mczapata23@outlook.com

From:	Landon Gallagher <lgallagher@powerexpectations.com>
Sent:	Thursday, August 13, 2026 7:59 PM
To:	Alexis G. Rivera-Medina; Jorge L Cotto-Perez; Felix A Hernandez-Caban; Mary C Zapata-Acosta
Cc:	Eddie Echevarria; Tom Redlinger; Royce Wells; Reyes Contractor; Management; Fabian Velez; Mariela Quinones
Subject:	Follow-Up to Today's Call – Obligee Acceptance / Exhibit C Clarification, Bond Amount, and Bank Account Designation
Attachments:	ACCOUNT ASSIGMENT.pdf; Designation of Bank Account.pdf; OBLIGEE ACCEPTANCE AND EXHIBIT C CLARIFICATION updated.pdf; RCG POWER EXPECTATIONS GENERATION BREAKDOWN FOR PAYMENT 01 080426.pdf

[CAUTION] This email originated from outside of PREPA. Do not click links or open attachments unless you recognize or trust the sender. If you believe the email is phishing, please report it using the phishing report tool. For any questions or concerns, please contact cybersecurity@prepa.pr.gov.
[PRECAUCIÓN] Este correo proviene de fuera de la AEE. No haga clic en enlaces ni abra archivos adjuntos a menos que reconozca o confíe en el remitente. Si considera que el correo es un intento de suplantación de identidad (phishing), repórtelo utilizando la herramienta de reporte de phishing. Para cualquier pregunta o inquietud, contacte a cybersecurity@prepa.pr.gov.

Dear PREPA and 3PPO Teams,

Thank you for the productive discussion today regarding the construction-phase performance security and related documentation.

As requested, we are transmitting the following updated and supporting documents for your review and signature/acknowledgment:

1. Obligee Acceptance and Exhibit C Clarification (updated) This form confirms PREPA's acceptance of the Construction Completion Performance Bond in the amount of **US $236,000,000.00** and clarifies the scope relative to Exhibit C of the Agreement (Contract No. 2026-P00107).

Key points addressed on today's call:

- **Item 1** – The Obligee Acceptance form addresses the **surety bond** path. It is not intended to preclude or replace the parallel irrevocable standby letter of credit (ILOC) path. We continue to pursue both instruments. As discussed, PREPA has not yet provided the required MT760 text or bank account details needed to advance the ILOC.
- **Item 6** – Consistent with Section C.5 of Exhibit C, any payment or completion cost paid by the Surety reduces the remaining penal sum dollar-for-dollar. Seller shall, within fifteen (15) Business Days of any draw, cause a new or replacement bond (or restore the existing instrument) so that the total available performance security returns to the full required penal sum.

2. Construction Cost Breakdown Supporting the $236 Million Figure Attached is the current generation/construction cost breakdown that supports the $236 million construction-phase bond amount. This figure reflects the material reduction from the April 1, 2026 preliminary estimate of 280 Million original estimate. Subsequent site visits, engineering assessments, and PREPA's confirmation (including Executive Director Zapata's August 2026 direction) that the project may interconnect into

existing out-of-service capacity up to 434 MW have eliminated the need for new generator step-up transformers and associated high-voltage equipment that drove the earlier higher estimate of $280 Million.

3. Designation of Bank Account and Notice of Assignment of Receivables We again attach the formal Designation of Bank Account (pursuant to Section 10.3) and the Notice of Assignment and Payment Instructions from Arbitrage Business & Loan, LLC, together with the Acknowledgment form. We respectfully request PREPA's acknowledgment and signature on the Acknowledgment of Assignment and Payment Direction so that the designated lockbox account is fully effective.

Requested Actions We kindly ask that PREPA:

1. Execute the Obligee Acceptance and Exhibit C Clarification form; and
2. Execute the Acknowledgment of Assignment and Payment Direction.
3. Send over ILOC MT760 text and bank account information

Please return the signed documents at your earliest convenience so we may continue advancing both the surety and ILOC paths without further delay.

