherwise modified from time to time, and the Scotiabank Credit Agreement.

The term “Forbearance Agreement” shall have the meaning set forth in the third recital of the Seventeenth Supplemental Agreement.

The term “Potential Default” shall mean each of the events specified on Schedule 1, the occurrence of which would give rise to a default under this Agreement.

The term “Scheduled Amendment Termination Date” shall mean 11:59 p.m. (prevailing Eastern Time) on September 15, 2015.

The term “Scotiabank Credit Agreement” shall mean that certain Credit Agreement, dated as of May 4, 2012, between the Authority, as borrower, the lenders party thereto, and Scotiabank de Puerto Rico, as administrative agent, as amended or otherwise modified from time to time.

The term “Series 2015A Bonds” shall mean the Authority’s Power Revenue Bonds, Series 2015A, issued pursuant to Resolution _____, adopted by the Authority on June __, 2015.

The term “Series 2015A Bonds Period” shall mean the period from the date the Series 2015A Bonds are issued until such date as the Series 2015A Bonds have been paid in full or provision has been made for their payment in full in accordance with their terms and the terms of this Agreement.”

B. The following sentence shall be added at the end of the definition of “Current Expenses” in Section 101:

“Notwithstanding the foregoing or anything herein to the contrary, none of the holders, the Trustee, and the Authority shall contest whether an expense, claim, liability, or amount shall be construed as a Current Expense under this Agreement based solely on (x) the Citibank/Scotiabank Lenders’ actions on the Amendment Effective Date or during the Amendment Period, including (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, or (iv) not requiring the repayment or reborrowing of any loans or not requiring any loans to be revolving loans, or (y) the inclusion in this Agreement as a Potential Default, and the inclusion in the Forbearance Agreement as a “Potential Default” (as defined in the Forbearance Agreement) of the Authority’s use of moneys from the General Fund to service its debts under the Citibank/Scotiabank Lines of Credit.”

C. Section 209 is hereby supplemented (1) by the addition of the following words in the fifth paragraph of said Section 209 immediately after the words “with the Trustee the following” and prior to the colon the following the words “; provided, however, that the certificate referred to in clause (c) below shall not be required to be delivered in connection with the issuance of the Series 2015A Bonds” and (2) by the addition in the third to last full paragraph immediately after the words “one hundred and twenty per centum (120%)” the words “, provided, however, that such requirement shall not apply in connection with the issuance of the Series 2015A Bonds.”

D. Section 502 is hereby amended by the addition of the following language in the fourth paragraph immediately before the period:

“, provided that during the Amendment Period, the Trustee may institute and prosecute such suit, action or proceeding only upon the written request of the holders of not less than a majority in the aggregate principal amount of bonds then outstanding”

E. Section 506 is hereby amended by deleting the first word of the second sentence of said Section and replacing it with “Other than during the Amendment Period, after”.

F. The last paragraph of Section 507 is hereby amended by the addition of the following language in the first sentence after the second use of the word “Authority” immediately before the comma:

“(except that during the Series 2015A Bonds Period the moneys in the Self-insurance Fund shall be held by the Trustee in trust)”

G. Section 512A is hereby amended by adding the following after the last paragraph thereof:

“Notwithstanding the foregoing, during the Series 2015A Bonds Period, if the Authority has failed to make a deposit to the Series 2015A Bonds Special Redemption Fund in the amount, and during the period provided in that certain Bond Purchase Agreement, dated as of June 30, 2015, by and among the Authority, the Trustee and the purchasers party thereto (the “Bond Purchase Agreement”), the Trustee shall withdraw from the Self-insurance Fund and deposit to the credit of the Series 2015A Bonds Special Redemption Fund, upon the instruction of the Authority, an amount sufficient to make up such deficiency.”

H. A new Section 518 shall be added as follows:

“Section 518. Series 2015A Bonds Special Redemption Fund. A special fund is hereby created and designated the “Puerto Rico Electric Power Authority Series 2015A Bonds Special Redemption Fund” (herein sometimes called the “Series 2015A Bonds Special Redemption Fund”) to be held by the Trustee solely for the benefit of the holders of the Series 2015A Bonds separate and apart from all other funds and accounts held under this Agreement. Moneys in the Series 2015A Bonds Special Redemption Fund shall be used solely to (i) pay interest on the Series 2015A Bonds, (ii) at the option of the Authority redeem the Series 2015A Bonds in part on the first business day of August, September, October, November or December, 2015 or in whole on December 15, 2015 in the manner specified in the Series 2015A Bonds, and (ii) be applied to the maturity of the Series 2015A Bonds in whole on January 1, 2016. Any amounts remaining in the Series 2015A Bonds Special Redemption Fund after the Series 2015A Bonds are paid or deemed paid in full shall be transferred by the Trustee at the direction of the Authority in its discretion.”

I. The second paragraph of Section 602 is hereby amended in its entirety to read as follows:

“Moneys held for the credit of the Construction Fund and the Reserve Maintenance Fund shall, as nearly as may be practicable, be continuously invested and reinvested by the Authority in Investment Obligations, and moneys held for the credit of the Self-insurance Fund shall, as nearly as may be practicable, be continuously invested and reinvested during the Series 2015A Bonds Period by the Trustee pursuant to the investment requirements set forth in the last sentence of this paragraph (and thereafter by the Authority) in Investment Obligations, and moneys held for the credit of the Revenue Fund shall, as nearly as may be practicable, be continuously invested and reinvested by the Authority in Government Obligations, which Investment Obligations and Government Obligations shall mature, or shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates when moneys held for the credit of said Funds will be required for the purposes intended, or in Time Deposits; provided, however, that each such Time Deposit shall permit the moneys so placed to be available for use at the times provided above. With respect to the Trustee’s investment of monies in the Self-insurance Fund during the Series 2015A Bonds Period, the Trustee shall liquidate the current investments held therein and reinvest all such amounts (a) in Government Obligations, or (b) in such Investment Obligations and in such amounts as the Trustee may be instructed from time to time pursuant to a mutual written direction signed by the Authority and the majority of the Forbearing Creditors; and the Trustee shall not in any manner be liable or responsible for any investment losses or expenses occurring as a result of its compliance with the foregoing investment requirements.”

