

## FORM OF SERIES B BOND

THIS BOND HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES OF AMERICA. THE HOLDER HEREOF (OR A BENEFICIAL INTEREST HEREIN) BY PURCHASING OR OTHERWISE ACQUIRING THIS BOND (OR A BENEFICIAL INTEREST HEREIN) AGREES TO OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS BOND (OR A BENEFICIAL INTEREST HEREIN) ONLY: (a) TO THE ISSUER, (b) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (c) TO A PERSON THAT IS NOT A U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH THE REQUIREMENTS OF RULE 903 OR 904 OF REGULATIONS UNDER THE SECURITIES ACT OR (d) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND OTHER APPLICABLE SECURITIES LAWS, SUBJECT TO THE RIGHT OF THE ISSUER AND BANCO GENERAL, S.A., AS ADMINISTRATIVE AND PAYING AGENT, BEFORE ANY SUCH OFFER, SALE OR OTHER TRANSFER PURSUANT TO CLAUSE (d), TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATIONS AND/OR OTHER INFORMATION SATISFACTORY TO THE ISSUER AND THE ADMINISTRATIVE AND PAYING AGENT; PROVIDED THAT NO SUCH OFFER OR SALE MADE PRIOR TO THE DATE FORTY (40) DAYS AFTER THE DATE HEREOF SHALL BE MADE TO A U.S. PERSON OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON (OTHER THAN A DISTRIBUTOR) UNLESS PERMITTED PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PURSUANT TO WHICH ANY SUCH OFFER OR SALE OF BONDS IS MADE. IN ADDITION, ANY SUCH TRANSFERS MUST OTHERWISE BE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES OF AMERICA, THE REPUBLIC OF PANAMÁ AND ANY OTHER APPLICABLE JURISDICTION.

EACH DIRECT OR INDIRECT HOLDER HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS BOND (OR A BENEFICIAL INTEREST HEREIN), IS DEEMED TO HAVE REPRESENTED AND AGREED THAT EITHER: (a) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, AN "EMPLOYEE BENEFIT PLAN" AS DESCRIBED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA OR A "PLAN" SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR A GOVERNMENTAL PLAN OR OTHER PLAN THAT IS SUBJECT TO ANY FEDERAL, STATE OR LOCAL LAW THAT IS SUBSTANTIALLY SIMILAR TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA OR THE CODE, OR AN ENTITY WHOSE ASSETS ARE TREATED AS ASSETS OF ANY SUCH PLAN, OR (b) ITS PURCHASE AND HOLDING OF THIS NOTE (OR A BENEFICIAL INTEREST HEREIN) WILL NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA, SECTION 4975 OF THE CODE OR ANY SUBSTANTIALLY SIMILAR APPLICABLE LAW.

## TERMS AND CONDITIONS

1. Definitions. (a) As used herein, the following terms shall have the following meanings:

“Acceptable Letters of Credit” means “*Cartas de Crédito Aceptable*” as defined in the Collateral Trust Agreement.

“Additional Facility Agreement” means (i) a letter of credit facility to be entered into between the Issuer and one or more Eligible Issuers for the issuance of an Acceptable Letter of Credit to the Trustee for the purpose of drawing to pay an amount up to the Debt Service Reserve Requirement and/or (ii) one or more revolving line of credit agreements entered into between the Issuer and one or more financial institutions from time to time for the provision to the Issuer of lines of credit to be used for working capital and general corporate purposes, which letter of credit facilities and lines of credit shall be unsecured and pari passu with the Obligations under the Financing Documents and which shall not exceed US\$40,000,000 in the aggregate; provided however, such lines of credit shall not exceed US\$20,000,000 in the aggregate, and such letter of credit facility shall not exceed \$25,000,000 in the aggregate.

“Administrative and Paying Agent” has the meaning given to such term in the initial paragraph of the Paying Agency Agreement and includes any successor agent appointed pursuant to the provisions of Section 13 of the Paying Agency Agreement.

“AESC Credit Agreement” means that certain Credit Agreement dated as of March 30, 2007, entered into between the Issuer, as borrower, the lenders party thereto, and Banco General, S.A. (previously Banco Continental de Panamá, S.A.), as arranger and administrative agent, as amended and supplemented from time to time.

“AES Panamá” means AES Panamá, S.A.

“Affiliate” of any Person means (a) any Person which, directly or indirectly, is in Control of, is controlled by, or is under common Control with such Person, or (b) any Person who is a director or duly authorized officer (i) of such Person or (ii) of any Person described in clause (a) above. For all purposes of the Transaction Documents, the Issuer and the Pledgor shall each be considered an “Affiliate” of each other and an “Affiliate” of the Issuer.

“Agent” means each of the Administrative and Paying Agent and the Trustee.

“ANAM EIS” means the Environmental Impact Study dated as of October 14, 2005, for the Project.

“Applicable Law” means, with respect to any Person or the Project, any and all laws, statutes, regulations, rules, orders, injunctions, decrees, writs, determinations, awards and judgments issued by any Governmental Authority applicable to such Person or the Project, including all Environmental Laws.

“Arranger” has the meaning given to such term in Section 1.1 of the Purchase Agreement.

“Authorization” means any consent, waiver, registration, filing, agreement, notarization, certificate, license, tariff, approval, permit, authorization, exception or exemption from, by or with any Governmental Authority, whether given by express action or deemed given by failure to act within any specified period.

“ASEP” means the *Autoridad Nacional de los Servicios Públicos*, an autonomous entity of the government of Panamá with responsibility for regulating water, telecommunications, electricity and natural gas, formerly known as the *Ente Regulador de los Servicios Públicos*.

“ANAM” means the *Autoridad Nacional del Medio Ambiente*, formerly known as *Instituto Nacional de Recursos Naturales Renovables*, an autonomous entity of the government of Panamá.

“Bond” or “Bonds” has the meaning given to such term in the Recitals of the Purchase Agreement, and upon the issuance thereof in compliance with Section 13(e)(ii) hereof, shall additionally mean the Series C Bonds.

“Bondholder” means a Person holding a beneficial interest in a Bond.

“Business Day” means any day other than a Saturday, Sunday or any other day on which commercial banks are required by law or authorized to close in New York City or Panamá, Republic of Panamá and, if the applicable Business Day relates to an Issue of the Series C Bonds, on which dealings are carried on in the London interbank market and banks are open for business in London.

“Capital Standards” means standards for capital adequacy applicable to commercial banks and similar financial institutions, including those commonly understood as the “Basel Accord” and any similar report, accord, agreement or directive regarding capital adequacy.

“Cash Flow Available for Initial Distributions” means, as of any date prior to the first anniversary of the Settlement Date, (a) the Issuer’s cash on hand as of such date minus (b) all payments of principal that remain scheduled to be paid prior to the first anniversary of the Settlement Date in respect of any Senior Debt Obligations of the Issuer, minus (c) all interest charges that remain scheduled to be paid prior to the first anniversary of the Settlement Date in respect of any Senior Debt Obligations of the Issuer, provided that the Issuer should only be permitted to make one (1) distribution per quarter, prior to the first anniversary of the Settlement Date.

“CFADS” or “Cash Flow Available for Debt Services” means, with respect to any period, (a) EBITDA for such period minus (b) cash payments for income taxes paid during such period.

“Change of Control” means such time as with respect to the Issuer (i) a “person” or “group” (within the meaning of Sections 13(d) and 14(d)(2) of the Exchange Act) other than the existing stockholders or any other Person under the Control, directly or indirectly, of AES Corporation (A) becomes the ultimate “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act) of shares of voting stock of the Issuer representing more than 50% of the total voting power of the total voting stock of the Issuer, as the case may be, on a fully diluted basis or (B) otherwise obtains the power, directly or indirectly, to direct or cause the directions of the

management and policies of the Issuer, including operating and maintenance decisions, whether by ownership of a majority equity interest, contract or otherwise; or (ii) the Issuer or the Pledgor consolidates with, or merges with or into, another Person, or the Issuer or the Pledgor sells, conveys, assigns, transfers, leases or otherwise disposes of all or substantially all of the assets of the Issuer or the Pledgor, as the case may be, to any Person, other than a transaction where the Person or Persons that, immediately prior to such transaction "beneficially owned" the outstanding voting stock of the Issuer or the Pledgor are, by virtue of such prior ownership, or existing stockholders are, the "beneficial owners" in the aggregate of a majority of the total voting power of the then outstanding voting stock of the surviving or transferee Person (or if such surviving or transferee Person is a direct or indirect or wholly-owned subsidiary of another Person, such Person who is the ultimate parent entity), in each case whether or not such transaction is otherwise in compliance with the Indenture; or (iii) the holders of capital stock of the Issuer or the Pledgor approve any plan or proposal for the liquidation or dissolution of the Issuer or the Pledgor, whether or not otherwise in compliance with the provisions hereof.

"CND" means *Centro Nacional de Despacho*, a department of ETESA, as contemplated in Panamá law by Article 61 of Law 6 of 1997, and any authorized successor of such entity.

"Collateral" means any and all Liens, security interests, rights, powers and remedies of the Secured Parties intended to be constituted from time to time by or pursuant to, or evidenced by, the Security Documents and as applicable, all corresponding assets encumbered thereby and all rights, property and other assets added thereto by way of retention and otherwise.

"Collateral Trust Agreement" means the collateral trust agreement (*Contrato de Fideicomiso*), dated on or about November 14, 2013, entered into by the Issuer and the Trustee in substantially the form of Exhibit E to the Purchase Agreement.

"Compliance Certificate" means a certificate in the form of Exhibit D to the Purchase Agreement.

"Concession" means that certain Concession Agreement for Hydroelectric Generation CHAN-75 dated October 31, 2006, and entered into by and between the Issuer and ASEP.

"Contest" means, with respect to the payment of Taxes or any other claims or liabilities by any Person, any action to contest the validity or amount thereof in good faith by appropriate proceedings timely instituted and diligently pursued within the applicable statutory period and in accordance with Applicable Law; provided that, the following conditions are satisfied: (a) such Person has posted a bond or other security in accordance with Applicable Law (if required) or has established adequate reserves or other appropriate provisions with respect to the contested items to the extent required by IFRS; (b) during the period of such contest with respect to any claim that has or is reasonably expected to become a Lien against Collateral with a value in excess of US\$500,000, the sale of any portion of such Collateral to satisfy such claim is effectively stayed; (c) neither such Person nor any of its officers, directors or employees nor any Secured Party or its respective officers, directors or employees is, or could reasonably be expected to become, subject to any criminal liability or sanction in connection with such contested items; and (d) such contest and any resultant failure to pay or discharge the claimed or

assessed amount does not, and could not reasonably be expected to, result in a Material Adverse Effect.

“Control” of a Person by any other Person shall mean (a) the power, direct or indirect, to direct or cause the directions of the management and policies of such Person, including operating and maintenance decisions, whether by ownership of a majority equity interest, contract or otherwise; or (b) power, direct or indirect, to control, whether by ownership of equity interests, contract or otherwise, more than 50% of the voting interests in such Person.

“Date of Authentication” is the date on which the Administrative and Paying Agent authenticated this Bond in accordance with the Paying Agency Agreement.

“Debt Service” means, with respect to any period, all actual and (without duplication) scheduled payments of principal and interest paid or to be paid during such period in respect of any Senior Debt Obligations of the Issuer.

“Debt Service Coverage Ratio” means, as of the last day of the fourth consecutive complete fiscal quarter following the Settlement Date and each fiscal quarter thereafter, the ratio (expressed as a decimal) of (a) the sum of CFADS of the Issuer for the four consecutive fiscal quarters ending on such date to (b) Debt Service paid during such four consecutive fiscal quarters.

“Debt Service Reserve Account” means the “*Cuenta de Reserva de Servicio de Deuda*” as defined in the Collateral Trust Agreement.

“Debt Service Reserve Requirement” means the “*Requisito de Reserva de Servicio de Deuda*” as defined in the Collateral Trust Agreement.

“Debt to EBITDA Ratio” means, as of the last day of the fourth consecutive complete fiscal quarter following the Settlement Date and each fiscal quarter thereafter, the ratio (expressed as a decimal) of (i) the aggregate amount of the outstanding principal amount of the Senior Debt Obligations of the Issuer as of such date to (ii) the sum of EBITDA of the Issuer for the four consecutive fiscal quarters ending as of such date.

“Default” means any event or condition that, with notice or lapse of time or both, would become an Event of Default.

“Default Rate” has the meaning given to such term in Section 4 hereto.