We remain available to answer any additional questions and appreciate the constructive dialogue today.

Best regards,

Landon Gallagher

ARBITRAGE BUSINESS & LOAN, LLC

NOTICE OF ASSIGNMENT AND PAYMENT INSTRUCTIONS

Date: 08/06/2026

Please be advised that Power Expectations LLC has assigned certain receivables arising under the applicable Performance-Based Service Agreement(s) to Arbitrage Business & Loan, LLC. Until further written notice, PREPA is directed to remit all payments relating to the assigned receivables as follows:

Beneficiary: ArbBenefitco 1 LLC

Bank: JPMorgan Chase Bank, N.A.

Account Number: 2905025375

ACH Routing Number: 065400137

Domestic Wire Routing Number: 021000021

Reference: Puerto Rico Power Generation Project

These payment instructions remain effective until modified by written notice from Arbitrage Business & Loan, LLC.

ARBITRAGE BUSINESS & LOAN, LLC

By: Royce N Wells (Aug 6, 2026 17:01:46 CDT)

Name: Royce N. Wells

Title: Chief Executive Officer

Date: Aug 6, 2026

ARBITRAGE BUSINESS & LOAN, LLC

ARBITRAGE BUSINESS & LOAN, LLC

ACKNOWLEDGMENT OF ASSIGNMENT AND PAYMENT DIRECTION

The undersigned, on behalf of the Puerto Rico Electric Power Authority (PREPA), acknowledges receipt of the Notice of Assignment and Payment Instructions from Arbitrage Business & Loan, LLC.

1. PREPA acknowledges receipt of the Notice of Assignment and Payment Instructions.

2. PREPA acknowledges the assignment of the receivables as described in the Notice of Assignment.

3. Until PREPA receives written instructions from Arbitrage Business & Loan, LLC directing otherwise, PREPA shall remit payments in accordance with the payment instructions provided.

4. Payment made in accordance with those instructions shall satisfy PREPA's payment obligation for the amount remitted.

5. Except for the payment instructions acknowledged herein, nothing in this Acknowledgment modifies the underlying Service Agreement(s).

ACKNOWLEDGED

PUERTO RICO ELECTRIC POWER AUTHORITY (PREPA)

By: _____

Print Name: _____

Title: _____

Date: _____

Power Expectations

Aug 10, 2026

Mr. Osvaldo Carlo, Esq.
Senior Regulatory Compliance Officer
Third-Party Procurement Office (3PPO)
1509 López Landrón, Penthouse
San Juan, Puerto Rico 00911

Re: Designation of Bank Account

Pursuant to Section 10.3, entitled "**Payment Terms and Method**," which provides that "*Payments shall be made by wire transfer to the bank account designated by Seller in writing*," we hereby formally designate the following bank account for such payments:

Beneficiary: ArbBenefitco 1 LLC
Bank: JPMorgan Chase Bank, N.A.
Account Number: 2905025375
ACH Routing Number: 065400137
Domestic Wire Routing Number: 021000021
Reference: Puerto Rico Power Generation Project

Please be advised that these payment instructions shall remain in full force and effect until such time as they are modified by written notice.

Respectfully,

Landon Gallagher
Chief Operating Officer

Landon Gallagher

c: Arbitrage Business & Loan, LLC

OBLIGEE ACCEPTANCE AND EXHIBIT C CLARIFICATION

Construction-Phase Performance Bond — Form, Amount, and Scope

Agreement: Power Purchase and Operating Agreement, RFP 3PPO-0314-20-TPG2, effective **June 10, 2026** (Contract No. 2026-P00107)

Proposed Bond: Construction Completion Performance Bond in the aggregate penal sum of **US $236,000,000.00**, representing the total construction-completion risk

Puerto Rico Electric Power Authority ("PREPA"), as Buyer and Obligee, acknowledges and agrees that the Construction Completion Performance Bond presented with this Clarification is accepted as the form of construction-phase performance bond contemplated by Section C.6 of Exhibit C to the Agreement.