J. The fifth paragraph of Section 602 is hereby amended by deleting the word “Authority” each time it appears in said paragraph or sentence, as the case may be, and inserting in lieu thereof the words “Trustee in its sole discretion during the Series 2015A Bonds Period (and thereafter the Authority)”.

K. The first sentence of the sixth paragraph and seventh paragraph of Section 602 is hereby amended by deleting the first word “Prior” and inserting in lieu thereof “After the Series 2015A Bonds Period, prior”.

L. The penultimate paragraph of Section 602 is hereby amended by deleting the first word “The” and inserting in lieu thereof “After the Series 2015A Bonds Period, the”.

M. Section 802(h) is hereby amended by the addition of the following language immediately prior to the semi-colon:

“provided, however, that during the Amendment Period, the Trustee may give such notice only upon the written request of the holders of a majority in the aggregate principal amount of the bonds then outstanding”

N. The first paragraph of Section 804 is hereby amended by the addition of the following language in the last sentence immediately before the period:

“, provided, further, that during the Amendment Period, the Trustee may proceed to take action pursuant to this paragraph only upon the written request of the holders of not less than a majority in the aggregate principal amount of bonds then outstanding”

2. The modifications to the Agreement contained in this Seventeenth Supplemental Agreement shall remain in effect only during the Amendment Period or the Series 2015A Bonds Period, as applicable, and shall terminate automatically on the Amendment Termination Date, except (i) Sections 1.B and 1.C, and any related definitions, which will continue in effect until all series of bonds outstanding under the Agreement have been paid or deemed paid in full in accordance with the Agreement and (ii) Sections 1.F, G, H, I, J, K and L, and any related definitions, which will continue in effect during the Series 2015A Bonds Period. The Authority shall, and the Trustee shall be authorized to, notify all holders of bonds of the Amendment Termination Date and the basis therefor.

3. The recitals, statements and representations contained herein shall be taken and construed as made by and on the part of the Authority and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

4. This Seventeenth Supplemental Agreement may be amended and supplemented in accordance with the provisions of Article XI of the Agreement.

5. Except to the extent expressly modified herein, all terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Puerto Rico Electric Power Authority has caused this Seventeenth Supplemental Agreement to be executed by its Executive Director and its corporate seal to be impressed hereon and attested by its Secretary or an Assistant Secretary, and U.S. Bank National Association, has caused this Seventeenth Supplemental Agreement to be executed in its behalf by one of its Assistant Vice Presidents and its corporate seal to be impressed hereon and attested by one of its Trust Officers, all as of the day and year first above written.

PUERTO RICO ELECTRIC POWER AUTHORITY

(SEAL)

By: _____
Executive Director

Attest:

Secretary

U.S.BANK NATIONAL ASSOCIATION,
as successor Trustee

By: _____
Vice President

Attest:

Trust Officer

COMMONWEALTH OF PUERTO RICO)

MUNICIPALITY OF SAN JUAN)

ss.:

On the _____ day of _____, in the year 2015, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides in the Municipality of _____, Puerto Rico; that he is the Executive Director of Puerto Rico Electric Power Authority, the body corporate described in and which executed the above instrument; that he knows the seal thereof; that the seal affixed to said instrument is the corporate seal of Puerto Rico Electric Power Authority; that it was so affixed by order of the Governing Board of Puerto Rico Electric Power Authority; and that he signed his name thereto by like order.

Affidavit # _____

NOTARY PUBLIC

My commission expires:

(SEAL)

STATE OF NEW YORK)

COUNTY OF NEW YORK)

ss.:

On the _____ day of _____, in the year 2015, before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he resides at _____; that he is an Assistant Vice President of U.S. Bank National Association, the banking association described in and which executed the above instrument; that he knows the seal of said association; that the seal affixed to said instrument is the corporate seal of said association; that it was so affixed by authority of Board of Directors of said association; and that he signed his name thereto by like authority.

NOTARY PUBLIC

My commission expires:

(SEAL)

Schedule 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 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 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, insofar as such noncompliance or failure is a result of PREPA's use of monies from the General Fund to service its debt under the Citibank/Scotiabank Lines of Credit.

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, 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.

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, 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.

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, insofar as such noncompliance or failure is a result of PREPA's failure to transfer monies from the Revenue Fund to the Sinking Fund in a manner consistent with section 507.

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, 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 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.

AMENDMENT NO. 7 TO THE FORBEARANCE AGREEMENT

This Amendment No. 7, dated as of September 1, 2015 (“***Amendment No. 7***”), to the Forbearance Agreement, dated as of August 14, 2014 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 30, 2015, Amendment No. 2, dated April 15, 2015, Amendment No. 3, dated April 30, 2015, Amendment No. 4, dated June 4, 2015, Amendment No. 5, dated June 18, 2015, Amendment No. 6, dated June 30, 2015, and this Amendment No. 7, the “***Agreement***”), is entered into by and among PREPA, Assured, Syncora, the Ad Hoc Group identified on Annex A (the “***Ad Hoc Group***”) and the other undersigned parties (collectively, together with Assured, Syncora and the Ad Hoc Group, the “***Forbearing Creditors***”, and, collectively, together with PREPA, the “***Parties***”).