“Directing Bondholders” means at any time Bondholders holding more than 51% of the then aggregate unpaid principal amount outstanding under the Bonds; provided that for purposes of any calculation of the foregoing, if any Bondholder has agreed in writing that a second Bondholder shall have the right to exercise any voting rights in respect of a portion of the Bonds held by such first Bondholder (and shall have provided the Administrative and Paying Agent with written notice thereof), then the second Bondholder shall be deemed to be the holder of such portion; provided further that, for purposes hereof, neither the Issuer, nor the Pledgor, nor any Affiliate thereof, if a Bondholder, shall be included in (i) the Bondholders holding such amount of the Bonds or (ii) determining the aggregate unpaid principal amount of the Bonds; and

provided further for purposes of Section 17(a), Directing Bondholders with respect to an Event of Default (i) pursuant to Section 16(a) or Section 16(e) (including only proceedings in clause (a) of the definition of Insolvency Proceedings), shall mean at any time Bondholders holding more than 51% of the then aggregate unpaid principal amount outstanding under the Bonds, and (ii) pursuant to Section 16(b), Section 16(c), Section 16(d), Section 16(f), Section 16(g), Section 16(h), or Section 16(i), shall mean at any time Bondholders holding more than 66 2/3% of the then aggregate unpaid principal amount outstanding under the Bonds.

“Disposition” means any sale, assignment, transfer or other disposition or the lease of any material Property (whether now owned or hereafter acquired) by the Issuer to any other Person.

“Distribution Test Conditions” means, at the time any Restricted Payment is declared, each of the following conditions: (i) no Default or Event of Default shall have occurred and be continuing or would result from the making of any Restricted Payment, (ii) the Issuer is in compliance with the financial covenants in Section 14 hereof, (iii) the balance in the Debt Service Reserve Account equals or exceeds the then applicable Debt Service Reserve Requirement, and (iv) if no Investment Grade Rating Event shall have occurred and is effective at such time, the Debt Service Coverage was not less than 1.20 to 1.00.

“Dollars” or “US\$” means the lawful currency of the United States.

“EBITDA” or “Earnings Before Interest, Taxes, Depreciation and Amortization” means, as to any Person and for any period, (a) revenues (*ingresos operacionales*) for such period, less (b) operation and maintenance expenses (*costos de operación y mantenimiento*) for such period, less (c) administrative expenses (*gastos operacionales de administración*) for such period (it being understood that interest expense, taxes, depreciation and amortization shall be excluded), in each case, as determined from the consolidated income statement of the Issuer as determined in accordance with IFRS.

“Eligible Issuer” means un “*Emisor Elegible*” as defined in the Collateral Trust Agreement.

“Environmental Law” means any national, provincial, municipal, departmental or local statute, law, ordinance, rule, regulation, code, order, judgment, decree or Authorization regulating, relating to or imposing liability or standards of conduct concerning the environment, health, safety or hazardous materials in each case applicable to the Project, the Issuer or the Pledgor.

“ETESA” means *Empresa de Transmisión Eléctrica, S.A.*, a sociedad anónima organized and existing under the laws of Panamá.

“Event of Default” has the meaning given to such term in Section 16.

“Event of Loss” means the actual or constructive loss of all or substantially all of the Project.

“Evidence of Ownership” has the meaning given to such term in Section 1.1 of the Administrative and Paying Agreement.

"Existing Loan Agreements" means the Revolving Loan Agreement and the Term Loan Agreement.

"Fee Letter" has the meaning given to such term in Section 1.1 of the Purchase Agreement.

"Final Maturity Date" means the date that is ten (10) years after the Settlement Date.

"Financing Documents" means, collectively the Bonds, the Purchase Agreement, the Security Documents, the Paying Agency Agreement, the Stockbrokerage Agreement, the Fee Letter and each other agreement, certificate, document or instrument delivered in connection with any Financing Document, that the Issuer certifies in writing is a "Financing Document".

"Fitch" means Fitch Ratings Ltd., a subsidiary of FIMILAC, S.A., or any successor rating agency business thereof.

"Governmental Authority" means any national, supranational, regional or local government or governmental, administrative, fiscal, judicial, or government-owned, body, department, board, bureau, commission, authority, instrumentality, court, tribunal, agency or entity, or central bank (or any Person, whether or not government owned and howsoever constituted or called, that exercises the functions of a central bank); provided that, for the avoidance of doubt, and without limitation, each of CND and ASEP shall be deemed to be a "Governmental Authority" for all purposes hereof.

"Hedge Agreement" means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate insurance, currency swap agreement, currency option, futures contract, forward contract or any other similar agreement or arrangement with respect to interest rates and currency exchange rates, currencies, commodities or indices or to the hedging of assets or liabilities.

"IFRS" means the accounting standards published and adopted by the International Accounting Standards Board, London, England, designated as "International Financial Reporting Standards".

"Indebtedness" means (i) indebtedness for borrowed money, (ii) obligations evidenced by Bonds, debentures, notes or other similar instruments, (iii) obligations to pay deferred purchase price of property or services except account payables and accrued expenses arising in the ordinary course of business and payable within one hundred twenty (120) days, (iv) fixed and liquidated liabilities in respect of termination or "close-out" amounts under any Hedge Agreement, (v) the capitalized amount (determined in accordance with IFRS) of all payments due or to become due under all leases and agreements to enter into leases required to be classified and accounted for as capital leases in accordance with IFRS, (vi) reimbursement of obligations pursuant to any performance bonds or collateral security provided on behalf of the Issuer required by the term of the Concession or the Power Purchase Agreement, and (vii) obligations under direct or indirect guarantees in respect of, and obligations to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kind referred to in clauses (i) through (vi) above.

"Indemnified Party" has the meaning given to such term in Section 7.10(a) of the Purchase Agreement.

"Insolvency Proceedings" means, with respect to any Person, (a) entry by any competent Governmental Authority of any jurisdiction or a court having jurisdiction in the premises of (i) a decree or order for relief in respect of such Person in an involuntary case or proceeding under any applicable bankruptcy, *concurso mercantil*, *quiebra*, insolvency, reorganization or other similar law or (ii) an involuntary or contested decree or order adjudging such Person as bankrupt or insolvent, or approving as properly filed a petition seeking suspension of payment, reorganization, *concurso mercantil*, *quiebra*, arrangement, adjustment or composition of or in respect of such Person under any Applicable Law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator, *sindico*, *visitador*, *conciliador*, or other similar official of such Person or of any substantial part of the property of such Person, or ordering the dissolution, winding up or liquidation of the affairs of such Person and the continuance of any such decree or order under clause (i) or (ii) above unstayed and in effect for a period of sixty (60) consecutive days; or (b) commencement by such Person of a voluntary case or proceeding under any applicable bankruptcy, *concurso mercantil*, *quiebra*, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated as bankrupt or insolvent, or the consent by such Person to the entry of a decree or order for relief in respect of such Person in an involuntary case or proceeding under any applicable bankruptcy, *concurso mercantil*, *quiebra*, insolvency, reorganization or other similar law or to the commencement of any bankruptcy, *concurso mercantil*, *quiebra* or insolvency case or proceeding against such Person, or the filing by such Person of a petition or answer or consent seeking reorganization or relief under any Applicable Law; or (c) consent by such Person to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator, *sindico*, *visitador*, *conciliador*, or other similar official of such Person or of any substantial part of the property of such Person, or the making by such Person of an assignment for the benefit of creditors or any other marshalling of the assets and liabilities of such Person, or the admission by such Person in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by such Person in furtherance of any such action.

"Interconnection Agreement" means the Interconnection Agreement (*Contrato de Acceso al Sistema de Transmisión*) dated as of January 31, 2007, between the Issuer and ETESA.

"Interest Payment Date" means (i) commencing on June 25, 2014, the 25th day of June and December of each year until the Final Maturity Date and (ii) the Final Maturity Date; provided, however, that whenever any Interest Payment Date would otherwise occur on a day other than a Business Day, such Interest Payment Date shall be postponed until the next succeeding Business Day (unless such next succeeding Business Date would fall in the next calendar month, in which case such Interest Payment Day shall be the immediately preceding Business Day).

"International Investment Grade Rating" means a rating of the Bonds from any two of Moody's, S&P and Fitch equal to or higher than Baa3 (or the equivalent) by Moody's or BBB- (or the equivalent) by S&P or Fitch, as applicable, in each case without any negative watch.



"Investment" means, for any Person, (i) the acquisition (whether for cash, Property, services or securities or otherwise) of capital stock, bonds, notes, debentures, partnership or other ownership interests or other securities of any other Person or any agreement to make any such acquisition (including, without limitation, any "short sale" or any sale of any securities at a time when such securities are not owned by the Person entering into such sale; (ii) the making of any deposit with, or advance, loan or other extension of credit to, any other Person (including the purchase of Property from another Person subject to an understanding or agreement, contingent or otherwise, to resell such Property to such Person (but excluding advances to employees for moving, entertainment and travel expenses, drawing accounts and similar expenditures in the ordinary course of business); (iii) the entering into of any guarantee of, or other contingent obligation with respect to, Indebtedness or other Obligations of any other Person and (without duplication) any amount committed to be advanced, lent or extended to such Person; or (iv) the entering into of any Hedge Agreement.

"Investment Grade Rating Event" means the first day on which (i) the Bonds have received an International Investment Grade Rating, and (ii) no Default or Event of Default has occurred and is continuing; provided that since the date of receipt of an International Investment Grade Rating there shall have not occurred any downgrading of the Bonds to below an International Investment Grade Rating.

"Issue" has the meaning given to such term in Section 1.1 of the Purchase Agreement.

"Issuer" has the meaning given to such term in the initial paragraph of the Purchase Agreement.

"LatinClear" means Central Latinoamericana de Valores, S.A., a Panamá corporation (*sociedad anónima*) acting as custodian, depository and clearing house, or any successor thereto.

"Lending Office" has the meaning given to such term in the Purchase Agreement.

"Lien" means any lien, charge, mortgage (*hipoteca*), pledge (*prenda*), antichresis (*anticresis*), security interest or other charge or encumbrance of any kind, or any other type of preferential arrangement which has substantially the same effect, upon or with respect to any specific property including any title retention agreement (*retención de dominio*) or trust or any lease in the nature thereof and any easement, right of way (*servidumbre*) or other encumbrance on title to real property.

"Local Rating" means a rating of the Bonds from Fitch, or another locally recognized statistical rating organization acceptable to the Purchasers.

"Material Adverse Effect" means a material adverse effect on (a) the ability of the Issuer to perform its material obligations under the Bonds, the Security Documents or any other material Financing Document to which it is a party or (b) the material rights and remedies of any Secured Party under any Financing Document.

"Material Project Documents" means the following documents as the same may be amended, modified or replaced from time to time in accordance with the terms thereof or hereof: (i) the Power Purchase Agreement; (ii) the Interconnection Agreement, (iii) the O&M

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Agreement, (iv) the Concession and (v) any other contract or agreement entered into by the Issuer and any other Person that replaces or substitutes for an existing Material Project Document.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto that is a nationally recognized rating agency.

“Non-Excluded Taxes” means any Taxes other than net income Taxes, franchise Taxes, and any similar Taxes imposed in lieu of net income taxes, imposed with respect to any Secured Party by any Governmental Authority under the laws of which such Secured Party is organized, has its principal place of business, or, in the case of any Bondholder, in which it maintains its Lending Office.

“O&M Agreement” means the O&M Management Services Agreement dated as of January 31, 2007, between the Issuer and AES Panamá.

“Obligation” means, with respect to any Person, any payment, performance or other obligation of such Person of any kind, including any liability of such Person on any claim, whether or not the right of any creditor to payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured or unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any Insolvency Proceeding.

“Officer’s Certificate” means, with respect to any Person, a certificate signed by a Responsible Officer of such Person.

“Organizational Documents” means, with respect to any Person, (a) the articles or certificate of incorporation, *escritura social*, *pacto social*, certificate of partnership, partnership agreement, certificate of formation, limited liability agreement, operating agreement or other similar organizational document of such Person, (b) the by-laws, *estatutos* or other similar document of such Person, (c) any certificate of designation or instrument relating to the rights of holders (including preferred shareholders) of equity interests in such Person and (d) any shareholder rights agreement, voting trusts or other similar agreement.

“Other Taxes” means any and all stamp, documentary or similar Taxes, or any other excise or property Taxes, charges or similar levies that arise on account of any payment made or required to be made under any Financing Document or from the execution, delivery, registration, recording or enforcement of, or otherwise with respect to, any Financing Document.

“Panamá” means the Republic of Panamá.