Notwithstanding anything inconsistent in the Agreement or Exhibit C, PREPA expressly acknowledges and agrees that:

1. The Bond is a conditional surety bond and is not an irrevocable standby letter of credit, on-demand instrument, or demand guaranty.

2. The Bond covers only completion of the defined Bonded Work through achievement and written acceptance of Commercial Operation Date ("COD").

3. The US $236,000,000.00 penal sum represents the full construction-completion exposure. Upon COD, a separate performance bond covering operations and maintenance (O&M) / post-COD obligations shall be established independently at 20% of the projected annual contract value ($117,734,400 under the current contract language). Post-COD O&M coverage follows its own formula in accordance with the Agreement.

4. The Surety is not obligated to provide project financing, construction financing, bridge or mobilization financing, working capital, equity, loans, advances, deposits, collateral, equipment financing, fuel financing, refinancing, debt service, or liquidity.

5. The Bond does not guarantee post-COD operations, maintenance, dispatch, power output, Continuous Operating Power, Power Availability, capacity or availability factor, energy shortfall, fuel supply or reimbursement, Actual Diesel Costs, replacement power, revenues, payment obligations, regulatory performance, service abandonment after COD, or any other ongoing operational or commercial obligation.

6. The Bond is non-revolving. Any payment or completion cost paid by the Surety reduces the remaining penal sum dollar-for-dollar. Consistent with the intent of Section C.5 of Exhibit C, Seller shall, within fifteen (15) Business Days of any draw, cause a new or replacement bond to be issued in an amount sufficient to restore the total available performance security to the full required penal sum. Restoration is accomplished by replacement or substitute instrument rather than automatic reinstatement of the drawn Bond.

7. The Bond expires in accordance with its terms upon COD or an earlier stated termination event. Any post-COD security contemplated by Section C.1 of Exhibit C must be provided, if at all, under a separate instrument and separate underwriting approval.

8. A demand, certificate, determination, or declaration by PREPA does not by itself establish Surety liability. Liability is subject to the Bond's notice, cure, complete-claim, investigation, coverage, and Surety-election provisions.

9. If the Agreement or Exhibit C conflicts with the Bond concerning the Surety's liability, triggers, procedures, term, remedies, replenishment, damages, defenses, or scope of covered obligations, the Bond controls as to the Surety.

PREPA's acceptance of this Clarification does not amend the obligations between Buyer and Seller except to the extent necessary to define, condition, and limit the issuing Surety's obligations under the accepted Bond.

FOR THE PUERTO RICO ELECTRIC POWER AUTHORITY (PREPA)

By: _____ Date: _____

Name: _____ Title: _____

APPROVED AS TO BOND FORM

Signature: _____ Date: _____

Name / Title: _____

Project: Temporary Power Generation 400MW
Bid #: 3PPO-0314-20-TG2
Contract # 712D28C1-3039-8DE2-82C2-5A0347969379 **Amount:** $235,195,123.30
Certification #: TG2-Cert 01
Period 6/1/26 **End:** 6/15/26