RECITALS

WHEREAS, the Parties desire to amend the Agreement to (i) extend the term of the Agreement, (ii) modify the terms of certain termination rights in accordance with the terms of this Amendment No. 7, and (iii) modify certain covenants of the Parties in accordance with the terms of this Amendment No. 7.

WHEREAS, PREPA and the Forbearing Creditors have consented to the execution by PREPA and the Trustee of the seventeenth supplemental agreement to the Trust Agreement (the “***June 2015 Supplemental Agreement***”).

WHEREAS, as of August 31, 2015 \$8,238,709,000 in principal amount of the Bonds is outstanding.

WHEREAS, as of August 31, 2015, the total outstanding principal amount of Bonds insured by Assured under the Bond Insurance Agreements is \$904,652,224.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds insured by Syncora under the Bond Insurance Agreements is \$197,405,000.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by each Holder is listed on each respective Holder’s signature page to this Agreement.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by the Holders is approximately \$3,061,802,000.

WHEREAS, the Forbearing Creditors agree to this Amendment No. 7 in exchange for the below terms and conditions.

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. Definitions. 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. From and after the Amendment No. 7 Effective Date (as defined below), (i) the terms “Parties,” “Ad Hoc Group,” and “Forbearing Creditors,” as used in the Agreement, shall have the meanings assigned to such terms in this Amendment No. 7; and (ii) the phrase “the Bonds outstanding subject to this Agreement,” as used in the Agreement, shall be interpreted by reference to the Agreement as amended by this Amendment No. 7.

2. Conditions to Effectiveness. This Amendment No. 7 shall become effective as of the date (the “***Amendment No. 7 Effective Date***”) that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 7;

(b) PREPA shall have executed amendments to the Citibank/Scotiabank Forbearance Agreements in form and substance acceptable to the Forbearing Creditors;

(c) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now or hereinafter enacted, has been instituted by or on behalf of PREPA; and

(d) 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. 7, including, without limitation, submission to the Forbearing 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. 7.

3. Representations.

(a) Representations of Insurers. Each of Assured and Syncora (collectively, the “***Insurers***”) hereby represents and warrants (which is a continuing representation and warranty, and shall be true throughout the Forbearance Period) that the representations in the Recitals set forth above as to each of Assured and Syncora is true and accurate as of the date hereof.

(b) Representations of the Holders. Each of the Holders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions of the Agreement relating to Transfer, be true throughout the Forbearance Period) that:

(i) it owns or has investment management responsibility for accounts that own Bonds (that are not Insured Bonds) in the principal amounts set forth on its respective signature page hereto or Forbearing Creditor Joinder (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 7 of the 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.

4. Covenants by PREPA.

(a) Section 4 (u) of the Agreement is hereby amended and restated in its entirety as follows:

“Not later than the first (1st) business day of each month after the date on which the June 2015 Supplemental Agreement becomes effective pursuant to its terms, counsel for any Forbearing Creditor shall, by written notice to all Parties, subject to the confidentiality provisions in Section 6(b), advise PREPA of any changes in the aggregate principal amount of Bonds insured or beneficially owned by its clients that are Forbearing Creditors. On September 15, 2015, PREPA shall pay an amendment fee to each Forbearing Creditor that is a Forbearing Creditor at such time (or such Forbearing Creditor’s designee) equal to its pro rata share (based on the aggregate principal amount of Bonds insured or beneficially owned subject to the Agreement at such time) of the sum of \$1,000,000, which shall be creditable against any obligation of PREPA to pay any fees and expenses of such Forbearing Creditor.”

(b) Section 4 of the Agreement shall be amended to delete the word “and” immediately after clause (t), to add the word “and” immediately after clause (u), and to add (immediately following clause (u) and immediately prior to Section 5), the following:

“PREPA and the Ad Hoc Group shall each work collaboratively and in good faith to reach agreement on a recovery plan incorporating the terms described on the Recovery Plan Term Sheet attached hereto as Annex B. For the avoidance of doubt, the Recovery Plan Term Sheet shall not bind any Insurer, and PREPA shall continue to work collaboratively and in good faith with the Insurers on a recovery plan addressing the bonds insured by the Insurers.”

5. Termination.

(a) Section 5(a) of the Agreement is hereby amended and restated in its entirety as follows:

“This Agreement shall terminate at 11:59 p.m. (prevailing Eastern Time) on September 18, 2015, unless terminated earlier in accordance with the terms of this Agreement (in each such case, the “**Forbearance Termination Date**”).”

(b) Section 5(b) of the Agreement shall be amended to add the word “or” immediately after clause (i), and delete clause (iii) and clause (iv) in their entirety.

(c) Section 5(g) of the Agreement shall be amended and restated in its entirety as follows:

“In addition, (A) Forbearing Creditors holding beneficially or insuring at least 25% of the principal amount of Bonds outstanding subject to this Agreement, shall have the right,

upon written notice to PREPA and the other Forbearing Creditors, to terminate this Agreement at any time during the Forbearance Period (each, a “**25% Termination Event**”); and (B) any Forbearing Creditor shall have the right, upon written notice to PREPA and the other Forbearing Creditors, to terminate this Agreement upon the exercise of remedies against PREPA by National Public Finance Guarantee Corporation. The Forbearance Termination Date shall be deemed to have occurred as of the date and time when any such Forbearing Creditor or Creditors deliver such written notice.”

