

Master Receivables Purchase
Agreement

Cuenta: Sumitomo Mitsui
Banking Corp.

CitiBank

MASTER RECEIVABLES PURCHASE AGREEMENT

This RECEIVABLES PURCHASE AGREEMENT (this "Agreement"), dated as of August 20, 2010, is among PETROWEST, INC. a company registered in Puerto Rico, with address at 256 Calle Concordia, Petro West Plaza, Magayuez PR 00680, Puerto Rico ("Petrowest" or "Seller"), TRAFIGURA A.G. a corporation organized under the laws of the Swiss Confederation operating via its Stamford Branch office located at One Stamford Plaza, 263 Tresser Boulevard, Stamford, CT, ("Trafigura") and SUMITOMO MITSUI BANKING CORPORATION, a Japanese banking corporation with a branch at 277 Park Avenue, New York, New York ("Buyer").

W I T N E S S E T H:

WHEREAS, Petrowest has entered into the contract described in Exhibit A hereto (as the same may be now or hereafter supplemented, amended, modified or extended, the "Sales Agreement"), pursuant to which Seller has issued or will issue invoices to the Puerto Rican Electric Power Authority ("PREPA" or the "Account Debtor"), all as set forth on one or more Purchase Requests referred to herein, with respect to the sale by Seller of fuel oil;

WHEREAS, Seller has entered into an Operating Agreement dated as of November 12, 2009 with Trafigura which is attached as Exhibit B hereto, and has given its Power of Attorney dated as of December 22, 2009 (which is attached as Exhibit C hereto) to Trafigura, and pursuant to those documents Petrowest has entered, and may in the future, enter into contracts for the sale by Petrowest of fuel oil to PREPA, which fuel Trafigura will arrange for delivery to PREPA in satisfaction of Petrowest's delivery obligations pursuant to the contract described in Exhibit D hereto (as the same and may be now or hereafter supplemented, amended, modified or extended, the "Sales and Service Agreement"), and Trafigura will deliver invoices to Seller with respect to such sales (the "Trafigura Invoices");

WHEREAS, the Seller has delivered or will deliver invoices to PREPA (the amount shown as total amount due on each such invoice, less 0.5% municipal license fee ("Tax"), if any, indicated as an invoice line item, a "Receivable" and collectively, the "Receivables") as set forth on the related Purchase Request;

WHEREAS, each Receivable is or will be due and payable on the date set forth on the related Purchase Request which is attached as Exhibit E hereto (for each such Receivable, its "Payment Date");

WHEREAS, at Trafigura's and Seller's request, under an uncommitted receivables purchase facility, consisting of the Existing Agreement (as defined below) and this Agreement, amounting to THREE HUNDRED MILLION DOLLARS (\$300,000,000.00) (the "Facility Amount") as described herein, Buyer may agree to purchase from Seller, and Seller may agree to sell to Buyer, Receivables and the rights under the related Trafigura Invoices, and remit the proceeds thereof to Trafigura all in accordance with the terms and conditions set forth herein;

Handwritten signatures and initials, including a large signature and the initials 'J.M.' and 'SR'.

WHEREAS, the maximum amount the Buyer may purchase for its own account is limited to ONE HUNDRED FIFTY MILLION DOLLARS (\$150,000,000.00), and at the Buyer's option and upon approval by Trafigura, the Buyer may invite other financial institutions to participate in the facility hereunder in order to increase the Facility Amount and accommodate discounting requirements by the Seller and Trafigura;

WHEREAS, the parties hereto have entered into that Receivables Purchases Agreement, dated as of April 7, 2010 (the "Existing Agreement"), and intend that this Agreement shall govern all Receivables transactions entered into on and after the date hereof and that all prior Receivables transactions shall be governed by the Existing Agreement;

WHEREAS, in the event that other financial institutions agree to participate in the facility hereunder, the Buyer shall act and perform the duties as facility administrative agent for and on behalf of all participants under this Agreement; and

WHEREAS Trafigura Beheer BV, a private company incorporated in the Netherlands ("Trafigura Beheer" or "Guarantor"), and a corporate parent of Trafigura, is delivering its guarantee in the form of Exhibit F hereto to Buyer relating to the performance risk of Trafigura.