ITEM #	SCHEDULE VALUE	UNIT	QTY.	UNIT COST	TOTAL AMOUNT	%	Work Performed This Period	%	Work Previuosly Performed	%	Used	%	Remaining
I	**General Conditions**												
GC1	Mobilization	EA	1.0	$ 37,506,171.83	$ 37,506,171.83	100.00%	$ 37,506,171.83	0.00%	$ -	100.00%	$ 37,506,171.83	0.00%	$ -
GC2	Site Setup	EA	1.0	$ 4,225,880.91	$ 4,225,880.91	100.00%	$ 4,225,880.91	0.00%	$ -	100.00%	$ 4,225,880.91	0.00%	$ -
GC3	Temporary Utilities	EA	1.0	$ 2,342,775.30	$ 2,342,775.30	100.00%	$ 2,342,775.30	0.00%	$ -	100.00%	$ 2,342,775.30	0.00%	$ -
GC4	Temporary Facilities	EA	1.0	$ 6,284,104.53	$ 6,284,104.53	100.00%	$ 6,284,104.53	0.00%	$ -	100.00%	$ 6,284,104.53	0.00%	$ -
GC5	Temporary Workshop	EA	1.0	$ 8,439,848.26	$ 8,439,848.26	100.00%	$ 8,439,848.26	0.00%	$ -	100.00%	$ 8,439,848.26	0.00%	$ -
	Sub- TOTAL - General Conditions				**$ 58,798,780.82**	100.00%	**$ 58,798,780.82**	0.00%	**$ -**	100.00%	**$ 58,798,780.82**	0.00%	**$ -**
II	**Transportation From Dock to Aguirre**												
TF1	Crane at Ponce Dock	EA	1.0	$ 390,462.55	$ 390,462.55	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 390,462.55
TF2	Crane at Aguirre Power Plant Dock	EA	1.0	$ 390,462.55	$ 390,462.55	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 390,462.55
TF3	Barge transport from Ponce to Aguirre	EA	16.0	$ 859,017.61	$ 13,744,281.76	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 13,744,281.76
TF4	BOP Transport from Ponce to Aguirre Land Transport	EA	16.0	$ 68,330.95	$ 1,093,295.14	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,093,295.14
	Sub- TOTAL - Sea & Land Transport				**$ 15,618,502.01**	0.00%	**$ -**	0.00%	**$ -**	0.00%	**$ -**	100.00%	**$ 15,618,502.01**
III	**Receiving/Staging & FT8 Package Installation**												
RSPI1	Turbine receiving and inspection	EA	16.0	$ 277,228.41	$ 4,435,654.57	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 4,435,654.57
RSPI2	Turbine Staging	EA	16.0	$ 277,228.41	$ 4,435,654.57	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 4,435,654.57
RSPI3	FT8 Package Setting	EA	16.0	$ 273,323.79	$ 4,373,180.56	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 4,373,180.56
RSPI4	FT8 Mechanical Installation	EA	16.0	$ 273,323.79	$ 4,373,180.56	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 4,373,180.56
RSPI5	FT8 Package Alignment	EA	16.0	$ 85,901.76	$ 1,374,428.18	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,374,428.18
	Sub- TOTAL - Receiving/Staging & FT8 Package Installation				**$ 18,992,098.44**	0.00%	**$ -**	0.00%	**$ -**	0.00%	**$ -**	100.00%	**$ 18,992,098.44**
IV	**Mechanical Works**												
MW1	Mechanical Material Procurement	EA	1.0	$ 6,216,163.80	$ 6,216,163.80	100.00%	$ 6,216,163.80	0.00%	$ -	100.00%	$ 6,216,163.80	0.00%	$ -
MW1	Diesel Fuel Piping System	EA	16.0	$ 343,607.04	$ 5,497,712.71	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 5,497,712.71
MW2	Diesel Fuel Pumps Skids installation	EA	3.0	$ 507,601.32	$ 1,522,803.95	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,522,803.95
MW3	NDE to welds	EA	16.0	$ 85,901.76	$ 1,374,428.18	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,374,428.18
	Sub- TOTAL - Mechanical Works				**$ 14,611,108.63**	42.54%	**$ 6,216,163.80**	0.00%	**$ -**	42.54%	**$ 6,216,163.80**	57.46%	**$ 8,394,944.83**
V	**Electrical Works**												
EW1	Electrical Material Procurement	EA	1.0	$ 9,308,627.19	$ 9,308,627.19	100.00%	$ 9,308,627.19	0.00%	$ -	100.00%	$ 9,308,627.19	0.00%	$ -
EW2	Raceway installation from unit to transformer	EA	16.0	$ 343,607.04	$ 5,497,712.71	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 5,497,712.71
EW3	Cable pull/termination and testing up to step-up transformer	EA	16.0	$ 343,607.04	$ 5,497,712.71	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 5,497,712.71
EW4	Cable Testing	EA	16.0	$ 85,901.76	$ 1,374,428.18	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,374,428.18
	Sub- TOTAL - Electrical Work				**$ 21,678,480.78**	42.94%	**$ 9,308,627.19**	0.00%	**$ -**	42.94%	**$ 9,308,627.19**	57.06%	**$ 12,369,853.59**
VI	**HV Connection to 230kv and 115kv**												
HV1	HV Equipment Procurement(Poles, Cables, Terminations, Isolation, Lighithing Protections)	EA	1.0	$ 35,594,753.18	$ 35,594,753.18	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 35,594,753.18
HV2	Civil Foundations/ Pads/ Underground works	EA	1.0	$ 18,305,873.05	$ 18,305,873.05	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 18,305,873.05
HV3	Grounding Grid/ Bonding/ Lighting Protections	EA	1.0	$ 7,118,950.64	$ 7,118,950.64	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 7,118,950.64
HV4	Installation of Poles for the 115Kv and 230Kv	EA	1.0	$ 20,339,858.96	$ 20,339,858.96	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 20,339,858.96
HV5	Testing	EA	1.0	$ 8,135,943.58	$ 8,135,943.58	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 8,135,943.58
HV6	Commisioning	EA	1.0	$ 12,203,915.38	$ 12,203,915.38	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 12,203,915.38
	Sub- TOTAL - HV Connection				**$ 101,699,294.78**	0.00%	**$ -**	0.00%	**$ -**	0.00%	**$ -**	100.00%	**$ 101,699,294.78**