6. Binding Effect. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Amendment No. 7, shall continue to constitute a binding agreement among the Parties executing this Amendment No. 7. For the avoidance of doubt, the Parties acknowledge and agree that, any term set forth in this Agreement to the contrary notwithstanding, the terms and conditions of Amendment No. 7 are not binding upon, nor do they inure to the benefit of, any of the following: (i) any party to either (t) the original Agreement, dated as of August 14, 2014, (u) Amendment No. 1, (v) Amendment No. 2, (w) Amendment No. 3, (x) Amendment No. 4, (y) Amendment No. 5 or (z) Amendment No. 6 that is not a party to this Amendment No. 7 or (ii) any person or entity not otherwise a party to this Amendment No. 7 who has entered into a valid and binding agreement prior to the Amendment No. 7 Effective Date to purchase Bonds from a Forbearing Creditor.

7. Effectiveness. On or after the Amendment No. 7 Effective Date, each reference in the Agreement to “this Agreement,” “Forbearance 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. 7. Except as amended by this Amendment No. 7, the provisions of the Agreement are and shall remain in full force and effect. Except as provided in this Amendment No. 7, nothing in this Amendment No. 7 shall constitute a waiver of the rights or obligations of any of the Parties under the Agreement. Notwithstanding anything to the contrary set forth herein, this Agreement shall be deemed a new forbearance agreement on the same terms of the Agreement, as amended by Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5, Amendment No. 6 and this Amendment No. 7.

8. Governing Law. This Amendment No. 7 shall be governed and construed and enforced in accordance with the laws of the State of New York.

9. Counterparts. This Amendment No. 7 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. 7 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 7 by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

10. Entire Agreement. This Amendment No. 7 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. 7 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

ASSURED GUARANTY MUNICIPAL CORP.

By:



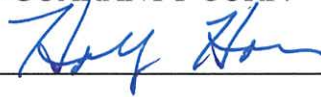
Name:

Title:

HOLLY HORN
CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

ASSURED GUARANTY CORP.

By:



Name:

Title:

HOLLY HORN
CHIEF SURVEILLANCE OFFICER
PUBLIC FINANCE

SYNCORA GUARANTEE INC.

By:



Name: FREDERICK B. HNAT

Title: MANAGING DIRECTOR & SENIOR COUNSEL

SOLUS SENIOR HIGH INCOME FUND LP

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By: J. Sack

Name: Joshua Sack

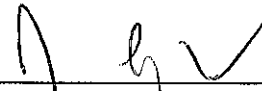
Title: Managing Director

Redacted

SOLUS OPPORTUNITIES FUND 5 LP

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By: 

Name: Joshua Sock

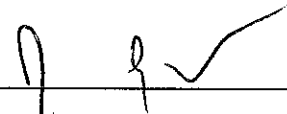
Title: Managing Director

Redacted

SOLA LTD

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By:  _____

Name: Joshua Sack

Title: Managing Director

Redacted

ULTRA MASTER LTD

BY: SOLUS ALTERNATIVE ASSET MANAGEMENT LP

ITS INVESTMENT ADVISOR

By: 

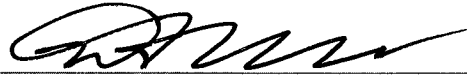
Name: Joshua Sork

Title: Managing Director

Redacted

AG MM, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CAPITAL RECOVERY PARTNERS VIII,
L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG ELEVEN PARTNERS, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG SUPER FUND INTERNATIONAL
PARTNERS, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

NUTMEG PARTNERS, L.P.

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

By: _____


Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG CENTRE STREET PARTNERSHIP, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

REDACTED

AG PRINCESS, LP

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

By: _____

Name: D. Forest Wolfe

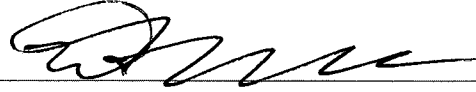
Title: General Counsel

REDACTED

AG SUPER FUND, L.P.

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

By: _____

A handwritten signature in black ink, appearing to read 'D. Forest Wolfe', is written over a horizontal line.


Name: D. Forest Wolfe

Title: General Counsel

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
Assistant GC/VP
Title: _____

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

CALIFORNIA INTERMEDIATE TERM TAX
FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND
FUN

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

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:

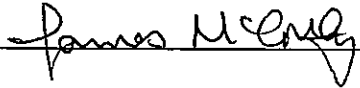
Thomas Walsh

Title:

SVP

REDACTED

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

By: 

Name: James McCarthy

Title: Assistant Secretary

REDACTED

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

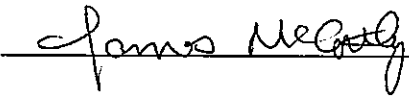
By: James McCarthy

Name: James McCarthy

Title: Assistant Secretary

REDACTED

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

By: 

Name: James McCarthy

Title: Assistant Secretary

REDACTED

KNIGHTHEAD (NY) FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Advisor

By: _____

Name: _____

Thomas Wagner
Managing Member

Title: _____

REDACTED

LMA SPC FOR AND ON BEHALF OF THE
MAP84 SEGREGATED PORTFOLIO

By: Knighthood Capital Management, LLC, its
Investment Advisor

By: _____

Name: **Thomas Wagner**

Managing Member

Title: _____

REDACTED

KNIGHTHEAD ANNUITY & LIFE ASSURANCE
COMPANY

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____

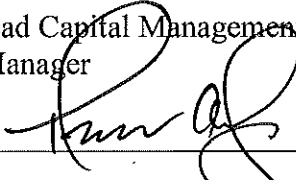
Name: Thomas Wagner
Managing Member

Title: _____

REDACTED

KNIGHTHEAD MASTER FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Manager

By:  _____

Name: **Thomas Wagner**
Managing Member

Title: _____

REDACTED

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

Name: 