NOW THEREFORE, in consideration of the agreements hereinafter set forth, the parties agree as follows:

1. Purchase of the Receivable. On the terms and subject to the conditions set forth herein:

a. From time to time hereafter, by executing and delivering a Purchase Request to this Agreement in substantially the form annexed hereto as Exhibit E, Buyer may agree to purchase from Seller and Trafigura, and Seller and Trafigura may agree to sell to Buyer, the Receivables described in such Purchase Request and each related Trafigura Invoice. The parties acknowledge and agree that the receivables purchase facility described herein is uncommitted. The purchase date (the "Purchase Date") set forth in any such Purchase Request shall be no later than the date that is one year after the date of this Agreement (the "Termination Date", as such Termination Date may be extended from time to time by written agreement of Buyer, Trafigura and Seller). On the Purchase Date, the Seller and Trafigura shall sell, assign and transfer to Buyer and Buyer shall purchase from Seller and Trafigura such Trafigura Invoices and Receivables (together with all interest, penalties, damages and indemnities payable by PREPA under the Sales Agreement in connection with the Receivables and all rights, remedies and privileges under the Sales Agreement to collect and to enforce payment of the Receivables, but without sale, assignment or transfer to Buyer of any duties or obligations under such Sales Agreement), and all collateral security, if any, for the Receivables (including all of Seller's interest in the goods sold and any other security interest, liens and other encumbrances purporting to secure payment of the Receivables), by payment to Trafigura for itself and as attorney in fact for Seller of the purchase price set forth in such Purchase Request (the "Purchase Price"). For the avoidance of doubt, the Purchase Price of any Receivable and the related Trafigura Invoice shall be the Receivable as defined in the

introductory paragraphs of this Agreement, net of the Discount Fee payable to Buyer pursuant to Section 2.c hereof.

b. All moneys, payments, or funds collected on account of any Receivable, or proceeds or products of any Receivable (collectively, "Collections") shall be administered and distributed as follows:

- i. Trafigura, on behalf of Buyer, shall act as servicer of the Receivables and Trafigura Invoices (in such capacity, "Servicer"). The services to be provided by Servicer shall include, but shall not be limited to, billing for, collecting and receiving all payments due under the Receivables (including, without limitation, finance charges and/or late charges as applicable) and exercising all rights, powers and privileges of Buyer relating thereto, and generally being responsible for the administration of the Receivables. Seller shall cause PREPA to agree that all Receivables shall be paid only by wire transfer to the Buyer at Citibank, N.A. New York ABA No. 021000089, Account Name: SMBC New York, Account Number: [REDACTED] Attention: Loan Operations, Ref: PREPA (the "Buyer's Account"). If Seller or Trafigura receives any Collections directly from PREPA, Seller or Trafigura shall immediately remit such Collections to the Buyer's Account in the exact form received, with any necessary endorsements. Servicer agrees to maintain such records and books of account with respect to the Receivables and any Collections related thereto and distributions made hereunder as it customarily maintains in connection with similar receivable finance transactions and as are reasonably necessary to show Collections and distributions made pursuant to this clause b. Buyer, Seller and Trafigura agree that Buyer shall accept instructions and notices relating to Seller when given by Trafigura.
- ii. Except as otherwise provided herein, including but not limited to a settlement grace period of 30 days from Payment Date, Seller and Trafigura shall remit Collections from any Receivable to Buyer on the date of receipt thereof (if a Business Day, as hereafter defined, or if not, the next following Business Day) (the "Remittance Date"). Collections credited to the Buyer's Account after 2:00 p.m. New York time on any Business Day shall be deemed received on the next following Business Day.
- iii. Buyer may at any time (A) cause to be filed financing statements on Form UCC-1 (or the equivalent), with respect to the sale of the Receivables and the Trafigura Invoices in the appropriate filing office or offices, and Seller and Trafigura hereby authorizes Buyer to cause such financing statements to be filed, and /or (B) terminate Trafigura's rights and obligations hereunder as Servicer to service

and administer any and/or all of the Receivables, and appoint a substitute Servicer, which may be itself. Seller and Trafigura shall promptly provide all such assistance and cooperation as Buyer may reasonably request in connection with Buyer's exercise of such rights.

c. Seller shall pay to Buyer a discount fee for each Receivable (and related Trafigura Invoice) (the "Discount Fee") on the Purchase Date (such payment being effected by netting the Discount Fee against the Receivable), for the period from the Purchase Date to the Payment Date (the "Discount Period").