VII	**Commisioning**												
C1	Mechanical Completion package	EA	16.0	$ 78,092.51	$ 1,249,480.16	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,249,480.16
C2	Electrical Completion package	EA	16.0	$ 78,092.51	$ 1,249,480.16	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 1,249,480.16
C3	Punch List closeout	EA	16.0	$ 49,979.21	$ 799,667.30	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 799,667.30
				Sub- TOTAL - Pre-Commisioning	**$ 3,298,627.62**	0.00%	**$ -**	0.00%	**$ -**	0.00%	**$ -**	100.00%	**$ 3,298,627.62**
VIII	**Demobilization**												
D1	Turnover documentation	EA	1.0	$242,086.78	$ 242,086.78	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 242,086.78
D2	Site demolbilization	EA	1.0	$256,143.43	$ 256,143.43	0.00%	$ -	0.00%	$ -	0.00%	$ -	100.00%	$ 256,143.43
				Sub- TOTAL - Demobilization	**$ 498,230.21**	0.00%	**$ -**	0.00%	**$ -**	0.00%	**$ -**	100.00%	**$ 498,230.21**
					$ 235,195,123.30	**31.60%**	**$ 74,323,571.82**	**0.00%**	$ -	**31.60%**	**$ 74,323,571.82**	**68.40%**	**$ 160,871,551.48**
				TOTAL	**$ 235,195,123.30**	**TOTAL**	**$ 74,323,571.82**	**TOTAL**	**$ -**	**TOTAL**	**$ 74,323,571.82**	**TOTAL**	**$ 160,871,551.48**

Summary		
Original Contract Sum	$	235,195,123.30
Change Order Additions	$	-
Change Order Deductions	$	-
Contract Sum to Date	$	235,195,123.30
Total Completed to Date	$	74,323,571.82
Less: Previous Certification for Payment (Net)	$	-
Current Payment Due	**$**	**74,323,571.82**