Title: Partner

REDACTED

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

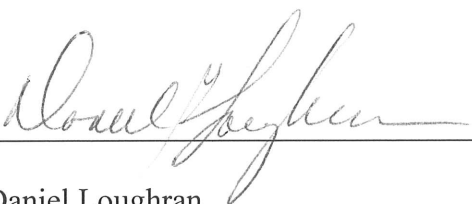
OPPENHEIMER ROCHESTER ARIZONA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER MARYLAND
MUNICIPAL FUND

OPPENHEIMER ROCHESTER NORTH
CAROLINA MUNICIPAL FUND

OPPENHEIMER ROCHESTER MINNESOTA
MUNICIPAL FUND

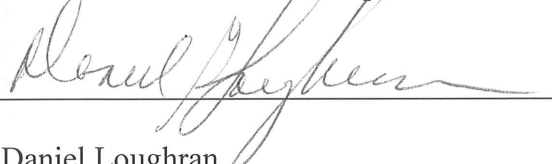
OPPENHEIMER ROCHESTER SHORT TERM
MUNICIPAL FUND

By: 
Name: Daniel Loughran

Title: Vice President

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

MassMutual International Holding MSC and
MassMutual Unified Traditional Separate Account:

By: 
Name: Daniel Loughran

Title: Senior Vice President

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

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

OPPENHEIMER ROCHESTER SHORT TERM MUNICIPAL FUND

MASSMUTUAL INTERNATIONAL HOLDING MSC

MASSMUTUAL UNIFIED TRADITIONAL SEPARATE ACCOUNT

Annex B

Recovery Plan Term Sheet

Ad Hoc Group Exchange	Ad Hoc Group shall commit to exchange all of their unwrapped bonds for either of the options outlined below. Ad Hoc Group must hold minimum of 35% of the outstanding bonds. Ad Hoc Group will remain bound by same restrictions in the Forbearance Agreement and Forbearance and Amendment period shall be extended through consummation of the deal, subject to an early drop dead date to be discussed.	
	Option A	Option B
Security	Current interest securitization paper to be issued by a new bankruptcy-remote PRIFA subsidiary or new bankruptcy-remote special purpose vehicle, subject to approval by the Ad Hoc Group. Securitization paper to be supported by non-bypassable adjustable charge with semi-annual true-up	Convertible Capital Appreciation securitization paper to be issued by a new bankruptcy-remote PRIFA subsidiary or new bankruptcy-remote special purpose vehicle, subject to approval by the Ad Hoc Group. Securitization paper to be supported by non-bypassable adjustable charge with semi-annual true-up. Converts from a capital appreciation bond to current interest five years after issuance
Exchange Ratio	85.0%	85.0%
Interest Rate	<ul style="list-style-type: none">Weighted average interest rate across maturities (based on yield curve) shall be fixed at the specified rates (BBB- and above) subject to the final investment grade rating, as follows: AAA: 4.00% AA+/AA/AA-: 4.25% A+/A/A-: 4.50% BBB+/BBB/BBB-: 4.75%	<ul style="list-style-type: none">Weighted average interest / accretion rate across maturities (based on yield curve) shall be fixed at the specified rates (BBB- and above) subject to the final investment grade rating, as follows: AAA: 4.50% AA+/AA/AA-: 4.75% A+/A/A-: 5.25% BBB+/BBB/BBB-: 5.50%

Call	Non-call for ten years, callable at par thereafter	Non-call for ten years after conversion, callable at par thereafter
Ranking	<ul style="list-style-type: none"> • Pari-passu with securitization paper issued to fund the cash tender • Revenue collections to be distributed pro rata to the securitization vehicle and PREPA • Future additional indebtedness allowed subject to (i) confirmation of outstanding ratings after giving effect to new issuance or (ii) being secured by a new or additional surcharge, subject to rating agency feedback 	
Amortization and Maturity	<ul style="list-style-type: none"> • Securitization bonds shall receive interest (in cash or capital appreciation) only for the first five years following issuance • Level debt service thereafter • Scheduled maturity in 2043; final legal maturity at least two years after scheduled maturity, or such length of time as is required to obtain investment grade rating 	
Rating	Securitization shall receive investment grade rating from at least one of the three major rating agencies but PREPA may approach multiple agencies as part of the process	
Debt Service Reserve	Securitization shall have a debt service reserve of up to 10% as required to receive an investment grade rating. Size of the reserve shall be determined by PREPA in consultation with the ratings agencies and the Ad Hoc Group, and shall be sized such that, together with net interest cost on the securitization bonds, PREPA minimizes its funding costs. Reserve to be funded from bond proceeds, a surety policy, and/or deposits over time.	
Backstop Facility	Ad Hoc Group shall negotiate with PREPA in good faith to provide a backstop for the financing of a cash tender for the Non-Forbearing Unwrapped Holders (as described below). Terms of Backstop Facility and the Backstop Fee TBD.	
Backstop Fee	TBD	
Non-Forbearing Unwrapped Bondholders:	<ul style="list-style-type: none"> • Non-Forbearing Unwrapped Holders shall have the option to participate in the same exchange as the Ad Hoc Group, or to tender their bonds at a price to be determined in consultation with the backstop parties and investment bankers • Requires participation from the Non-Forbearing Unwrapped Bondholders such that no more than \$700 million of the legacy unwrapped revenue bonds are outstanding, subject to input from investment bankers which rate may be altered at PREPA's discretion 	