“Panamanian Governmental Entity” means any Panamanian de jure or de facto governmental entity or any political, administrative or territorial subdivision thereof or any court or tribunal of Panamá.

“Paying Agency Agreement” means the Paying, Registrar and Transfer Agency Agreement, dated on or about the date of the Purchase Agreement, among the Issuer, the Administrative and Paying Agent and each of the Purchasers.

"Permitted Indebtedness" has the meaning given to such term in Section 13(e) hereof.

"Permitted Investments" means (i) Investments outstanding on the date of the Purchase Agreement as set forth in Schedule XI thereof; (ii) cash equivalents, demand deposits, certificates of deposit, overnight deposits or other bank deposits, maturing within one year from the date of acquisition, (A) in Banco General, S.A., (B) in any other commercial bank having either a short-term debt rating of at least A1 from Standard & Poor's or P1 from Moody's Investors Services Inc. or a long-term debt rating of at least A from Standard & Poor's Rating Group or A from Moody's Investors Services Inc. or (C) in any other bank operating in Panamá under a general license having a rating at least equal to the credit rating of Panamá; (iii) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof; (iv) advances, loans or extension of credit to customers or suppliers having an original term not to exceed one hundred and twenty (120) days arising in connection with the purchase or sale of goods or services by the Issuer in the ordinary course of business; (v) negotiable instruments held for collection purposes; (vi) investments in severance and seniority funds (*fondo de cesantía*) to the extent required by law; (vii) Hedge Agreements entered into by the Issuer in the ordinary course of business and not entered into for speculative purposes; (viii) endorsements of negotiable instruments for the collection of disputes in the ordinary course of business and (ix) other Investments not to exceed US\$10,000,000 in the aggregate.

"Permitted Liens" means the following: (a) Liens arising by reason of (i) Taxes, assessments or governmental charges that are (A) not yet due and payable and in respect of which appropriate reserves are being maintained in accordance with IFRS or (B) are subject to a Contest, (ii) Liens incurred in the ordinary course of business for payment of workmen's compensation or insurance or other types of social security benefits, (iii) deposits to secure public or statutory obligations or in lieu of or to secure surety or appeal bonds; (b) Liens arising by operation of law to secure the payment of workmen's compensation or other type of social security benefits and Liens of mechanics, carriers, landlords, warehousemen, materialmen, laborers, employees, repairmen, workmen or suppliers and any similar Liens (including Liens in favor of customs and revenue authorities imposed by law to secure payment of customs duties in connection with the importation of goods) arising by operation of law incurred in the ordinary course of business with respect to obligations which are not due or are subject to a Contest and individually or together with all other Permitted Liens outstanding on any date of determination do not materially adversely affect the use of the property to which they relate; (c) Liens arising out of judgments or orders that have been adequately bonded or with respect to which a stay of execution has been obtained pending an appeal or proceeding for review and in respect of which adequate reserves or other appropriate provisions, if any, as are required by IFRS have been made therefor; (d) Liens arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of or title to real property which do not materially interfere with the ordinary conduct of the business of the Issuer; (e) set-off rights of any Person with whom the Issuer maintains a deposit account; (f) Liens constituting beneficial certificates under the Trust and securing bid and performance bonds, standby letters of credit or other similar guarantees entered in the ordinary course of business in connection with contracts entered into by

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the Issuer for the purchase and sale of capacity and energy; (g) Liens created in favor of any of the Secured Parties under or pursuant to any Security Document, (h) licenses of patents, trademarks and other intellectual property rights granted by the Issuer in the ordinary course of business and not interfering with the ordinary course of business of the Issuer; (i) Liens securing Obligations in respect of Indebtedness (and interest, fees, commissions, indemnities, prepayment premiums, costs and expenses related thereto) permitted pursuant to Section 13(e)(vii); provided that any such Lien shall encumber only the assets acquired with the proceeds of such Indebtedness; (j) any interest or title of a lessor or sublessor arising under the applicable lease to the extent not interfering in any material respect with the business of the Issuer, (k) the replacement, extension or renewal of any Lien permitted by clause (i) above upon or in the same property theretofor subject thereto or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor) of the Obligations secured thereby; and (l) Liens outstanding on the date of the Purchase Agreement as set forth on Schedule V thereof; provided that such Liens are released on the Settlement Date upon the repayment of the Indebtedness such Liens secure.

“Person” means an individual, corporation, partnership, business trust, joint venture, association, joint stock company, trust, unincorporated organization or other entity, or a government or any agency or political subdivision thereof.

“Pledgor” means AES Bocas Del Toro, Hydro S.A.

“Power Purchase Agreement” means the Power Purchase Agreement dated as of March 9, 2007, between the Issuer and AES Panamá and any other contracts for the purchase or sale of capacity and/or energy entered into in replacement thereof, to which the Issuer is a party, each as modified, amended, supplemented and in effect from time to time.

“Principal Payment Date” means the Final Maturity Date of the Series B Bonds.

“Process Agent” has the meaning given to such term in Section 7.5(b) of the Purchase Agreement or Section 26(b) hereof, as the case may be.

“Project” means that certain approximately 223MW Changuinola hydroelectric generation power plant and all related Project Property.

“Project Property” means all Property and rights, whether now owned or hereafter held by, concessioned to or leased by the Issuer, wherever located, including all rights and interests in the Material Project Documents (including all Support Instruments relating thereto), and all other agreements to which the Issuer is a party, legally or beneficially owned by the Issuer, including the Project site.

“Property” means any interest in any kind of property or asset, whether real, personal or mixed, and whether tangible or intangible.

“Prudent Industry Practices” means those practices, methods, acts and standards of safety and performance, as the same may change from time to time, as are commonly used in Panamá by electric generation stations of a type and size similar to the Project as safe and prudent engineering practices in connection with the operation, repair and use of electrical and other

equipment, facilities and improvements of such electrical stations, with commensurate standards of safety, performance, dependability, efficiency and economy, in each case adjusted to take into account the location of the Project (including climatic, environmental and general conditions), requirements of Applicable Law and the construction, operation and maintenance standards recommended by the Project's equipment suppliers and manufacturers.

"Purchase Agreement" means the Purchase Agreement, dated as of November 14, 2013, entered into by and among the Issuer, the Administrative and Paying Agent, the Arranger and the Purchasers named therein, as modified, amended, supplemented and in effect from time to time.

"Purchaser" has the meaning given to such term in Section 1.1 of the Purchase Agreement.

"Rating Agencies" means Moody's, S&P and Fitch.

"Register" has the meaning given to such term in Section 7.9(c) of the Purchase Agreement.

"Regulation U" means Regulation U of the U.S. Board of Governors of the Federal Reserve System.

"Required Bondholders" means (i) in the case of those matters specified in the proviso to Section 23, all Bondholders and (ii) in the case of all other matters, Directing Bondholders.

"Responsible Officer" means, with respect to any Person, the President, Vice President, Treasurer, Chief Financial Officer, or Secretary of such Person.

"Restricted Payment" means any dividend payment or other distribution in respect of capital stock of the Issuer of assets, property, cash, rights, obligations or securities (other than a dividend payable solely in shares of any class of stock to the holders of that class of stock) and any payment in respect of any Subordinated Indebtedness; provided, for clarification that, repayment on the Settlement Date of the Obligations under the AESC Credit Agreement and the Existing Loan Agreements, and any related interest rate hedging agreement (and the payment of any fees and costs associated therewith), from the proceeds of the Series A Bonds and Series B Bonds and payment of any management fees under the O&M Agreement shall not in any event be a Restricted Payment.

"Revolving Loan Agreement" means that certain Revolving Loan Agreement, dated as of October 20, 2011, entered into between the Issuer, as borrower, the lenders party thereto, and Banco General, as administrative agent, as amended and supplemented from time to time.

"S&P" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc., and any successor thereto that is a nationally recognized rating agency.

"Secured Parties" has the meaning given to such term in Section 1.1 of the Purchase Agreement, and shall include Purchasers of the Series C Bond upon the issuance of the Series C Bonds in compliance with Section 13(e)(ii) hereof.

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“Security Documents” means, collectively, the Collateral Trust Agreement and the Share Pledge, and any other instruments, financing statements or agreements related thereto in order to perfect the lien, pledge or security interest created under the Collateral Trust Agreement and the Share Pledge.

“Senior Debt Obligations” means, without duplication, the Obligations of the Issuer to pay principal of and interest on (i) the Bonds, and (ii) any fixed and liquidated loans or reimbursement obligations under any Additional Facility Agreement which mature more than 365 days after the relevant date of determination (including, in each case, any interest accruing after the filing of a petition with respect to, or the commencement of, any Insolvency Proceeding, whether or not a claim for post-petition interest is allowed in such proceeding); provided that, notwithstanding anything to the contrary in any Financing Document, “Senior Debt Obligations” shall not include (except for the purpose of Section 13(e)(i)) any Obligations of the Issuer owed to any Affiliates.

“Series A Bond” has the meaning given to such term in the Recitals of the Purchase Agreement.

“Series B Bond” has the meaning given to such term in the Recitals of the Purchase Agreement.

“Series C Bond” means up to \$50,000,000 aggregate principal amount of fixed or floating rate senior secured bonds containing substantially the same terms set forth in Exhibit A-3 to the Purchase Agreement, except, without limitation, with respect to changes to the fees, interest rate, terms, or tenor to reflect market conditions when issued; provided that, for the avoidance of doubt, in any event the Series C Bonds shall not rank senior to the Series A Bonds and the Series B Bonds as to priority of payment and right to security in respect of the Collateral.

“Series C Bondholder” means a Person holding a beneficial interest in a Series C Bond.

“Settlement Date” has the meaning given to such term in Section 1.1 of the Purchase Agreement.

“Share Pledge” has the meaning given to such term in Section 1.1 of the Purchase Agreement.

“Stockbrokerage Agreement” has the meaning given to such term in Section 1.1 of the Purchase Agreement.

“Subordinated Indebtedness” means Indebtedness that is subordinated to the Senior Debt Obligations from time to time in accordance with documentation in form and substance reasonably satisfactory to the Administrative and Paying Agent, acting on behalf of the Directing Bondholders.

“Subsidiary” of any Person means a corporation, partnership, joint venture, trust, estate or other entity of which (or in which) more than 50% of (a) the capital stock issued by, or equivalent interests in, such corporation or other entity, (b) the interest in the capital or profits of such partnership or joint venture or (c) the beneficial interest in such trust or estate, is at the time

directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person's other Subsidiaries.

"Support Instrument" means any guarantee, payment or performance bond, letter of credit or other agreement or instrument issued or entered into to secure or otherwise support the obligations of any party (other than the Issuer) under a Material Project Document.

"Taxes" means all income, stamp or other taxes, duties, levies, imposts, charges, assessments, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, and all interest, penalties or similar liabilities with respect thereto.

"Term Loan Agreement" means that certain Term Loan Agreement, dated as of October 20, 2011, entered into between the Issuer, as borrower, the lenders party thereto, and Banco General, as administrative agent, as amended and supplemented from time to time.

"Trade Date" has the meaning given to such term in Section 1.1 of the Purchase Agreement.

"Transaction Documents" means the Financing Documents and the Material Project Documents.

"Trust" means the trust created by the Collateral Trust Agreement.

"Trustee" means BG Trust, Inc., not in its individual capacity, but solely in its capacity as trustee under the Collateral Trust Agreement, together with its successors and assigns in such capacity.

"United States" or "U.S." means the United States of America.

(b) In this Bond in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and each of the words "to" and "until" means "to but excluding".

(c) Unless otherwise specified herein, all accounting terms used herein will be interpreted, all financial statements and reports required hereby will be prepared and all computations and determinations pursuant hereto will be made in accordance with IFRS.

(d) Capitalized terms used herein and not otherwise defined shall have the meaning assigned to such terms in the Purchase Agreement.

(e) References to all contracts, permits or agreements shall be deemed to include (A) all exhibits, annexes, schedules, appendices or other attachments thereto, and (B) such documents as amended, restated modified, supplemented or replaced from time to time.

(f) The table of contents and Article, Section and Clause headings are for convenience only and shall not affect the interpretation of this Bond.

- (g) The words "include," "includes" and "including" are not limiting.
- (h) References to any Person shall include such Person's successors and permitted assigns (and in the case of any Governmental Authority, any Person succeeding to such Governmental Authority's functions and capacities).
- (i) The words "hereof," "herein" and "hereunder" and words of similar import shall refer to this Bond as a whole and not to any particular provision of this Bond.
- (j) References to "days" shall mean calendar days and references to "months" shall mean calendar months.
- (k) The singular includes the plural and the plural includes the singular.
- (l) References to Applicable Law, generally, shall mean Applicable Law as in effect from time to time, and references to any specific Applicable Law shall mean such Applicable Law, as amended, modified or supplemented from time to time, and any Applicable Law successor thereto.
- (m) Any reference to an Article, Section, Clause or Schedule is to the article, section or clause of, or to a schedule to, this Series B Bond unless otherwise indicated, and Schedules to this Series B Bond shall be deemed incorporated by reference in this Series B Bond.