Submitted by: 6/15/26

Dennys R. Reyes Vega — Date

Reyes Contractor Group

Eddie Echevarria — Date

Power Expectations

mczapata23@outlook.com

From:	Landon Gallagher <lgallagher@powerexpectations.com>
Sent:	Friday, August 14, 2026 7:58 PM
To:	Alexis G. Rivera-Medina; Jorge L Cotto-Perez; Felix A Hernandez-Caban; Mary C Zapata-Acosta
Cc:	Eddie Echevarria; Tom Redlinger; Royce Wells; Reyes Contractor; Management; Fabian Velez; Mariela Quinones
Subject:	Re: Follow-Up to Today's Call – Obligee Acceptance / Exhibit C Clarification, Bond Amount, and Bank Account Designation
Attachments:	CJO SBLC Commitment- Power 13Aug26 (1).pdf

[CAUTION] This email originated from outside of PREPA. Do not click links or open attachments unless you recognize or trust the sender. If you believe the email is phishing, please report it using the phishing report tool. For any questions or concerns, please contact cybersecurity@prepa.pr.gov.
[PRECAUCIÓN] Este correo proviene de fuera de la AEE. No haga clic en enlaces ni abra archivos adjuntos a menos que reconozca o confíe en el remitente. Si considera que el correo es un intento de suplantación de identidad (phishing), repórtelo utilizando la herramienta de reporte de phishing. Para cualquier pregunta o inquietud, contacte a cybersecurity@prepa.pr.gov.

Dear PREPA and 3PPO Teams,

Following up on our email of last evening and the discussion regarding construction-phase performance security under Contract No. 2026-P00107.

We respectfully reiterate our request that PREPA execute and return the following as soon as possible:

1. **Obligee Acceptance and Exhibit C Clarification** form — so we may finalize the surety path for the construction-phase performance bond in the amount of **US $236,000,000**; and
2. **Acknowledgment of Assignment and Payment Direction** — so the designated lockbox account for receivables (pursuant to Section 10.3 and the Notice of Assignment previously transmitted) is fully effective.

In parallel, we continue to advance the irrevocable standby letter of credit (ILOC) alternative expressly permitted under Exhibit C. In that regard, please find attached a **Commitment Letter** dated August 13, 2026 from CJO & Co confirming readiness to arrange and cause the issuance of an institutional ISP98 Standby Letter of Credit in the face amount of **USD 236,000,000** for the construction-phase performance security.

As previously noted, advancement of the ILOC path remains conditioned on PREPA's delivery of:

1. The required **MT760 / SBLC operative language**; and
2. **Beneficiary bank account details** and receiving account coordinates.

Both instruments remain available under the Agreement. We are prepared to close either path promptly once PREPA provides the signed Obligee Acceptance form (surety path) and/or the MT760 language and bank details (ILOC path), and we request the same prompt attention to the Assignment Acknowledgment.

Given the contractual timeline and the need to maintain continuous progress, we respectfully request PREPA's earliest attention to these outstanding items.

We remain available to discuss or clarify any point at your convenience.

Best regards,

Landon Gallagher

Chief Operating Officer

Power Expectations LLC

From: Landon Gallagher
Sent: Thursday, August 13, 2026 8:58 PM
To: Alexis G. Rivera-Medina <alexis.rivera@prepa.pr.gov>; Jorge L Cotto-Perez <jorge.cotto@prepa.pr.gov>; Felix A Hernandez-Caban <felix.hernandez@prepa.pr.gov>; Mary C Zapata-Acosta <mary.zapata@prepa.pr.gov>
Cc: Eddie Echevarria <eechevarria@powerexpectations.com>; Tom Redlinger <tredlinger@flotekind.com>; Royce Wells <royce.wells@arbitragetrade.com>; Reyes Contractor <reyescontractorgroup@gmail.com>; Management <management@recomspr.net>; Fabian Velez <fvelez@recomspr.net>; Mariela Quinones <mquinones@recomspr.net>
Subject: Follow-Up to Today's Call – Obligee Acceptance / Exhibit C Clarification, Bond Amount, and Bank Account Designation

Dear PREPA and 3PPO Teams,

Thank you for the productive discussion today regarding the construction-phase performance security and related documentation.