The Discount Fee shall be calculated by multiplying the face amount of the subject Receivable by a percentage equal to a rate per annum stated for each purchase in the Purchase Request (defined as the "Margin" therein) plus "Applicable LIBOR".

Applicable LIBOR is determined as the rate per annum calculated on a basis of a year of 360 days for the Discount Period (including the Purchase Date but excluding its Payment Date) at which deposits in U.S. Dollars for a comparable period offered to the Buyer's affiliate active in the London interbank market at 11:00 am London time, for value two (2) Business Days (as defined herein) prior to the date when payment is made by the Buyer to Trafigura; provided, that if the Buyer cannot obtain a LIBOR rate calculated as set forth above, the rate, or such other rate, shall be as agreed between the Buyer and Trafigura; provided, further, that:

- if the actual Discount Period is less than 45 days, the number of days elapsed for purposes of calculating the Discount Fee shall be deemed to be 45, except that for each Receivable purchased within 60 days following the signing of the Acknowledgment (as hereinafter defined) by PREPA, the Discount Period shall be the actual number of days between its Purchase Date and its Payment Date,
- if the actual Discount Period is less than one month, Applicable LIBOR shall be one month LIBOR, and
- if the actual Discount Period is at least one month and less than two months, Applicable LIBOR shall be two month LIBOR.

In the event that the Buyer does not receive payment on the Receivable on its Payment Date, a discount fee shall be payable in addition to the Discount Fee (the "Additional Discount Fee"), which fee is determined by multiplying the aggregate principal amount of such Receivable by a percentage equal to 50 basis points (0.50% p.a.) above the fully floating overnight LIBOR rate (calculated on the basis of a year of 360 days for actual days elapsed (including the Payment Date or other date when Additional Discount Fee was last paid to Buyer but excluding the date such payment of the Receivable is received by Buyer) plus the Margin.

The Additional Discount Fee shall be payable for the period from the Payment Date to the Remittance Date; provided that the Additional Discount Fee shall not accrue during any period in which the Shortfall Discount Fee or the Dispute Discount Fee (each as hereinafter defined) accrues.

"Business Day" shall mean a day that Buyer and commercial banks are open for business in New York, New York; provided that, for any calculation of a Purchase Price or Discount Fee relating to LIBOR, the term "Business Day" shall in addition include any day on which banks are open for business in US Dollar deposits in the London interbank market. For purposes of this section, any payment received by Buyer after 2:00 PM in New York shall be credited against the Seller's and Trafigura's obligations as if it were received on the following Business Day.

If any Receivable is covered by comprehensive non-payment insurance acceptable to Buyer, the Discount Fee shall be reduced at a rate to be stated in the Purchase Request.

The Additional Discount Fee or the Shortfall Discount Fee or the Dispute Discount Fee, as applicable, shall be invoiced every 30th day of the month and on the date payment of the Receivable is received by the Buyer or on the Verdict Date or Resolution Date (each as hereinafter defined).

d. For any Receivable, amounts that are available in the Buyer's Account at 2:00 p.m. New York time on the Payment Date for such Receivable or that are otherwise not owing to any other person, or on any subsequent Business Day on which Collections for such Receivable are due to the Buyer, shall automatically be transferred by the Buyer to its account at the end of such Business Day, and the Seller's and Trafigura's payment obligations in respect of such Collections shall be satisfied to the extent of the funds so transferred. Amounts received by the Buyer that represent payment for Tax and/or invoices not purchased by Buyer shall be transferred to such account of Trafigura as Trafigura may direct.