2. General.

(a) This Bond is one of a duly authorized issue of the Issuer in an aggregate principal amount of up to US\$220,000,000 and issued or to be issued pursuant to the Purchase Agreement and the Paying Agency Agreement. The holders of this Bond will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Purchase Agreement, the Paying Agency Agreement and the other Financing Documents affecting the Bonds or the Bondholders. A copy of the Purchase Agreement, the Paying Agency Agreement and the other Financing Documents is on file and may be inspected at the offices of the Administrative and Paying Agent referred to below.

(b) This Bond shall be issued in fully registered form, without interest coupons, registered in the name of LatinClear or its nominee, in its capacity as depository. The ownership and transfers of beneficial interest in each such Bond shall be made through book entries by LatinClear, and no Bondholder shall receive a definitive note representing such Bondholder's interest in such Bonds. LatinClear will make book-entry transfers among its participants and receive and transmit distributions of principal and interest on such Bonds to its participants.

3. Principal Repayment. The Issuer shall repay the outstanding principal amount of this Series B Bond in one installment payable on the Principal Payment Date in Dollars in an amount equal to US\$220,000,000.

4. Interest. The Issuer promises to pay interest in Dollars on the outstanding principal amount of this Series B Bond on each Interest Payment Date, commencing from the Settlement Date until the principal amount of the Bond is paid in full, at the rate per annum



equal to [6.75%], payable in arrears on each Interest Payment Date. In lieu of the interest rate described in the previous sentence, in the event that any principal amount or any interest, fees or other amounts payable hereunder are not paid when due, the Issuer shall pay (to the extent permitted by applicable law) interest on such unpaid amounts from the date such amounts are due until the date such amounts are paid in full, payable on demand, at a rate per annum equal to the non-default interest rate described above plus 2.0% (the "Default Rate").

5. [Intentionally Omitted.]

6. [Intentionally Omitted.]

7. Illegality. If the introduction of or any change in or in the interpretation by any central bank or Governmental Authority of any law or regulation applicable to commercial banks or similar financial institutions after the date hereof makes it unlawful, or any central bank or other Governmental Authority asserts after the date hereof that any such law or regulation makes it unlawful, for any Bondholder or its Lending Office to maintain its investment in this Bond, then, and in any such event, such Bondholder may give notice of that event to the Administrative and Paying Agent, and the Administrative and Paying Agent shall promptly transmit such notice to the Issuer; provided that, before giving any such notice, each such affected Bondholder agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to assign and transfer this Bond to a different Lending Office or to take other reasonable action if the making of such assignment or the taking of such action would avoid the illegality of its investment in the Bonds and would not otherwise be disadvantageous to such Bondholder. If, after following the procedures above, it would remain unlawful for such Bondholder or its Lending Office to maintain its investment in the Bonds, such Bondholder shall so notify the Administrative and Paying Agent (and shall supply Evidence of Ownership), the Administrative and Paying Agent shall so notify the Issuer and forward such Evidence of Ownership and the Issuer shall forthwith prepay in full all Bonds of such Bondholder then outstanding, together with interest accrued thereon, but without any Make-Whole Amount.

8. Redemption.

(a) Applicability of Section 8. Redemption of this Bond at the option of the Issuer shall be made in accordance with the terms of (except as otherwise provided herein or pursuant hereto) this Section 8.

(b) Optional Redemption with Make-Whole Amount. On or prior to December 31, 2020, the Issuer will have the right at its option to redeem the Bonds in whole or in part on at least thirty (30) days but not more than sixty (60) days notice, at a redemption price equal to the greater of (1) 100% of the principal amount of such Bonds and (2) the sum of the present values of each remaining scheduled payment of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at the Treasury Rate plus 75 basis points (the "Make-Whole Amount"), plus in each case accrued interest on the principal amount of the Bonds to the date of the redemption; *provided however*, so long as the Series C

Bonds are subject to a floating rate, there shall be no Make-Whole Amount owing for any redemption of any Series C Bonds.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the Bonds to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the Redemption Date of such Bonds.

"Comparable Treasury Price" means, with respect to any redemption date (1) the average of the Reference Treasury Dealer Quotations for such Redemption Date, after excluding the highest and lowest such Reference Treasury Dealer Quotation or (2) if the Administrative and Paying Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by the Issuer.

"Redemption Date" means, with respect to any Bond or portion thereof to be redeemed, means each date fixed for such redemption by or pursuant this Bond.

"Redemption Price" means, with respect to any Bond or portion thereof to be redeemed, the price at which it is to be redeemed as determined by or pursuant to this Bond.

"Reference Treasury Dealer" means Credit Suisse Securities (USA) LLC or its affiliates which are primary United States government securities dealers and at least two other leading primary United States government securities dealers in New York City reasonably designated by the Issuer; provided, however, that if Credit Suisse Securities (USA) LLC or its affiliates shall cease to be a primary United States government securities dealer in New York City (a "Primary Treasury Dealer"), the Issuer will substitute therefor another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Administrative and Paying Agent (after a consultation with the Issuer), of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Administrative and Paying Agent by such Reference Treasury Dealer at 3:30 p.m. New York time on the third (3<sup>rd</sup>) Business Day preceding such Redemption Date.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated maturity (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

(i) On and after the Redemption Date, interest will cease to accrue on the Bonds or any portion of the Bonds called for redemption (unless the Issuer defaults in the payment of the Redemption Price and the accrued interest). On a Business Day prior to the Redemption Date (unless a shorter period of time shall be agreed with the Trustee, which agreement the Trustee shall not unreasonably withhold, the Issuer will deposit with the Administrative and Paying Agent money sufficient to pay the Redemption Price of and (unless the Redemption Date shall be an Interest Payment Date) accrued interest to the Redemption Date on the Bonds to be redeemed on such date.

(ii) The election of the Issuer to redeem the Bonds shall be evidenced by a certificate (a "Make-Whole Redemption Certificate") of a Responsible Officer of the Issuer, which certificate shall be delivered to the Administrative and Paying Agent. The Issuer shall, not less than thirty (30) days (unless a shorter period is acceptable to the Administrative and Paying Agent) nor more than sixty (60) days prior to the Redemption Date, notify the Administrative and Paying Agent in writing of such Redemption Date and all other information necessary to the giving by the Trustee of notices of such Optional Redemption. The Administrative and Paying Agent shall be entitled to rely conclusively upon the information so furnished by the Issuer in the Make-Whole Redemption Certificate and shall be under no duty to check the accuracy or completeness thereof. Such notice shall be irrevocable and upon delivery of such notice, the Issuer shall be obligated to make the payment or payments to the Administrative and Paying Agent referred to therein at least two (2) Business Days prior to such Redemption Date.

(iii) Notice of the optional redemption shall be given by the Administrative and Paying Agent to the relevant Bondholders, in accordance with the provisions of this Section 8(f) and Section 2 of the Paying Agency Agreement, upon the mailing by first-class postage prepaid to each such Bondholder at the address of such Bondholder as it appears in the Register not less than thirty (30) nor more than sixty (60) days prior to the optional redemption date.

(A) The notice of optional redemption shall state: (a) the Redemption Date; (b) the Make-Whole Amount; (c) the sum of all other amounts due the Bondholders under the Bonds; (d) that on the Redemption Date the Make-Whole Amount will become due and payable upon each such Bond so to be redeemed; (e) the place or places, including the offices of the Administrative and Paying Agent where such Bonds so to be redeemed are to be surrendered for payment of the Make-Whole Amount; and (f) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Bonds to be redeemed, and that on and after the Redemption Date, upon surrender of such Bond, the Bondholder of such Bond shall receive, without charge, a new Bond of authorized denominations for the principal amount thereof remaining unredeemed.

(iv) Notice of the optional redemption having been given as aforesaid, the Bonds so to be redeemed shall, on the Redemption Date, become due and payable at the Make-Whole Amount therein specified. Upon surrender of any such Bonds for redemption in accordance with such notice, such Bonds shall be paid by the

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Administrative and Paying Agent on behalf of the Issuer on the Redemption Date by payment through LatinClear; provided that moneys sufficient therefor have been deposited with the Administrative and Paying Agent for the Bondholders.

(v) Notwithstanding anything to the contrary in this Bond, if a Make-Whole Redemption Certificate has been delivered to the Administrative and Paying Agent and the Issuer shall have paid to the Administrative and Paying Agent for the benefit of the Bondholders (i) the Make-Whole Amount and (ii) all other amounts due to the Bondholders and the Administrative and Paying Agent under the Bond and the Paying Agency Agreement, then neither the Bondholders (or the Administrative and Paying Agent on their behalf) shall any longer be entitled to exercise any of the rights of the Bondholders under the Bonds other than the rights of the Bondholders to receive payment of such amounts from the Administrative and Paying Agent through LatinClear and the occurrence of an Event of Default whether before or after such payment by the Issuer to the Administrative and Paying Agent for the benefit of the Bondholders shall not entitle either the Bondholders or the Administrative and Paying Agent on their behalf after such payment to declare the principal of any Bonds then outstanding to be due and payable on any date prior to the Redemption Date.

(c) Withholding Tax Redemption. The Bonds are subject to redemption (“Withholding Tax Redemption”) at any time (a “Withholding Tax Redemption Date”), as a whole but not in part, at the election of the Issuer at a redemption price equal to 100% of the unpaid principal amount thereof plus accrued and unpaid interest, if any, and additional amounts, if any, to and including the Withholding Tax Redemption Date (the “Withholding Tax Redemption Price”), if the Issuer becomes required to pay any Non-Excluded Taxes or Other Taxes as a result of: (i) any change in or amendment to the laws, rules or regulations of Panamá, as applicable, or any political subdivision or taxing authority or other instrumentality thereof or therein, which change or amendment is enacted, promulgated, issued or announced, after the Trade Date or (ii) any amendment to or change in the generally applicable rulings or official interpretations relating to such laws, rules or regulations made by any legislative body, court or governmental or regulatory agency or authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination) of Panamá, or any political subdivision or taxing authority or other instrumentality thereof or therein, which amendment or change is enacted, promulgated, issued or announced or which publication is issued or announced, in each case, after the Trade Date (iii) any official interpretation, application or pronouncement by any legislative body, court or governmental or regulatory agency or authority that provides for a position with respect to such laws, rules or regulations that differs from the theretofore generally accepted position, which amendment or change is enacted, promulgated, issued or announced or which interpretation, application or pronouncement is issued or announced, in each case, after the Settlement Date or (iv) the Bonds not being exempt from Panamanian income or withholding tax as a result of the Bonds ceasing to be listed on the Panamá Stock Exchange (*Bolsa de Valores de Panamá, S.A.*) except to the extent that the Bonds ceasing to be listed on the Panamá Stock Exchange (*Bolsa de Valores de Panamá, S.A.*) arises from the Issuer’s failure to take (or refrain from taking, as the case may be) any reasonable action that would forestall or prevent the Bonds from ceasing to be listed on the Panamá Stock Exchange (*Bolsa de Valores de Panamá, S.A.*).

(i) The election of the Issuer to redeem the Bonds shall be evidenced by a certificate (a "Withholding Tax Redemption Certificate") of an officer of the Issuer, which certificate shall be delivered to the Administrative and Paying Agent. The Issuer shall, not less than thirty (30) days nor more than sixty (60) days prior to the Withholding Tax Redemption Date, notify the Administrative and Paying Agent in writing of such Withholding Tax Redemption Date and of all other information necessary to the giving by the Administrative and Paying Agent of notices of such Withholding Tax Redemption. The Administrative and Paying Agent shall be entitled to rely conclusively upon the information so furnished by the Issuer in the Withholding Tax Redemption Certificate and shall be under no duty to check the accuracy or completeness thereof. Such notice shall be irrevocable and upon its delivery, the Issuer shall be obligated to make the payment or payments to the Administrative and Paying Agent referred to therein at least two (2) Business Days prior to such Withholding Tax Redemption Date.

(ii) Notice of Withholding Tax Redemption shall be given by the Administrative and Paying Agent to the Bondholders, in accordance with Section 8(f) hereof and Section 2 of the Paying Agency Agreement, upon the mailing by first-class postage prepaid to each such Bondholder at the address of such Bondholder as it appears in the Register not less than fifteen (15) days nor more than thirty (30) days prior to the Withholding Tax Redemption Date.