As requested, we are transmitting the following updated and supporting documents for your review and signature/acknowledgment:

1. Obligee Acceptance and Exhibit C Clarification (updated) This form confirms PREPA's acceptance of the Construction Completion Performance Bond in the amount of **US $236,000,000.00** and clarifies the scope relative to Exhibit C of the Agreement (Contract No. 2026-P00107).

Key points addressed on today's call:

- **Item 1** – The Obligee Acceptance form addresses the **surety bond** path. It is not intended to preclude or replace the parallel irrevocable standby letter of credit (ILOC) path. We continue to pursue both instruments. As discussed, PREPA has not yet provided the required MT760 text or bank account details needed to advance the ILOC.
- **Item 6** – Consistent with Section C.5 of Exhibit C, any payment or completion cost paid by the Surety reduces the remaining penal sum dollar-for-dollar. Seller shall, within fifteen (15) Business Days of any draw, cause a new or replacement bond (or restore the existing instrument) so that the total available performance security returns to the full required penal sum.

2. Construction Cost Breakdown Supporting the $236 Million Figure Attached is the current generation/construction cost breakdown that supports the $236 million construction-phase bond amount. This figure reflects the material reduction from the April 1, 2026 preliminary estimate of 280 Million original estimate. Subsequent site visits, engineering assessments, and PREPA's confirmation (including Executive Director Zapata's August 2026 direction) that the project may interconnect into existing out-of-service capacity up to 434 MW have eliminated the need for new generator step-up transformers and associated high-voltage equipment that drove the earlier higher estimate of $280 Million.

3. Designation of Bank Account and Notice of Assignment of Receivables We again attach the formal Designation of Bank Account (pursuant to Section 10.3) and the Notice of Assignment and Payment Instructions from Arbitrage Business & Loan, LLC, together with the Acknowledgment form. We respectfully request PREPA's acknowledgment and signature on the Acknowledgment of Assignment and Payment Direction so that the designated lockbox account is fully effective.

Requested Actions We kindly ask that PREPA:

1. Execute the Obligee Acceptance and Exhibit C Clarification form; and
2. Execute the Acknowledgment of Assignment and Payment Direction.
3. Send over ILOC MT760 text and bank account information

Please return the signed documents at your earliest convenience so we may continue advancing both the surety and ILOC paths without further delay.

We remain available to answer any additional questions and appreciate the constructive dialogue today.

Best regards,

Landon Gallagher

CJO & Co

COMMITMENT LETTER

August 13, 2026

Puerto Rico Electric Power Authority (PREPA)
Attn: Office of the Executive Director
PO Box 364267
San Juan, Puerto Rico 00936-4267

Re: Commitment to Issue Irrevocable Standby Letter of Credit
Construction-Phase Performance Security — Contract No. 2026-P00107

Dear Sir / Madam:

This letter is to confirm our commitment to arrange and cause the issuance of an institutional standard ISP98 Standby Letter of Credit (SBLC) in connection with the construction-phase performance security required under the Power Purchase and Operating Agreement dated June 10, 2026 (RFP 3PPO-0314-20-TPG2 / Contract No. 2026-P00107) between Power Expectations LLC (and its Seller group) and the Puerto Rico Electric Power Authority.

Upon receipt from PREPA of (i) a draft representing the required MT760 / SBLC operative language and (ii) the beneficiary bank account details and receiving account coordinates, we are prepared to process the issuance of a Standby Letter of Credit in the face value of **USD $236,000,000.00** (Two Hundred Thirty-Six Million United States Dollars) for the construction-phase performance security under the referenced Agreement.

This commitment is conditioned solely upon receipt of the foregoing documentation and banking information from PREPA (or its designated representatives) in form reasonably acceptable for issuance through standard international banking channels.

We remain available to proceed promptly upon receipt of the required language and bank details.

Respectfully,

C.J. O'Connor
Sole Trustee General Partners Managing Member of CJO & Co