e. If Collections for any Receivable are received by Buyer prior to the Payment Date for such Receivable, and if Trafigura so requests, the Buyer shall cause such Collections to be prepaid to itself by transferring to its account an amount equal to the sum of (i) the Purchase Price for such Receivable, (ii) the *pro rata* portion of the Discount Fee for such Receivable, accreted from the Purchase Date to the date of such prepayment, but in no event less than 45 days of accreted Discount Fee for Receivables purchased more than 60 days from the date of the Acknowledgment (as defined below), (iii) the *pro rata* portion of the Discount Fee for such Receivable, accreted from the Purchase Date to the date of such prepayment for Receivables purchased within two months from the date of this Agreement and (iv) such amount as the Buyer determines in its reasonable discretion to be sufficient to compensate it for any loss, cost or expense, including without limitation any loss of profit incurred on the redeployment of funds from the date of prepayment to the Payment Date, that is attributable to such prepayment, and the balance of such Collections shall be transferred to such account of Trafigura as Trafigura may direct.

f. Trafigura shall pay Buyer a facility fee with terms and conditions contained in a separate letter between the Buyer and Trafigura.

2. No Recourse Against Seller and Trafigura.

a. Except as provided herein, the sale of the Receivables by Seller and Trafigura Invoices by Trafigura pursuant to this Agreement shall be without recourse against Seller or Trafigura for or on account of the failure of PREPA to make any payment in respect of the

Receivables owed by it or to otherwise comply with any of the provisions of the Sales Agreement. Except for Receivables covered by insurance, and as otherwise provided herein, Buyer agrees to look solely to PREPA for payment of the Receivables.

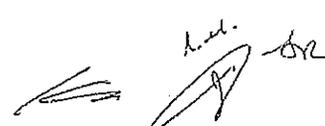
b. In furtherance of the sale hereunder, Seller hereby authorizes and empowers Buyer, in Buyer's own name or in the name of and as attorney for Seller, hereby irrevocably constituted, to demand, sue for, collect and receive any and all amounts payable by PREPA in connection with the Receivables transferred hereunder including, without limitation, any amounts of interest which become due from PREPA as a result of PREPA's late payment thereof and to enforce compliance by PREPA with the Sales Agreement to the extent related to the collection of the Receivables, but at the expense and liability and for the sole benefit of Buyer.

c. Notwithstanding anything contained herein to the contrary, Buyer shall have recourse against Seller and Trafigura solely with respect to, and will be entitled to payment by Seller and Trafigura for the full amount due under any Receivable that is not paid as a result of or in connection with (i) Seller's or Trafigura's breach of or failure to perform any material covenant, obligation or understanding contained in this Agreement (including Trafigura's performance as Servicer hereunder), (ii) any representation or warranty of Seller contained in this Agreement that was materially inaccurate or materially incorrect when made or deemed to have been made, (iii) the failure of PREPA to pay any amounts owing in respect of any Receivable purchased hereunder to the extent attributable to Seller's or Trafigura's breach or failure to perform any covenant, obligation or understanding contained in the Sales Agreement, the Sales and Service Agreement or any other documentation between Seller or Trafigura and PREPA, or (iv) the allegation (whether formally or informally, in writing) by PREPA of any dispute, offset, defense, counterclaim, recoupment, right of rescission or other claim or other circumstance (including reduction for withholding tax, if any) that reduces or could reduce the amount owed on any Receivable, or upon which PREPA relies in refusing to make full payment.

To the extent that PREPA fails to pay all or any portion of any Receivable purchased by Buyer hereunder for any of the reasons listed in clauses (i) through (iii) above on or before the Payment Date of such Receivable, upon written notice from Buyer to Seller, the amount of the Receivable shall be deemed to have been received by Seller and accordingly shall be included in such Collections.

To the extent that PREPA reduces the Collections otherwise payable in respect of any Receivable for any of the reasons described in clause (iv) above, the amount of such reduction shall be deemed to have been received by Seller and Trafigura and accordingly shall be included in the Collections. If Buyer receives payment of such Collections in full on the Remittance Date, Buyer shall reassign all of the subject Receivables owned by it to the Seller without recourse or any express or implied warranties. If such Collections are not received in full, however, the Shortfall Discount Fee or Dispute Discount Fee, as described in the following paragraph, shall be applicable.

When an allegation as described in clause (iv) above (a "Dispute") is referred in accordance with the Sales Agreement to (i) an expert, (ii) arbitration, or (iii) a court of law which has jurisdiction under the Sales Agreement (the "Relevant Forum"), Trafigura will pay the Buyer additional fees equal to 1.25 % p.a. (one point twenty five per cent per annum) (based on 360 days in a year) of the amount

Handwritten signatures and initials at the bottom right of the page. There are two distinct signatures, one appearing to be 'A. L.' and another 'SR'.