(iii) The notice of Withholding Tax Redemption shall state:

(A) the Withholding Tax Redemption Date;

(B) the Withholding Tax Redemption Price;

(C) the sum of all other amounts due to the Bondholders under the Bonds;

(D) that on the Withholding Tax Redemption Date the Withholding Tax Redemption Price shall become due and payable upon each such Bond so to be redeemed; and

(E) the place or places where such Bonds so to be redeemed are to be surrendered for payment of the Withholding Tax Redemption Price.

(iv) Notice of Withholding Tax Redemption having been given as aforesaid, the Bonds so to be redeemed shall, on the Withholding Tax Redemption Date, become due and payable at the Withholding Tax Redemption Price therein specified. Upon surrender of any such Bonds for redemption in accordance with such notice, such Bonds shall be paid by the Administrative and Paying Agent on behalf of the Issuer through LatinClear on the Withholding Tax Redemption Date; provided that moneys sufficient therefor have been deposited with the Administrative and Paying Agent for the Bondholders.

(v) Notwithstanding anything to the contrary in this Bond, if a Withholding Tax Redemption Certificate has been delivered to the Administrative and Paying Agent

and the Issuer shall have paid to the Administrative and Paying Agent for the benefit of the Bondholders (i) the Withholding Tax Redemption Price and (ii) all other amounts due to the Bondholders and the Administrative and Paying Agent under this Bond and the Paying Agency Agreement, then neither the Bondholders nor the Administrative and Paying Agent on their behalf shall any longer be entitled to exercise any of the rights of the Bondholders under this Bond other than the rights of the Bondholders to receive payment of such amounts from the Administrative and Paying Agent through LatinClear. The funds paid to the Administrative and Paying Agent shall be used to redeem the Bonds on the Withholding Tax Redemption Date.

(d) Notice to Administrative and Paying Agent. In case of any redemption at the election of the Issuer of (a) less than all of the Bonds or (b) all of the Bonds, the Issuer shall, at least thirty (30) days prior to (unless a shorter period is acceptable to the Administrative and Paying Agent) but not more than sixty (60) days prior to the Redemption Date fixed by the Issuer, notify the Administrative and Paying Agent of such Redemption Date and of the principal amount of Bonds to be redeemed.

(e) Optional Redemption Without a Make-Whole Amount. At any time or from time to time, on or after December 31, 2020, the Issuer, will have the right at its option to redeem any of the Series B Bonds in whole or in part, on at least thirty five (35) days' (or such shorter period in the sole discretion of the Administrative and Paying Agent) written notice prior to the redemption date, to the Administrative and Paying Agent, and on at least thirty (30) days' but not more than sixty (60) days' written notice prior to the redemption date to the holders of the Series B Bonds, at the following redemption prices, expressed as percentages of the principal amount on the redemption date, plus any accrued and unpaid interest to the date of redemption, if redeemed during the twelve-month period commencing on December 31, 2020 of any year set forth below:

Year	Percentage
2021	103%
2022	102%
2023	101%
2024 and thereafter	100.000%

(f) Selection by Administrative and Paying Agent of Bonds to be Redeemed. If fewer than all of the Bonds are to be redeemed, the particular Bonds to be redeemed shall be selected not less than thirty (30) days prior to and not more than sixty (60) days prior to the Redemption Date (i) by the Issuer, or (ii) in the absence of such selection, by the Administrative and Paying Agent from the outstanding Bonds not previously called for redemption, by such method as the Administrative and Paying Agent shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal amount of Bonds; *provided, however,* that no such partial redemption shall reduce the portion of the principal amount of a

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Bond not redeemed to less than the minimum denomination for a Bond established herein or pursuant hereto.

(i) The Administrative and Paying Agent shall promptly notify the Issuer and the Registrar (if other than itself) in writing of the Bonds selected for redemption and, in the case of any Bonds selected for partial redemption, the principal amount thereof to be redeemed.

(ii) For all purposes of this Bond, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bonds redeemed or to be redeemed only in part, to the portion of the principal of such Bonds which has been or is to be redeemed.

(g) Notice of Redemption. Failure to give notice by mailing in the manner herein provided to the Bondholder of any Bonds designated for redemption as a whole or in part, or any defect in the notice to any such Bondholder, shall not affect the validity of the proceedings for the redemption of any other Bonds or portion thereof. Any notice that is mailed to the Bondholder of any Bonds in the manner herein provided shall be conclusively presumed to have been duly given, whether or not such Bondholder receives the notice.

(h) Bonds Redeemed in Part. Any Bond which is to be redeemed only in part shall be surrendered at any Lending Office (with, if the Issuer or the Administrative and Paying Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Administrative and Paying Agent duly executed by, LatinClear or the Bondholder thereof, as applicable or their respective attorney-in-fact duly authorized in writing) and the Issuer shall execute and the Administrative and Paying Agent shall authenticate and deliver to (i) LatinClear without service charge, a new Bond, registered in the name of LatinClear or its nominee, in its capacity as depository, containing identical terms and provisions, of any authorized denomination as requested by such Bondholder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered or, (ii) to the Bondholder of such Bond without service charge, a new Bond, containing identical terms and provisions, of any authorized denomination as requested by such Bondholder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

9. Payments and Computations.

(a) Methods of Payment. Not later than 11:00 A.M. (Panamá time) on any day on which payments hereunder are due, the Administrative and Paying Agent shall in accordance with the Paying Agency Agreement debit the account of the Issuer and transfer such funds either (i) to the account of Banco General, S.A. held with LatinClear (or such other account with LatinClear as the Administrative and Paying Agent may designate) for application by LatinClear to the payment of the Bondholders to which such amounts are due in accordance with LatinClear rules and regulations or (ii) directly to such Bondholders to which such amounts are due, in each case in accordance with the terms of the Paying Agency Agreement.

(b) Computations of Interest on Bonds. All computations of interest and fees shall be made by the Administrative and Paying Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Each determination by the Administrative and Paying Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Payment Due on Non-Business Day. Anything in this Bond notwithstanding, whenever any payment under the Bonds shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall be included in the computation of payment of interest or any fee, as the case may be, provided, however, that if such extension would cause the payment of interest on or principal of the Bonds to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) No Counterclaim, Etc. To the fullest extent permitted by law, the Issuer shall make all payments hereunder regardless of any defense, setoff or counterclaim against the Administrative and Paying Agent, any Bondholder or any other Person, including, without limitation, any defense or counterclaim based on any law, rule or policy which is now or hereafter promulgated by any Governmental Authority or regulatory body and which may adversely affect the Issuer's obligation to make, or the right of the holder of any Bond to receive, such payments.

10. Taxes. (a) Any and all payments made by the Issuer under this Bond shall be made, in accordance with Section 9, free and clear of and without deduction or withholding for or an account of any Taxes. If the Issuer shall be required by law to deduct or withhold any Taxes from or in respect of any sum payable under the Bonds to any Bondholder, (i) if such Taxes are Non-Excluded Taxes, the sum payable shall be increased as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under this Section) such Bondholder receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the Issuer shall make such deductions or withholdings on account of such Taxes and (iii) the Issuer shall pay the full amount deducted or withheld to the relevant taxation authority or other authority in accordance with Applicable Law, provided, however, that the Issuer shall not be obligated to pay any additional amounts pursuant to clause (i) hereof with respect to any Taxes imposed by reason of a Bondholder's failure to comply with Section 10(f).

(b) In addition, the Issuer agrees to pay any present or future Other Taxes under, or with respect to, the Bonds.

(c) The Issuer shall indemnify each Bondholder for the full amount of any Non-Excluded Taxes or Other Taxes (including, without limitation, any Non-Excluded Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 10) that the Issuer is required to pay pursuant to this Section 10 paid by such Bondholder and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Non-Excluded Taxes or Other Taxes were correctly or legally asserted. If Issuer has indemnified a Bondholder pursuant to this Section on account of Taxes for which Issuer is responsible



hereunder, then, provided that Issuer agrees to bear the costs of such Bondholder of taking such actions (such costs to be agreed by the parties to the extent practicable in the circumstances at such time) and such actions would not, in the judgment of such Bondholder, be otherwise materially disadvantageous to such Bondholder, such Bondholder shall take all reasonable steps to assist Issuer to obtain from the appropriate Governmental Authority and retain any and all credits, refunds, remissions or other Tax relief, as may be available in relation to the payment by Issuer of such Taxes. Promptly upon having knowledge that any such Non-Excluded Taxes or Other Taxes have been levied, imposed or assessed, and promptly upon notice thereof by any of the Administrative and Paying Agent or any Bondholder, the Issuer shall pay such Non-Excluded Taxes or Other Taxes directly to the relevant Governmental Authority. Any such indemnification payment shall be made within thirty (30) days from the date such Bondholder makes written demand therefor together with such supporting evidence as is reasonably necessary to calculate the amount due.

(d) As soon as reasonably possible after the date of any payment of any Non-Excluded Taxes or Other Taxes due in connection with the execution, delivery and performance of the Issuer's obligations under the Financing Documents, the Issuer will furnish to the Administrative and Paying Agent the original or a certified copy of a receipt evidencing payment thereof. The Issuer will furnish to the Administrative and Paying Agent upon the Administrative and Paying Agent's request from time to time a certificate signed by their duly authorized officers or legal representatives stating that all such Non-Excluded Taxes or Other Taxes payable in respect of any payment hereunder have been paid or, if no such Non-Excluded Taxes or Other Taxes are payable, stating that such payment is exempt from or not subject to Non-Excluded Taxes or Other Taxes. The Issuer will also promptly upon becoming aware, and in no event later than thirty (30) days after having knowledge, of any change referred to below, notify the Administrative and Paying Agent of any change of the laws of each appropriate jurisdiction (including any change in the interpretation or administration thereof) that would impose Non-Excluded Taxes or Other Taxes in respect of any payment hereunder.

(e) Without prejudice to the survival of any other agreement of the Issuer hereunder, the agreements and obligations of the Issuer contained in this Section shall survive the payment in full of all amounts due hereunder.

(f) Upon written request by the Issuer (but only if such Bondholder is, at the time of such request, lawfully able to do so), each Bondholder will provide to the Issuer and to the Administrative and Paying Agent two copies of any form, certification or similar documentation appropriately completed necessary for such Bondholder to be exempt from or entitled to a reduced rate of Taxes on payments pursuant to this Bond, and shall cause a legal representative or duly authorized officer to execute such form, certificate, or similar documentation, as necessary, provided that neither such Bondholder nor the Administrative and Paying Agent shall have any obligation to provide such form, certification or similar document if, in the reasonable judgment of such Bondholder or the Administrative and Paying Agent, as the case may be, the provision of such form, certification or similar document will require such Bondholder or the Administrative and Paying Agent to disclose any information which in such Bondholder's or Administrative and Paying Agent's good faith reasonable judgment is confidential or proprietary which will be disadvantageous to such Bondholder or the Administrative and Paying Agent.

(g) Each Bondholder shall use reasonable efforts (including reasonable efforts to change its Lending Office, if applicable) consistent with internal policy and legal and regulatory restrictions to avoid the imposition of any Taxes for which the Issuer is required to pay additional amounts pursuant to Section 10 hereof; provided, however, that such efforts shall not require such Bondholder to incur material additional costs or legal or regulatory burdens.

(h) If a Bondholder determines that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Issuer or with respect to which the Issuer has paid additional amounts pursuant to this Section 10, it shall pay over such refund to the Issuer (but only to the extent of indemnity payments made, or additional amounts paid, by the Issuer under this Section 10 with respect to the Taxes or Other Taxes giving rise to such refund), net of any reasonable out-of-pocket expenses of such Bondholder and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Issuer, upon the request of a Bondholder, agrees to repay the amount paid over to the Issuer (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Bondholder in the event such Bondholder is required to repay such refund to such Governmental Authority. This Section 10(h) shall not be construed to require any Bondholder to make available its tax returns (or any other information relating to its Taxes that it reasonably deems confidential) to the Issuer or any other Person.

(i) Notwithstanding anything to the contrary in this Bond, this Section 10 does not apply to deductions or withholdings for or on account of any Taxes owing under the Financing Documents to any institution located outside of Panamá or to any institution (wherever located) arising as a consequence of any Bondholder not being a Panamanian Person.