Treatment of Monolines	TBD
Treatment of Fuel Lines	TBD
Conditions to Consummation	<ul style="list-style-type: none"> • Receipt of investment grade rating from at least one of the three major rating agencies (but PREPA may seek rating from more than one rating agency) • Obtaining legislative authority for issuance of the securitization and other legislative changes related to restructuring of PREPA • Amendment of governance provisions to make PREPA a more independent, non-political utility • Successful exchange offer (100% of ad hoc group shall exchange, and no more than \$700 million of the legacy unwrapped revenue bonds are outstanding) • The amount of current interest bond and convertible capital appreciation bond issuance shall be determined based on the elections of each holder, subject to any caps necessary to ensure compliance with the ratings condition • Any restructuring support agreement entered into by the parties will contain customary plan support and termination rights, including with respect to insolvency related proceedings

AMENDMENT NO. 8 TO THE FORBEARANCE AGREEMENT

This Amendment No. 8, dated as of September 18, 2015 (“***Amendment No. 8***”), to the Forbearance Agreement, dated as of August 14, 2014 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 30, 2015, Amendment No. 2, dated April 15, 2015, Amendment No. 3, dated April 30, 2015, Amendment No. 4, dated June 4, 2015, Amendment No. 5, dated June 18, 2015, Amendment No. 6, dated June 30, 2015, Amendment No. 7, dated September 1, 2015, and this Amendment No. 8, the “***Agreement***”), is entered into by and among PREPA, the Ad Hoc Group identified on Annex A (the “***Ad Hoc Group***”) and the other undersigned parties (collectively, together with the Ad Hoc Group, the “***Forbearing Creditors***”, and, collectively, together with PREPA, the “***Parties***”).

RECITALS

WHEREAS, the Parties desire to amend the Agreement to (i) extend the term of the Agreement, and (ii) modify the terms of certain termination rights in accordance with the terms of this Amendment No. 8.

WHEREAS, as of the date hereof, \$8,228,709,000 in principal amount of the Bonds is outstanding.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by each Holder is listed on each respective Holder’s signature page to this Agreement.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by the Holders is approximately \$2,979,625,000.

WHEREAS, the Forbearing Creditors agree to this Amendment No. 8 in exchange for the below terms and conditions.

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 Amendment No. 8 shall become effective as of the date (the “***Amendment No. 8 Effective Date***”) that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 8;

(b) PREPA shall have executed amendments to the Citibank/Scotiabank Forbearance Agreements in form and substance acceptable to the Forbearing Creditors;

(c) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now or hereinafter enacted, has been instituted by or on behalf of PREPA; and

(d) 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. 8, including, without limitation, submission to the Forbearing 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. 8.

2. Representations of Holders. Each of the Holders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions of the Agreement relating to Transfer, be true throughout the Forbearance Period) that:

(a) it owns or has investment management responsibility for accounts that own Bonds (that are not Insured Bonds) in the principal amounts set forth on its respective signature page hereto or Forbearing Creditor Joinder (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 7 of the Agreement; and

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

3. Termination.

(a) Section 5(a) of the Agreement is hereby amended and restated in its entirety as follows:

“This Agreement shall terminate at 11:59 p.m. (prevailing Eastern Time) on October 1, 2015, unless terminated earlier in accordance with the terms of this Agreement (in each such case, the “**Forbearance Termination Date**”).”

(b) Section 5(b) of the Agreement shall be amended to delete the word “or” immediately after clause (i), add the word “or” immediately after clause (ii), and to add (immediately following clause (ii) and immediately prior to Section 5(c), the following:

“(iii) A restructuring support agreement is not agreed between PREPA and the Ad Hoc Group by 8:00 p.m. (prevailing Eastern Time) on October 1, 2015.”

(c) Section 5(g) of the Agreement shall be amended and restated in its entirety as follows:

“In addition, (A) Forbearing Creditors holding beneficially or insuring at least 25% of the principal amount of Bonds outstanding subject to this Agreement, shall have the right, upon written notice to PREPA and the other Forbearing Creditors, to terminate this Agreement at any time during the Forbearance Period (each, a “**25% Termination Event**”); and (B) any Forbearing Creditor shall have

the right, upon written notice to PREPA and the other Forbearing Creditors, to terminate this Agreement upon the exercise of remedies against PREPA by National Public Finance Guarantee Corporation, Assured Guaranty Corp., Assured Guaranty Municipal Corp. or Syncora Guarantee Inc. The Forbearance Termination Date shall be deemed to have occurred as of the date and time when any such Forbearing Creditor or Creditors deliver such written notice.

4. Binding Effect. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Amendment No. 8, shall continue to constitute a binding agreement among the Parties executing this Amendment No. 8. For the avoidance of doubt, the Parties acknowledge and agree that, any term set forth in this Agreement to the contrary notwithstanding, the terms and conditions of Amendment No. 8 are not binding upon, nor do they inure to the benefit of, any of the following: (i) any party to either (s) the original Agreement, dated as of August 14, 2014, (t) Amendment No. 1, (u) Amendment No. 2, (v) Amendment No. 3, (w) Amendment No. 4, (x) Amendment No. 5, (y) Amendment No. 6 or (z) Amendment No. 7 that is not a party to this Amendment No. 8 or (ii) any person or entity not otherwise a party to this Amendment No. 8 who has entered into a valid and binding agreement prior to the Amendment No. 8 Effective Date to purchase Bonds from a Forbearing Creditor.

5. Effectiveness. On or after the Amendment No. 8 Effective Date, each reference in the Agreement to “this Agreement,” “Forbearance 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. 8. Except as amended by this Amendment No. 8, the provisions of the Agreement are and shall remain in full force and effect. Except as provided in this Amendment No. 8, nothing in this Amendment No. 8 shall constitute a waiver of the rights or obligations of any of the Parties under the Agreement. Notwithstanding anything to the contrary set forth herein, this Agreement shall be deemed a new forbearance agreement on the same terms of the Agreement, as amended by Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5, Amendment No. 6, Amendment No. 7 and this Amendment No. 8.