(not exceeding the Purchase Price) by which PREPA's payment (if any) falls short of the Aggregate Amount, as defined in the Purchase Request (such amount, the "Shortfall"), and is not remitted to the Buyer. This additional fee (the "Shortfall Discount Fee") shall be calculated on the number of days elapsed (both dates inclusive) between the date that is 31 days after the Payment Date and the date that falls on the earlier of (A) two (2) Business Days after the earlier of (i) the date on which a final decision is made by the Relevant Forum in respect of the Dispute (the "Verdict Date"), and (ii) the date on which such Dispute has been resolved by agreement between Seller and PREPA (the "Resolution Date") and (B) 60 days after the Payment Date. If the Verdict Date or Resolution Date occurs more than 60 days after the Payment Date, an additional fee (the "Dispute Discount Fee") equal to 2.00 % p.a. (two per cent per annum) (based on 360 days in a year), calculated from the 61st day after the Payment Date until the earlier of the Resolution Date and the Verdict Date, shall be payable on such Shortfall in addition to any other amounts otherwise owing (including, without limitation, the Shortfall Discount Fee). Payment shall be made at the end of such period or, if the Buyer so requests, at the end the Verdict Date or Resolution Date. If payment is not received at such time, the Additional Discount Fee shall accrue from the Verdict Date or Resolution Date until the Remittance Date.

3. Representations and Warranties of Seller and Trafigura. Seller and Trafigura hereby represent and warrant to Buyer as of the date hereof or, with respect to any Receivables or Trafigura Invoices or with respect to the Sales Agreement or the Sales and Service Agreement, as of the date of the related Purchase Request, as follows:

a. Seller is a corporation duly organized, validly existing and in good standing under the laws of Puerto Rico, is authorized and qualified to do business in the Commonwealth of Puerto Rico and is otherwise duly authorized and qualified to carry on its business as presently conducted. The principal place of business of Seller where its books and records relating to the Receivables are kept is located at 256 Calle Concordia, Petro West Plaza, Magayuez PR00680. Trafigura AG is incorporated in Switzerland with its registered office at Zurichstrasse 31, 6002 Lucerne. Trafigura is a 100% directly owned subsidiary of Trafigura Beheer, a company incorporated in the Netherlands and the direct owner of 100% of the outstanding stock of Trafigura.

b. The execution, delivery and performance by Seller and Trafigura of this Agreement (including Trafigura's performance as Servicer hereunder), the execution and delivery of the documents delivered by Seller and Trafigura which constitute part of the Sales and Service Agreement and the performance by Seller and by Trafigura of the Sales and Service Agreement is within Seller's and Trafigura's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (i) Seller's or Trafigura's charter or by-laws; (ii) any law, rule or regulation applicable to Seller or Trafigura or (iii) any contractual restriction, order, writ, judgment, award, injunction or decree binding on Seller or Trafigura. This Agreement and the Sales and Service Agreement have been duly executed and delivered by Seller, and by Trafigura, in the case of this Agreement.

c. No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by Seller and Trafigura of this Agreement or the Sales and Service Agreement.

d. Except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally, and by general principles of equity, this Agreement and the Sales And Service Agreement are the legal, valid and binding obligations of Seller and Trafigura enforceable against Seller (and Trafigura, in the case of this Agreement) in accordance with their respective terms.

e. Seller is the legal and beneficial owner of the Receivables and Trafigura is the legal and beneficial owner of the Trafigura Invoices, both the Receivables and the Trafigura Invoices are free and clear of all liens, encumbrances or other claims except those created hereunder, and upon the purchase of the Receivables and Trafigura Invoices pursuant to this Agreement, Buyer shall acquire all right, title and interest of Seller and Trafigura in and to the Receivables and Trafigura Invoices as described herein free and clear of all liens, encumbrances or other claims, including without limitation any restrictions on transferability arising under laws applicable to PREPA.

f. Seller has not previously sold the Receivables, or any right to participate in the Receivables, to any other person or entity. Trafigura has not previously sold the Trafigura Invoices, or any right to participate in the Receivables, to any other person or entity.