11. Sharing of Payments, Etc. If any Bondholder shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) with respect to its Bond (other than pursuant to Sections 6(c), 7, 8(c) and 10 hereof) and, as a result of such payment, such Bondholder shall have received an amount in excess of the ratable portion of the principal and interest due hereunder by the Issuer to such Bondholder, such Bondholder shall promptly notify the Administrative and Paying Agent and shall promptly (and in any event within ten (10) Business Days of its obtaining the same), pay such excess amount (less any reasonable costs and expenses incurred by such Bondholder in obtaining or preserving such payment) to the Administrative and Paying Agent for distribution among the other Bondholders in accordance with the applicable provisions of the Financing Documents; provided, however, that if all or any portion of such excess payment is thereafter required to be repaid by such Bondholder to another Person, the Bondholder receiving such excess amounts shall repay to the purchasing Bondholder its ratable share of such excess amount so repaid.

12. Affirmative Covenants. So long as any amount is owing to any Bondholder under this Bond, the Issuer shall:

(a) Corporate Existence. Preserve and maintain in full force and effect (i) its corporate existence and legal structure as a corporation (*sociedad anónima*) under the laws of Panamá, and (ii) all of its rights (under its articles of incorporation and statutory), permits, licenses, approvals, franchises and privileges necessary for the conduct of its business and to perform its material obligations under the Transaction Documents.

(b) Conduct of Business. Operate and preserve and maintain the Project and Project Property and conduct its business in accordance with Prudent Industry Practices.

(c) Compliance with Laws and Obligations. Except where failure to do so could not reasonably be expected to have a Material Adverse Effect (i) comply with all Applicable Laws (including applicable Environmental Laws and social, occupational health, safety and zoning regulations), rules, regulations, orders and Authorizations, and any other agreements and obligations in the ANAM EIS, and (ii) comply with and perform its, and enforce against other parties their, contractual obligations under the Material Project Documents.

(d) Governmental Authorizations. (i) Preserve the Concession and any other power generation licenses and concessions which are required for it to conduct the power generation business in Panamá, and (ii) obtain and maintain in full force and effect (or where appropriate, promptly renew in a timely manner), or cause to be obtained and maintained in full force and effect all authorizations necessary under any Applicable Law for the ownership, operation and use of the Project and the Issuer's business and operations generally or necessary to comply in all material respects with its obligations under the Transaction Documents, in each case, at or before the time the relevant authorization becomes necessary for such purposes, except where the failure so to obtain or maintain would not have a Material Adverse Effect.

(e) Pari Passu. Ensure at all times that the claims of the Bondholders constitute direct, unconditional and general obligations and rank (i) at least pari passu as to priority of payment with all unsubordinated debt of the Issuer, (ii) senior in priority of payment and right of security to all Subordinated Debt and (iii) senior in right to security in respect of the Collateral to all other Indebtedness of the Issuer, subject, in the case of right to security, to any mandatory preferential Permitted Liens afforded under Applicable Law.

(f) [Intentionally Omitted.]

(g) [Intentionally Omitted.]

(h) Insurance. Maintain or cause to be maintained with financially sound and reputable insurance companies, insurance for the Project usual and customary in scope, amounts and limits for operating electric generation stations of Panamá, of a type and size similar to the Project and comply with all insurance-related provisions of the Transaction Documents which are applicable to it.

(i) Keeping of Books. Maintain an adequate accounting, control system, management information system and books of account and other records, which together are adequate to present fairly and accurately, in all material respects, the financial condition and results of operations of the Issuer in conformity with IFRS and Applicable Law.

(j) Access to Records. Permit:

(i) if no Default or Event of Default then exists, the representatives of the Administrative and Paying Agent or the Arranger, at their expense and upon reasonable prior notice to the Issuer, to visit as requested but no more than once per calendar year, the Project site, the principal executive offices of the Issuer or any other offices or

properties of the Issuer to discuss the affairs, finances and accounts of the Issuer with the Issuer's officers, all at such reasonable times during normal business hours as may be reasonably requested in writing, and

(ii) if an Event of Default then exists, the representatives of the Administrative and Paying Agent, at the reasonable expense of the Issuer and upon reasonable prior notice to the Issuer, to visit and inspect the Project site or any of the offices or properties of the Issuer to examine all its books of account, records, reports and other papers (excluding any communications or work product, the disclosure of which is protected under Applicable Law by an attorney-client privilege), to make copies and extracts therefrom, and to discuss its affairs, finances and accounts with its officers and independent public accountants (and by this provision the Issuer authorizes said accountants to discuss the affairs, finances and accounts of the Issuer), all at such times during normal business hours and as often as may be reasonably requested.

(k) Payment of Taxes, Etc. Pay and discharge, before the same shall become delinquent (i) all material Taxes, assessments and governmental charges or levies imposed upon it or upon its property before any interest, penalty or fine accrues thereon, other than any such Tax, assessment, charge or levy that is the subject of a Contest and (ii) all lawful claims that, if unpaid, might become a Lien upon its property (unless such claim is subject to a Contest), unless the nonpayment or non-discharge would not have a Material Adverse Effect, prior to the time when any interest, penalty or fine shall be incurred with respect thereto.

(l) Reporting Requirements. Furnish to the Administrative and Paying Agent, Superintendent of the Capital Markets (*Superintendencia del Mercado del Valores*) and Panamá Stock Exchange (*Bolsa de Valores de Panamá, S.A.*):

(i) as soon as available and in any event within sixty (60) days after the end of each quarter (three month periods) of each fiscal year the (x) current quarterly unaudited financial statements of the Issuer, including unaudited balance sheet, statement of income, changes in shareholders' equity and cash flow for the quarter and the portion of such fiscal year ending on the last day of such period, all in reasonable detail and duly certified (subject to normal year-end audit adjustments) by its legal representative or a duly authorized officer as having been prepared in accordance with IFRS and as soon as available and in any event within sixty (60) days after the end of the second quarter of each fiscal year a certificate in the form of Exhibit D attached to the Purchase Agreement executed by its legal representative or a duly authorized officer regarding said financial statements and compliance with the financial covenants in this Bond (including in a simplified form the basic supporting computations for the financial covenants) and (y) a quarterly update report (*informe de actualización trimestral*) as required by Panama's securities laws;

(ii) as soon as available and in any event within ninety (90) days after the end of each fiscal year of the Issuer:

(A) a copy of the audited financial statements for such fiscal year for the Issuer, including therein balance sheet, statement of income, changes in

shareholder equity, changes in financial position and cash flows for such year, accompanied by an opinion of Auditors either (x) certifying that the financial statements furnished pursuant to this sub clause (A) of this clause (ii) reasonably present, in all material respects, the financial position, results of its operation and cash flows of the Issuer as of the respective dates thereof and for the respective periods indicated therein or (y) otherwise in form and substance reasonably satisfactory to the Administrative and Paying Agent;

(B) a certificate in the form of Exhibit D attached to the Purchase Agreement executed by its legal representative or duly authorized officer regarding said financial statements and compliance with the financial covenants in this Bond (including in a simplified form the basic supporting computations for the financial covenants); and

(C) an annual update report (*informe de actualización anual*) as required by Panama's securities laws;

(iii) any other information that may qualify as relevant fact (*hecho de importancia*) under Panama's securities laws within the deadlines set forth in said laws; and

(iv) as soon as available and in any event within thirty (30) days of remittance or receipt, copies of all material reports, notices and statements that the Issuer files with, and any material notices or communications from, the Superintendent of the Capital Markets (*Superintendencia del Mercado del Valores*) that could reasonably be expected to have a material effect on the value of the Bonds.

(m) Auditors. Maintain at all times as the Issuer's auditors Ernst & Young (Panamá), or one of the following accounting firms, Deloitte & Touche, KPMG Peat Marwick, or Pricewaterhouse Cooper, or any successor thereto that is a nationally recognized accounting firm ("Auditors").

(n) Notices. Promptly (and in any event within five (5) Business Days) after a Responsible Officer of the Issuer obtains knowledge thereof, give written notice to the Administrative and Paying Agent (and, in the case of clause (ii), with a copy to the Trustee) of (i) the occurrence of a Default or an Event of Default or (ii) any Lien (other than a Permitted Lien) on any Collateral.

(o) Use of Proceeds. Use the proceeds of the issuance of the Bonds exclusively (i) to repay any outstanding amounts under the AESC Credit Agreement, the Existing Loan Agreements, any related interest rate hedging agreement (and the payment of any fees and costs associated therewith) and (ii) for general corporate purposes. No part of the proceeds of any extension of credit hereunder will be used for the purpose, whether immediate, incidental or ultimate, of buying or carrying any margin stock within the meaning of Regulation U or to extend credit to others for such purpose.

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(p) [Intentionally Omitted.]

(q) Security.

(i) Security Documents. Perform and observe its obligations as and when required under each Security Document to which it is a party.

(ii) Share Pledge. Promptly, but no later than five (5) Business Days after the Settlement Date, deliver or cause to be delivered to the Trustee (A) a duly executed (and authenticated by a Notary Public of Panamá) copy of the Share Pledge, such Share Pledge being in full force and effect, (B) share certificates endorsed in blank representing all issued and outstanding shares of stock in the Issuer that are owned by the Pledgor and (C) evidence that an annotation of the pledge of such shares has been made in the Issuer's stock registry, in accordance with the Share Pledge.

(iii) Security Interests Generally. Undertake all actions which are necessary or appropriate in the reasonable judgment of the Administrative and Paying Agent or the Directing Bondholders to (A) maintain the Secured Parties' security interest in the Collateral in full force and effect at all times (including the priority thereof), and (B) preserve and protect the Collateral and protect and enforce the Issuer's rights and title and the rights of the Trustee and the Secured Parties to the Collateral, including the making or delivery of all reasonably required filings and recordations, the payments of fees and other charges and the issuance of supplemental documentation.

(r) Further Assurances. Promptly execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, conveyances, pledge agreements, assignments, financing statements and continuations thereof, termination statements, notices of assignment, transfers, certificates, assurances and other instruments as may reasonably be requested by the Administrative and Paying Agent or Directing Bondholders from time to time in order to (i) carry out the purposes of the Financing Documents, (ii) (to the fullest extent permitted by Applicable Law), subject the Collateral to the Liens intended to be created by any of the Security Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Security Documents and any of the Liens intended to be created thereunder, and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Financing Document.

(s) Existing Debt. Repay the Obligations under the AESC Credit Agreement and the Existing Loan Agreements in their entirety on the Settlement Date from the proceeds of the Bonds.

(t) Debt Service Reserve Account. On the Settlement Date and at all times thereafter (but only to the extent cash flow is available at such time after payment of current operating expenses and Debt Service), cause the Debt Service Reserve Account to be fully funded in accordance with the Collateral Trust Agreement in an amount not less than the Debt Service Reserve Requirement; provided, the Issuer may deliver one or more Acceptable Letters of Credit in an aggregate maximum amount available to be drawn thereunder that, together with any cash

on deposit in the Debt Service Reserve Account, is at least equal to the Debt Service Reserve Requirement.

(u) Registration and Listing Fees. Timely pay any and all required registration and listing fees, costs and expenses to the Superintendent of the Capital Markets (*Superintendencia del Mercado del Valores*), LatinClear and/or the Panamá Stock Exchange (*Bolsa de Valores de Panamá, S.A.*) in order to maintain the registry of the Bonds with the Superintendent of the Capital Markets (*Superintendencia del Mercado del Valores*) and their listing with the Panamá Stock Exchange (*Bolsa de Valores de Panamá, S.A.*).

(v) Bond Rating. The Issuer shall maintain at all times a Local Rating.

13. Negative Covenants. So long as any amount is owing to any Bondholder under this Bond, the Issuer shall not:

(a) Articles of Incorporation. Amend, modify or supplement the Articles of Incorporation, by-laws or other Organizational Documents of the Issuer in any respect, except to change the directors and officers of the Issuer from time to time and such other changes as could not reasonably be expected to have a Material Adverse Effect.

(b) Subsidiaries. (i) Form or have any Subsidiary or (ii) own any equity interest in, or otherwise control any voting stock of or have any ownership interest in, any other Person other than a Permitted Investment.

(c) Scope of Project. Materially change the nature or scope of the Project or the nature of its present or contemplated business or operations.

(d) [Intentionally Omitted.]