6. Governing Law. This Amendment No. 8 shall be governed and construed and enforced in accordance with the laws of the State of New York.

7. Counterparts. This Amendment No. 8 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. 8 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 8 by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

8. Entire Agreement. This Amendment No. 8 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. 8 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_____


BONDS

AG MM, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

Redacted

AG CAPITAL RECOVERY PARTNERS VIII,
L.P.

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

By:

A handwritten signature in black ink, appearing to read 'D. Forest Wolfe', is written over a horizontal line.

Name: D. Forest Wolfe

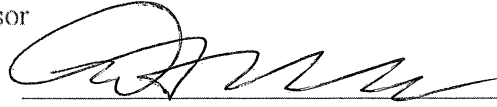
Title: General Counsel

Redacted

AG ELEVEN PARTNERS, L.P.

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

By:

A handwritten signature in black ink, appearing to be 'D. Forest Wolfe', written over a horizontal line.

Name: D. Forest Wolfe

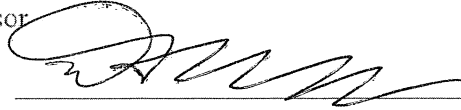
Title: General Counsel

Redacted

AG SUPER FUND INTERNATIONAL
PARTNERS, L.P.

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

By:

A handwritten signature in black ink, appearing to read 'D. Forest Wolfe', is written over a horizontal line.

Name: D. Forest Wolfe

Title: General Counsel

Redacted

NUTMEG PARTNERS, L.P.

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

By: _____


Name: D. Forest Wolfe

Title: General Counsel

Redacted

AG CENTRE STREET PARTNERSHIP, L.P.

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

By: _____

Name: D. Forest Wolfe

Title: General Counsel

Redacted

AG PRINCESS, LP

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

By: _____

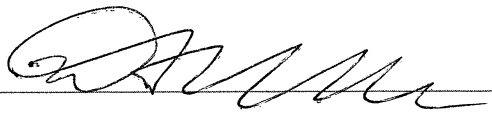
Name: D. Forest Wolfe

Title: General Counsel

Redacted

AG SUPER FUND, L.P.

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

By: _____


Name: D. Forest Wolfe

Title: General Counsel

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: Kyle Brady
Title: Assistant General Counsel

Redacted

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

CALIFORNIA INTERMEDIATE TERM TAX FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND FUN

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

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: Sheila Amoroso

Name: Sheila Amoroso

Title: SVP

Redacted

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

By: James McCarty

Name: James McCarty

Title: Managing Director

Redacted

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

By: James McCarty

Name: James McCarty

Title: Managing Director

Redacted

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

By: James McCarthy
Name: James McCarthy
Title: Managing Director

Redacted

KNIGHTHEAD (NY) FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Advisor

By:  _____


Name: Laura Torrado
Authorized Signatory

Title: _____

Redacted

LMA SPC FOR AND ON BEHALF OF THE
MAP84 SEGREGATED PORTFOLIO

By: Knighthood 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

KNIGHTHEAD MASTER FUND, L.P.

By: Knighthead Capital Management, LLC, its
Investment Manager

By:  _____

Name: Laura Torrado
Authorized Signatory

Title: _____

Redacted

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

Name: P. L. F. L. P.

Title: AUTHORIZED SIGNATORY

Redacted

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 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

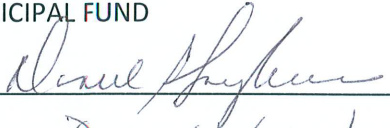
OPPENHEIMER ROCHESTER PENNSYLVANIA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER CALIFORNIA
MUNICIPAL FUND

OPPENHEIMER ROCHESTER HIGH YIELD
MUNICIPAL FUND

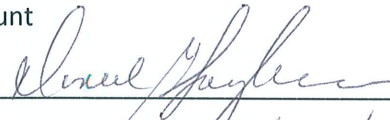
OPPENHEIMER ROCHESTER LIMITED TERM
CALIFORNIA MUNICIPAL FUND

OPPENHEIMER ROCHESTER LIMITED TERM
MUNICIPAL FUND

By: 
Name: Daniel Loughran
Title: Vice President

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

MassMutual International Holding MSC and
MassMutual Unified Traditional Separate
Account

By: 
Name: Daniel Loughran
Title: Vice President

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

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

AMENDMENT NO. 9 TO THE FORBEARANCE AGREEMENT

This Amendment No. 9, dated as of October 1, 2015 (“***Amendment No. 9***”), to the Forbearance Agreement, dated as of August 14, 2014 (as it may be amended, supplemented or otherwise modified from time to time, including by Amendment No. 1, dated March 30, 2015, Amendment No. 2, dated April 15, 2015, Amendment No. 3, dated April 30, 2015, Amendment No. 4, dated June 4, 2015, Amendment No. 5, dated June 18, 2015, Amendment No. 6, dated June 30, 2015, Amendment No. 7, dated September 1, 2015, Amendment No. 8, dated September 18, 2015 and this Amendment No. 9, the “***Agreement***”), is entered into by and among PREPA, the Ad Hoc Group identified on Annex A (the “***Ad Hoc Group***”) and the other undersigned parties (collectively, together with the Ad Hoc Group, the “***Forbearing Creditors***”, and, collectively, together with PREPA, the “***Parties***”).

RECITALS

WHEREAS, the Parties desire to amend the Agreement to (i) extend the term of the Agreement, and (ii) modify the terms of certain termination rights in accordance with the terms of this Amendment No. 9.