g. The Receivables arise from the Sales Agreement, a duly-authorized contract related to an arms-length transaction in the ordinary course of business, between Seller and the Account Debtor, for the sale by Seller to Account Debtor of fuel oil. The Trafigura Invoices arise from the Sales and Service Agreement, a duly-authorized contract related to an arms-length transaction in the ordinary course of business, between Trafigura and Seller, for the sale by Trafigura to Seller of fuel oil with delivery to be made to PREPA in fulfillment of Seller's fuel delivery obligations to PREPA. Each Receivable and its related Trafigura Invoice represent the same shipment as purchased by PREPA, back-to-back with each other.

h. The Receivables are not subject to any dispute, offset (other than quality offsets allowed under the Sales Agreements), defense, counterclaim, recoupment, right of rescission or other claim that would or could reduce the amount of Collections relating thereto, and there are no disputes, defenses, counterclaims, recoupments, rights of rescission or claims under any contracts, agreements or understandings between Seller and PREPA that would permit PREPA to offset or reduce the amount of the Receivable. The Trafigura Invoices are not subject to any dispute, offset, defense, counterclaim, recoupment, right of rescission or other claim that would or could reduce the amount of collections relating thereto, and there are no disputes, defenses, counterclaims, recoupments, rights of rescission or claims under any contracts, agreements or understandings between Trafigura and Seller that would permit offset or reduction of the amount of the Trafigura Invoice.

i. The Receivables are due and payable by PREPA on the dates set forth in the related Purchase Request, not to exceed 60 days from the date of purchase thereof, are not subject to any law or regulation that restricts PREPA's ability to make full and timely payment thereof to or for the account of Buyer in freely transferable United States Dollars and are not and will not at any

time be subject to any reduction for any reason, other than for applicable withholding tax and quality offsets allowed under the Sales Agreement.

j. The Seller has the absolute and unconditional right to sell, assign, transfer and set over the Receivables to Buyer with the consent of PREPA previously obtained. Trafigura has the absolute and unconditional right to sell, assign, transfer and set over the Trafigura Invoices to Buyer.

k. If (i) Receivables arising under such Sales Agreement are the subject of a guarantee issued by a bonding company or similar third-party credit enhancement arrangement, or if (ii) a designated paying agent has been appointed for Receivables arising under such Sales Agreement; Seller will disclose such information to Buyer prior to offering such Receivables for purchase. All information related to insurance, including any comprehensive non-payment insurance, has been furnished to Buyer, and such information will be supplemented from time to time. The benefit of any such insurance will be effectively transferred to Buyer when so requested, and the effectiveness of such insurance in Buyer's favor shall be a condition to the Discount Fee reduction described in the final sentence of clause 1(c) hereof.

l. The Seller has declared under a sworn affidavit duly submitted to PREPA that Seller complies with the Commonwealth of Puerto Rico Act No. 458. Trafigura represents and warrants that the Commonwealth of Puerto Rico Act No. 458 is not applicable to Trafigura.

4. Conditions to Purchase. Buyer's obligation to purchase the Receivables hereunder on the Purchase Date is subject to the satisfaction or waiver of the following conditions precedent:

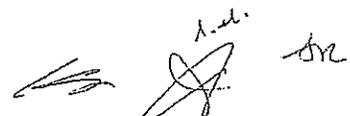
a. Each of the representations and warranties set forth in Section 3 of this Agreement shall be correct on and as of the date stated in Section 3 and as of each Purchase Date hereunder, as though made on and as of such date, and neither Seller nor Trafigura shall be in breach of any of its other obligations hereunder;

b. From the date of this Agreement, no event or condition shall have occurred that has or is reasonably likely to have a material adverse effect on the business, assets or financial condition of Seller, Trafigura or PREPA or their respective abilities to perform their obligations under this Agreement or any Sales Agreement and Sales and Service Agreement;

c. Seller and Trafigura shall have delivered to Buyer certified true copies of the Sales Agreement and Sales and Service Agreement, in form and substance satisfactory to Buyer.