(e) Indebtedness. Create or suffer to exist any Indebtedness other than the following (without duplication) ("Permitted Indebtedness"):

(i) the Senior Debt Obligations;

(ii) Indebtedness of the Issuer under the Series C Bonds; provided that

(A) at the time of and immediately after giving effect to such issuance on a pro forma basis, the Issuer shall be in compliance with the financial covenants in Section 14 (if applicable);

(B) the Debt Service Reserve Account shall be fully funded at the settlement of Series C Bonds (including with the proceeds thereof) in at least the amount of the Debt Service Reserve Requirement;

(C) immediately after giving effect to the issuance of the Series C Bonds, the total outstanding Indebtedness on the Bonds, shall not exceed \$420,000,000;



(D) at the time of and immediately after such issuance thereof, no Default or Event of Default has occurred and is continuing or would occur as a result of such issuance; and

(E) the Issuer shall have provided a certificate of a Responsible Officer to the Administrative and Paying Agent certifying the matters in clauses (A) and (D) above.

(iii) Indebtedness outstanding on the date hereof as set forth in Schedule IX to the Purchase Agreement; provided that (x) the Obligations under the AESC Credit Agreement and the Existing Loan Agreements shall only constitute Permitted Debt until the Settlement Date;

(iv) any endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business;

(v) Indebtedness arising under bid or performance bonds obtained by Issuer pursuant to any Material Project Document;

(vi) Indebtedness under Hedge Agreements that are Permitted Investments;

(vii) Indebtedness in respect of equipment purchases and capital leases by or of the Issuer up to but not exceeding US\$2,500,000 in the aggregate at any time outstanding;

(viii) Indebtedness in respect of netting services, overdraft protections and similar obligations in respect of demand, time, savings or like accounts with banks, savings and loan associations, credit unions or like organizations;

(ix) Any Subordinated Indebtedness up to but not exceeding US\$20,000,000 in the aggregate at any time outstanding, *so long as* any such payment on Subordinated Indebtedness is payable solely from cash flow after payment of current operating expenses and Debt Service and solely if the Debt Service Reserve Account is fully funded; and

(x) other unsecured Indebtedness, so long as at the time of issuance or incurrence thereof, (A) the Debt to EBITDA Ratio (on a pro forma basis giving effect to such other unsecured Indebtedness) does not exceed 5.5 to 1.0, (B) no Default or Event of Default has occurred and is continuing, (C) an Investment Grade Rating Event has occurred and is continuing before and after, and (D) the Issuer shall have provided a certificate of a Responsible Officer certifying such matters to the Administrative and Paying Agent;

provided that, in the event any such Indebtedness is provided or held by an Affiliate of the Issuer, such Indebtedness constitutes Subordinated Indebtedness.

(f) Liens, Etc. Create, incur, assume or suffer to exist any Lien upon or with respect to any of its Property of any character (including, without limitation, accounts receivables)



whether now owned or hereafter acquired, or assign any accounts or other right to receive income, other than Permitted Liens.

(g) [Intentionally Omitted.]

(h) Investments, Advances, Loans. Make any Investments in or in respect of any other Person other than Permitted Investments.

(i) Merger or Consolidation. Merge or consolidate with or into any other Person not under common Control with the Issuer, liquidate, spin-off, wind up, dissolve or file any petition seeking any of the same, or change or reorganize its legal form, or purchase or otherwise acquire any ownership interests or all of substantially all of the assets of any Person or permit any of the foregoing.

(j) Accounting Changes. Change its fiscal year, or make, any other significant change in accounting treatment and reporting practices except as required or permitted by IFRS.

(k) Dispositions Etc. Make any Dispositions of Property (whether in one transaction or a series of transactions), except for the following:

(i) any Disposition of Property no longer useful in the conduct of its business;

(ii) any Disposition of Property for fair market value made in the ordinary course of business (excluding, for the avoidance of doubt, all Property necessary for the operation and maintenance of the Project unless such Property is promptly being replaced by comparable Property);

(iii) the Disposition of Permitted Investments prior to the maturity thereof;

(iv) Restricted Payments or other distributions or payments made in accordance with Section 13(p);

(v) Dispositions of Property in accordance with the terms of the Transaction Documents; and

(vi) any other Disposition of Property consented to in writing by the Administrative and Paying Agent acting on behalf of the Directing Bondholders.

provided that the Issuer shall not effect any Disposition pursuant to clause (ii) to the extent that an Event of Default has occurred and is continuing at the time of such Disposition, or would result as a consequence of such Disposition.

(l) Transactions with Affiliates. Enter into or cause or permit to exist any arrangement, transaction or contract (including for the purchase, lease or exchange of property or the rendering of services) with any of its Affiliates (other than the Transaction Documents and those arrangements, transactions and contracts disclosed in Schedule XII to the Purchase Agreement), unless such arrangement, transaction or contract (i) is on fair and reasonable terms no less favorable to the Issuer than it could obtain in an arm's-length transaction with a Person

whether now owned or hereafter acquired, or assign any accounts or other right to receive income, other than Permitted Liens.

(g) [Intentionally Omitted.]

(h) Investments, Advances, Loans. Make any Investments in or in respect of any other Person other than Permitted Investments.

(i) Merger or Consolidation. Merge or consolidate with or into any other Person not under common Control with the Issuer, liquidate, spin-off, wind up, dissolve or file any petition seeking any of the same, or change or reorganize its legal form, or purchase or otherwise acquire any ownership interests or all of substantially all of the assets of any Person or permit any of the foregoing.

(j) Accounting Changes. Change its fiscal year, or make, any other significant change in accounting treatment and reporting practices except as required or permitted by IFRS.

(k) Dispositions Etc. Make any Dispositions of Property (whether in one transaction or a series of transactions), except for the following:

(i) any Disposition of Property no longer useful in the conduct of its business;

(ii) any Disposition of Property for fair market value made in the ordinary course of business (excluding, for the avoidance of doubt, all Property necessary for the operation and maintenance of the Project unless such Property is promptly being replaced by comparable Property);

(iii) the Disposition of Permitted Investments prior to the maturity thereof;

(iv) Restricted Payments or other distributions or payments made in accordance with Section 13(p);

(v) Dispositions of Property in accordance with the terms of the Transaction Documents; and

(vi) any other Disposition of Property consented to in writing by the Administrative and Paying Agent acting on behalf of the Directing Bondholders.

provided that the Issuer shall not effect any Disposition pursuant to clause (ii) to the extent that an Event of Default has occurred and is continuing at the time of such Disposition, or would result as a consequence of such Disposition.

(l) Transactions with Affiliates. Enter into or cause or permit to exist any arrangement, transaction or contract (including for the purchase, lease or exchange of property or the rendering of services) with any of its Affiliates (other than the Transaction Documents and those arrangements, transactions and contracts disclosed in Schedule XII to the Purchase Agreement), unless such arrangement, transaction or contract (i) is on fair and reasonable terms no less favorable to the Issuer than it could obtain in an arm's-length transaction with a Person

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that is not an Affiliate, and (ii) is of the kind which would be entered into by a prudent Person in the position of the Issuer with a Person that is not one of its Affiliates.

(m) Management Fee. Except as approved by the Administrative and Paying Agent create new fees under the O&M Agreement or any other similar agreement, or in any way permit or cause the increase of existing fees (except as otherwise provided for) under the O&M Agreement, or make payment of such fees in violation of the Financing Documents.

(n) Regulatory Status. Take or suffer to be taken any action that would result in the Issuer being or becoming an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

(o) Subordinated Debt. At any time after the Settlement Date, pay interest on any Subordinated Debt, except to the extent permitted in accordance with Section 13(e)(ix) and any applicable subordination agreement.

(p) Restricted Payments. (i) Purchase, redeem, retire, defease or otherwise acquire for value any shares of any class of its capital stock or any warrants, rights or options to acquire any such shares, now or hereafter outstanding (except for repurchases of stock from current or former employees), or (ii) declare or make Restricted Payments, unless each of the Distribution Test Conditions is satisfied on the date of declaration of such Restricted Payment; provided that the Issuer shall be permitted to make, regardless of whether or not the Distribution Test Conditions have then been satisfied, at any time after the Settlement Date and until the first anniversary of the Settlement Date, on the last day of a fiscal quarter, Restricted Payments solely from Cash Flow Available for Initial Distributions if, at the time of any such Restricted Payments, no Default or Event of Default shall have occurred and be continuing and the balance of the Debt Service Reserve Account equals or exceeds the then-applicable Debt Service Reserve Requirement.

14. Financing Covenants. So long as any amount is owing to any Bondholder under this Bond and unless and until an Investment Grade Rating Event has occurred (provided that upon the occurrence of any Change of Control, the Issuer shall be obligated from that point on and from all times thereafter, to comply with the financial covenants in this Section 14):

(a) Debt to EBITDA Ratio. The Issuer shall, unless the Administrative and Paying Agent on behalf of the Directing Bondholders shall otherwise consent in writing, commencing from and following the first anniversary of the Settlement Date, maintain, as of the end of each fiscal quarter thereafter as indicated below a Debt to EBITDA Ratio of not more than the following:

<u>Fiscal Quarters Ending</u>	<u>Ratio</u>
From December 31, 2014 to December 31, 2015	x<6.0x
From March 31, 2015 to December 31, 2016	x<5.75x

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After December 31, 2016

x<5.5x

(b) Debt Service Coverage Ratio. Commencing from and following the first anniversary of the Settlement Date, the Issuer shall not permit the Debt Service Coverage Ratio to be less than 1.00x for more than two (2) consecutive fiscal quarters.

15. [Intentionally Omitted.]

16. Events of Default. The following events constitute events of default (each an "Event of Default"):

(a) (i) the Issuer shall fail to pay any principal of or interest on any Bond when due and payable and such Default is not remedied within the next three (3) days, or (ii) the Issuer shall fail to pay any fees or other amounts payable under the Financing Documents when the same becomes due and payable, and such Default is not remedied within the next thirty (30) days; or

(b) any representation, warranty or certification made by the Issuer or the Pledgor (or any of its legal representatives or duly authorized officers) under any Financing Document or any certificate delivered pursuant thereto, shall prove to have been incorrect in any material respect when made or deemed made and in each case, if the conditions giving rise to the failure of such representation or warranty to be correct are susceptible to cure, such conditions shall continue uncured for a period of forty-five (45) days after the earlier of (y) the date on which a Responsible Officer of the Issuer becomes aware of such failure and (z) written notice thereof shall have been given to the Issuer by the Administrative and Paying Agent or any other Secured Party; or

(c) the Issuer or the Pledgor shall fail to perform or observe any term, covenant or agreement contained in Sections 12(a), 12(j)(ii), 12(q)(ii), 12(o), 12(t), 12(v) or Sections 13(c), (i), (j), (k), (l), (m), (o), or (p) or Section 14 (provided however, if solely with respect to any failure to comply with Section 14(b), such failure shall remain un-remedied for six months) after the earlier of (A) the date on which any Responsible Officer of the Issuer becomes aware of such failure or (B) written notice thereof shall have been given to the Issuer by the Administrative and Paying Agent or any other Secured Party or (iii) any other term, covenant or agreement contained in this Bond or any other Financing Document, if, solely with respect to this clause (iii), such failure shall remain unremedied (A) for thirty (30) days, or (B) for ninety (90) days, if (i) such non-compliance is capable of being cured, (ii) the Issuer is diligently pursuing a cure, and (iii) no Material Adverse Effect has or will result from such failure to comply, will result after the earlier of (A) the date on which any Responsible Officer of the Issuer becomes aware of such failure or (B) written notice thereof shall have been given to the Issuer by the Administrative and Paying Agent or any other Secured Party; or

(d) the Issuer shall fail to pay any principal of, premium or interest on, or other amount payable in respect of: (i) any Indebtedness outstanding in respect of any Additional Facility Agreement; (ii) any other Indebtedness (but excluding Indebtedness outstanding under

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the Bonds, and any Subordinated Indebtedness) of the Issuer which is outstanding in a principal amount of at least US\$2,500,000 in the aggregate of the Issuer, in each case when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness; or (iii) any other event shall occur or condition shall exist under any agreement or instrument relating to any such foregoing Indebtedness (including any Additional Facility Agreement but excluding the Bonds and any Subordinated Indebtedness) and shall continue unremedied after the applicable grace period, if any, specified in such agreement or instrument and, as a consequence of any thereof, the holders of such Indebtedness (including any such Indebtedness under any Additional Facility Agreement but excluding the Bonds and any Subordinated Debt) shall have declared the entire outstanding principal amount of such Indebtedness to be due and payable in full, or required to be prepaid or redeemed in full (other than by a regularly scheduled required prepayment or redemption), or required to be purchased in full by the Issuer, or an offer to prepay, redeem or purchase such Indebtedness in full shall be required to be made by the Issuer, in each case prior to the stated maturity thereof, and the holders of at least US\$2,500,000 of such Indebtedness accept such offer; or

(e) any Insolvency Proceeding occurs with respect to the Issuer; or

(f) any embargo, sequestration or injunction by any Panamanian Governmental Authority affecting all or any material portion of the Project Property shall occur and shall not be removed or remedied for a period of ninety (90) days after the earlier of (i) the date on which any Responsible Officer of the Issuer becomes aware of such failure or (ii) written notice thereof shall have been given to the Issuer by the Administrative and Paying Agent or any other Secured Party unless (x) the Issuer has received (or the relevant Panamanian Governmental Authority has acknowledged its obligation to pay) adequate compensation therefor, or (y) such embargo, sequestration or injunction has not had a Material Adverse Effect; or

(g) the occurrence of a Change of Control

provided however; no Event of Default shall occur if in connection with a Change of Control, immediately prior to, concurrently with, or after such Change of Control (but in no event later than five (5) Business Days after such Change of Control), the Issuer receives a written reaffirmation (and delivers such written affirmation to the Administrative and Paying Agent) from each Rating Agency then rating the Bonds, stating that the Bonds' credit rating immediately prior to the public announcement of the Change of Control transaction, will not be lower as a direct result of the Change of Control, after giving effect to the Change of Control transaction; and

provided further, that upon the occurrence of any Change of Control, the Issuer shall be obligated from that point on and from all times thereafter, to comply with the financial covenants in Section 14.