WHEREAS, as of the date hereof, \$8,228,709,000 in principal amount of the Bonds is outstanding.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by each Holder is listed on each respective Holder’s signature page to this Agreement.

WHEREAS, as of the date hereof, the total outstanding principal amount of Bonds that are not Insured Bonds that are beneficially owned by the Holders is approximately \$2,979,675,000.

WHEREAS, the Forbearing Creditors agree to this Amendment No. 9 in exchange for the below terms and conditions.

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 Amendment No. 9 shall become effective as of the date (the “***Amendment No. 9 Effective Date***”) that each of the following shall have occurred:

(a) All Parties shall have duly executed a counterpart of this Amendment No. 9;

(b) PREPA shall have executed amendments to the Citibank/Scotiabank Forbearance Agreements in form and substance acceptable to the Forbearing Creditors;

(c) No proceeding pursuant to the Recovery Act or any other action or proceeding that seeks to adjust the claims of its creditors pursuant to any federal, state, or Puerto Rico statute, now or hereinafter enacted, has been instituted by or on behalf of PREPA; and

(d) 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. 9, including, without limitation, submission to the Forbearing 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. 9.

2. Representations of Holders. Each of the Holders hereby represents and warrants (which is a continuing representation and warranty, and shall, subject to the provisions of the Agreement relating to Transfer, be true throughout the Forbearance Period) that:

(a) it owns or has investment management responsibility for accounts that own Bonds (that are not Insured Bonds) in the principal amounts set forth on its respective signature page hereto or Forbearing Creditor Joinder (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 7 of the Agreement; and

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

3. Termination.

(a) Section 5(a) of the Agreement is hereby amended and restated in its entirety as follows:

“This Agreement shall terminate at 11:59 p.m. (prevailing Eastern Time) on October 15, 2015, unless terminated earlier in accordance with the terms of this Agreement (in each such case, the “***Forbearance Termination Date***”).”

(b) Section 5(b)(iii) of the Agreement is hereby amended and restated in its entirety as follows:

“A PREPA legislative reform package is not agreed to between PREPA and the Ad Hoc Group by 8:00 p.m. (prevailing Eastern Time) on October 15, 2015.”

4. Binding Effect. Notwithstanding anything to the contrary in the Agreement, the Agreement, as amended by this Amendment No. 9, shall continue to constitute a binding agreement among the Parties executing this Amendment No. 9. For the avoidance of doubt, the Parties acknowledge and agree that, any term set forth in this Agreement to the contrary notwithstanding, the terms and conditions of Amendment No. 9 are not binding upon, nor do they inure to the benefit of, any of the following: (i) any party to either (r) the original Agreement, dated as of August 14, 2014, (s) Amendment No. 1, (t) Amendment No. 2, (u) Amendment No. 3, (v) Amendment No. 4, (w) Amendment No. 5, (x) Amendment No. 6, (y) Amendment No. 7 or (z) Amendment No. 8 that is not a party to this Amendment No. 9 or (ii)

any person or entity not otherwise a party to this Amendment No. 9 who has entered into a valid and binding agreement prior to the Amendment No. 9 Effective Date to purchase Bonds from a Forbearing Creditor.

5. Effectiveness. On or after the Amendment No. 9 Effective Date, each reference in the Agreement to “this Agreement,” “Forbearance 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. 9. Except as amended by this Amendment No. 9, the provisions of the Agreement are and shall remain in full force and effect. Except as provided in this Amendment No. 9, nothing in this Amendment No. 9 shall constitute a waiver of the rights or obligations of any of the Parties under the Agreement. Notwithstanding anything to the contrary set forth herein, this Agreement shall be deemed a new forbearance agreement on the same terms of the Agreement, as amended by Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5, Amendment No. 6, Amendment No. 7, Amendment No. 8 and this Amendment No. 9.

6. Governing Law. This Amendment No. 9 shall be governed and construed and enforced in accordance with the laws of the State of New York.

7. Counterparts. This Amendment No. 9 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. 9 by signing any such counterpart. Delivery of an executed signature page of this Amendment No. 9 by facsimile or email transmission shall be effective as delivery of a manually executed counterpart hereof.

8. Entire Agreement. This Amendment No. 9 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. 9 has been duly executed as of the date first written above.

PUERTO RICO ELECTRIC POWER
AUTHORITY

By:  _____

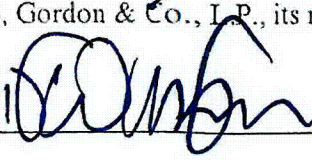
Name: Javier A. Quintana Méndez

Title: Executive Director

Bondholder Forbearance

AG MM, L.P.

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

By: _____

Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

AG CAPITAL RECOVERY PARTNERS VIII,
L.P.

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

By: _____

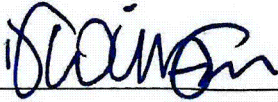
Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

AG ELEVEN PARTNERS, L.P.

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

By: _____

Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

AG SUPER FUND INTERNATIONAL
PARTNERS, L.P.

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

By: _____


Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

NUTMEG PARTNERS, L.P.

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

By: _____

Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

AG CENTRE STREET PARTNERSHIP, L.P.

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

By: _____

Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

AG PRINCESS, LP

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

By: _____

Name: Kirk Wickman

Title: Authorized Signatory

REDACTED

AG SUPER FUND, L.P.

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

By:



Name: Kirk Wickman

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

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

CALIFORNIA INTERMEDIATE TERM TAX
FREE INCOME FUND

CALIFORNIA HIGH YIELD MUNICIPAL BOND
FUN

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

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:

Rafael R. Costas Jr.

Name:

Title:

Vice President

REDACTED

REDACTED

REDACTED