(h) any Security Document is revoked, terminated or otherwise ceases to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms

hereof or thereof (including a Disposition permitted under Section 13(k)) or the satisfaction in full of the Obligations secured thereby) or fails or ceases to create valid and perfected Liens (subject to Permitted Liens) on the assets purported to be covered thereby with the priority required by the relevant Security Document; or

(i) any Financing Document after delivery thereof shall, in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of any Person party thereto, or any party thereto (other than a Secured Party) shall, directly or indirectly, contest the effectiveness, validity, binding nature or enforceability thereof.

17. Acceleration.

(a) If an Event of Default specified in Section 16 has occurred and is continuing, the Administrative and Paying Agent at the written request (or consent) of the Directing Bondholders shall declare the principal of, together with accrued but unpaid interest, if any, plus any other amounts due under all of the Bonds, to be due and payable immediately, and upon such declaration the aggregate outstanding principal amount of all the Bonds, together with accrued but unpaid interest, if any, plus any other amounts due under the Bonds, shall become immediately due and payable.

(b) Upon the occurrence with respect to the Issuer of any Event of Default referred to in Section 16(e), the aggregate outstanding principal amount of all the Bonds, together with accrued but unpaid interest, if any, plus any other amounts due under the Bonds, shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Issuer.

18. Enforcement Actions. Upon the occurrence of an Event of Default, subject to the terms of the Paying Agency Agreement, Section 19 hereof and the terms of the Security Documents, the Administrative and Paying Agent and the Bondholders may exercise any and all rights and remedies available under any of the Financing Documents or Applicable Law with respect to the Project, the Issuer or the Collateral; provided that neither the Administrative and Paying Agent nor the Bondholders may exercise remedies to foreclose on the Collateral except following an acceleration pursuant to Section 17.

19. Independent Action. The amounts payable by the Issuer at any time hereunder and under the other Financing Documents to each of the Bondholders shall be a separate and independent debt, and each Bondholder shall be entitled to protect and enforce its individual rights arising under this Bond independently of any other Bondholder, and it shall not be necessary for any other Bondholder or the Administrative and Paying Agent to consent to, or be joined as an additional party in, any proceedings to recover the payment of any overdue amounts; provided that no Bondholder shall be permitted to accelerate the obligations due to it under this Bond except in accordance with Section 17 and no Bondholder shall be permitted to enforce remedies (or to instruct any Agent to enforce remedies) in respect of the Collateral, except with the consent of the Required Bondholders; it being further understood and intended that no one or more Bondholders shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Financing Documents to affect, disturb or prejudice the rights of any other Bondholders, or to obtain or to seek to obtain priority or preference over any

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other Bondholders or to enforce any right under the Financing Documents, except in the manner provided herein and in the other Financing Documents and for the equal and ratable benefit of all the Bondholders.

20. Right of Setoff. Upon (a) the occurrence and during the continuance of any Event of Default and (b) the making of the request or the granting of the consent specified by Section 17 to authorize the Administrative and Paying Agent to declare the Bonds due and payable pursuant to the provisions of Section 17, each Bondholder is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bondholder to or for the credit or the account of the Issuer against any and all of the obligations of the Issuer now or hereafter existing under the Purchase Agreement and the Bonds held by such Bondholder, whether or not such Bondholder shall have made any demand under the Purchase Agreement or the Bonds and although such obligations may be unmatured. Each Bondholder agrees to comply with the provisions of Section 11 of this Bond and promptly to notify the Issuer and the Administrative and Paying Agent after any such setoff and application made by such Bondholder, provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Bondholder under this Section are in addition to other rights and remedies (including, without limitation, other rights of setoff) which such Bondholder may have.

21. [Intentionally Omitted.]

22. Replacement. In the case any Bond shall become mutilated or defaced or be destroyed, lost or stolen, the Issuer in its discretion may execute and deliver a new replacement Bond upon the surrender of such mutilated or defaced Bond or upon delivery of satisfactory evidence of the destruction, loss or theft thereof, in every case the applicant for a substitute Bond shall furnish to the Issuer such security or indemnity as may be satisfactory to the Issuer. Upon the issuance of any replacement Bond such applicant shall pay a sum sufficient to cover any tax (if any) or other governmental charge that may be imposed in relation thereto or any other expenses connected therewith.

23. Amendments. No amendment or waiver of any provision of this Bond (including the waiver of any Default or Event of Default), nor consent to any departure by the Issuer therefrom, shall in any event be effective unless the same shall be in writing and signed by the Issuer and Administrative and Paying Agent on behalf of the Directing Bondholders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given; provided that no amendment, waiver or consent shall do any of the following, unless in writing and signed by each Bondholder holding Bonds (it being understood that for purposes of this Section 23, if any Bondholder has agreed in writing that a second Bondholder shall have the right to exercise any voting rights in respect of a portion of the Bonds held by such first Bondholder (and shall have provided the Administrative and Paying Agent with written notice thereof), then the second Bondholder shall be deemed to be the holder of such portion):



(i) release any material portion of the Collateral or any party liable to the Bondholders for the obligations evidenced by the Bonds (except where the release of such Collateral is otherwise expressly permitted by the Financing Documents),

(ii) waive, reduce or postpone any scheduled repayment of principal or payment of interest or reduce the rate of interest on any Bond or any other amount payable hereunder or alter the manner or priority in which payments under the Financing Documents are applied,

(iii) change (A) the aggregate unpaid principal amount of the Bonds or (B) the percentage of Bondholders, which in any such case, shall be required for the Bondholders to take any action hereunder, or under any other Financing Document other than the Purchase Agreement, or amend the definitions of "Required Bondholders" or "Directing Bondholders", or

(iv) amend this Section 23,

and provided further that no amendment, waiver or consent shall, unless in writing and signed by the Administrative and Paying Agent in addition to the Bondholders required above to take such action, affect the rights or duties of the Administrative and Paying Agent under this Bond.

24. Notices. Unless otherwise specified, all notices regarding the Bonds will be delivered to LatinClear.

25. No Waiver; Remedies. No failure on the part of any Bondholder or the Administrative and Paying Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

26. Jurisdiction; Service of Process; Etc.

(a) Submission to Jurisdiction. Any legal action or proceeding with respect to this Bond or any other Financing Document may be brought in the courts of the State of New York in the County of New York or of the United States for the Southern District of New York and, by execution and delivery of this Bond, the Issuer hereby irrevocably submits for itself and in respect of its property, generally and unconditionally, to the jurisdiction of the aforesaid courts. The Issuer agrees that a final non-appealable judgment in any such action or proceeding shall be conclusive and binding upon it, and may be enforced in any other jurisdiction, including by a suit upon such judgment, a certified copy of which shall be conclusive evidence of the judgment.

(b) Process Agent. The Issuer hereby agrees that service of all writs, process and summonses in any such suit, action or proceeding brought in the State of New York may be made upon CT Corporation System, presently located at 111 Eight Avenue, New York, New York 10011 (the "Process Agent") and the Issuer hereby confirms and agrees that such Process Agent has been duly and irrevocably appointed as its agent and true and lawful attorney in fact in its name, place and stead to accept such service of any and all such writs, process and summonses, and agrees that the failure of such Process Agents to give any notice of any such



service of process to the Issuer shall not impair or affect the validity of such service or of any judgment based thereon.

(c) Other Service. Nothing herein shall in any way be deemed to limit the ability of the Administrative and Paying Agent or Bondholder to serve any such writs, process or summonses in any other manner permitted by applicable law or to obtain jurisdiction over the Issuer in such other jurisdictions, and in such manner, as may be permitted by applicable law.

(d) Waiver of Venue. The Issuer hereby irrevocably waives, to the extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Bond or any other Transaction Document brought in any such court referred to in Section 26(a), and hereby further irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(e) Rights of the Secured Parties. Nothing in this Section 26 shall limit the right of the Secured Parties to refer any claim against the Issuer to any court of competent jurisdiction outside of the State of New York, nor shall the taking of proceedings by any Secured Party before the courts in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

27. WAIVER OF JURY TRIAL. EACH PARTY TO THIS BOND HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY TRANSACTION DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY TRANSACTION DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS BOND MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

28. No Immunity. To the extent that the Issuer may be or become entitled, in any jurisdiction in which judicial proceedings may at any time be commenced with respect to this Bond or any other Transaction Document, to claim for itself or its Properties or revenues any immunity from suit, court jurisdiction, attachment prior to judgment, attachment in aid of execution of a judgment, execution of a judgment or from any other legal process or remedy relating to its obligations under this Bond or any other Transaction Document, and to the extent that in any such jurisdiction there may be attributed any such immunity (whether or not claimed), the Issuer hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction and, without limiting the generality of the foregoing, agrees that the waivers set forth in this Section shall have effect to the fullest extent permitted under the Foreign Sovereign Immunities Act of 1976 of the United States of America and are intended to be irrevocable for purposes of such Act.

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29. Judgment Currency. This is a transaction in which the specification of Dollars is of the essence, and the obligations of the Issuer under this Bond to make payment to (or for account of) a Bondholder in Dollars shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed in or converted into any other currency or in another place except to the extent that such tender or recovery results in the effective receipt by such Bondholder of the full amount of Dollars payable to such Bondholder under this Bond. If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in Dollars into another currency (herein called the "judgment currency"), the rate of exchange that shall be applied shall be that at which in accordance with normal banking procedures the Administrative and Paying Agent could purchase such Dollars at its principal office with the judgment currency on the Business Day immediately preceding the day on which such judgment is rendered. The obligation of the Issuer in respect of any such sum due from it to the Administrative and Paying Agent or Bondholder hereunder (herein called an "Entitled Person") shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by such Entitled Person of any sum adjudged to be due hereunder in the judgment currency such Entitled Person in accordance with normal banking procedures purchase Dollars with the amount of the judgment currency so adjudged to be due; and the Issuer hereby, as a separate obligation and notwithstanding any such judgment, agrees to indemnify such Entitled Person against, and to pay such Entitled Person on demand, in Dollars, the amount (if any) by which the sum originally due to such Entitled Person in Dollars hereunder exceeds the amount of the Dollars so purchased. In the event that the Dollars so purchased are more than the sum originally due to such Entitled Person, such Entitled Person shall reimburse such excess to the Issuer.

30. Governing Law. This Bond shall be deemed to be a contract made under and governed by, and construed in accordance with, the internal laws of the State of New York, United States (including for such purposes Sections 5-1401 and 5-1402 of the General Obligations Law of the State of New York).

31. Use of the English Language. This Bond has been negotiated and executed in the English language. The parties hereto acknowledge that a translation of this Bond may have to be prepared for purposes of submitting the same as evidence in a court of law of the Republic of Panamá; however, in case of conflict between any Spanish translation so prepared and the English version of this Bond, the latter shall prevail.

32. Instrument for the Payment of Money. The Issuer hereby acknowledges that this Bond constitutes an instrument for the payment of money, and consents and agrees that any Bondholder shall, at its sole option, in the event of a dispute by the Issuer in the payment of any moneys due hereunder, have the right to bring motion-action under New York C.P.L.R. Section 3213.

33. Administrative and Paying Agent. Upon acquiring any interest in this Bond, each Bondholder shall be deemed to have appointed the Administrative and Paying Agent in accordance with Section 2.1 of the Paying Agency Agreement and Article II of the Paying Agency Agreement shall be deemed incorporated by reference in this Bond.

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