d. Prior to the initial purchase of Receivables arising under the Sales Agreement, Buyer, Seller and Account Debtor shall have entered into an Assignment of Funds Acknowledgement and Agreement of Conditions for its Acceptance (the "Acknowledgment") by PREPA in substantially the form annexed hereto as Exhibit G;

e. The Guarantor shall have executed and delivered a Guarantee in substantially the form annexed hereto as Exhibit F, which shall be in full force and effect;

Handwritten signatures and initials at the bottom right of the page. There are three distinct marks: a signature that appears to be 'S', a signature that appears to be 'A. S.', and the initials 'SR'.

f. Whenever applicable, pursuant to Section 3.k, Trafigura shall deliver a certified copy of the comprehensive non-payment insurance policy stating the Buyer named as loss payee, in a form and substance acceptable to the Buyer.

g. The Purchase Price of the Receivables then to be purchased, when added to the unreimbursed Purchase Price of all Receivables previously purchased pursuant to this Agreement and the Existing Agreement, shall not exceed the Facility Amount; and

h. Buyer shall have received such other approvals and documents as Buyer may reasonably request (including secretaries' certificates, certificates of incumbency, and appropriate resolutions).

i. Buyer shall have received a copy of the sworn affidavit submitted by PetroWest to PREPA declaring that PetroWest complies with the Commonwealth of Puerto Rico Act No. 458 as of December 29, 2000, as amended.

j. Legal opinions as the Buyer may reasonably request, including but not limited to Puerto Rican counsel, in form and substance satisfactory to the Buyer from counsels acceptable to the Buyer.

k. Trafigura shall provide the Buyer a report on Trafigura Invoices in substantially the form annexed hereto as Exhibit H, no later than 3 days prior to Purchase Date.

5. Covenants.

a. Seller, and Trafigura as attorney in fact for Seller, covenant and agree with Buyer as follows:

- i. Seller and Trafigura will not, without Buyer's prior written consent, grant any extension of the time for payment of, or reduce the amount of, any Receivable purchased hereunder, or compromise, compound or settle the same, or release, wholly or partly, an Account Debtor from the payment thereof or enter into any other amendment or modification to the Sales Agreement or the Sales and Service Agreement which would materially and adversely affect Buyer's rights in or remedies with respect to any such Receivable in any manner.
- ii. Seller and Trafigura will not grant or suffer to exist, voluntarily, involuntarily, by operation of law or otherwise, any lien or other interest in any Receivable.
- iii. Seller and Trafigura will not sell any accounts receivable (other than the Receivables) arising under the Sales Agreement or the Sales and Service Agreement, or otherwise grant or suffer to exist, voluntarily, involuntarily, by operation of law or otherwise, any lien or other



interest in any such accounts receivable unless previously agreed with the Buyer, such consent not to be unreasonably withheld or delayed.

- iv. Seller and Trafigura will not modify the Power of Attorney or the Operating Agreement without the prior written consent of Buyer such consent not to be unreasonably withheld or delayed.
- v. Trafigura will provide the Buyer a weekly report on Trafigura Invoices in substantially the form annexed hereto as Exhibit H while the Receivables and Trafigura Invoices are outstanding.

b. Each of Buyer, Seller and Trafigura as attorney in fact for Seller covenants and agrees with the other that if it receives from an Account Debtor any amounts due to the other, such amounts will be held in a constructive trust for the benefit of the other party and will be promptly turned over to the party to whom such payment was due.

c. Seller, and Trafigura as attorney in fact for Seller, agree that they will take all such actions as Buyer may reasonably request to assist Buyer in the exercise of Seller's rights assigned hereunder; provided, that Buyer shall be solely responsible for all reasonable costs or expenses incurred by Seller and Trafigura in connection with the taking of such actions, other than actions necessary for the Seller or Trafigura to make good on their representations, warranties, covenants, and agreements contained herein, which the Seller and Trafigura shall do at their own expense.

d. Seller and Trafigura as attorney in fact for Seller shall promptly notify Buyer if any Receivable is not paid on or before its due date, or of the occurrence of any event or condition referred to in clauses (i) through (iv) of Section 2.c hereof.

6. Payments.

a. Buyer shall pay the amounts due pursuant to Section 1 in immediately available funds by wire transfer to such account as Trafigura as attorney in fact for Seller may direct.

b. All amounts payable to Buyer, including Collections shall be transferred to Buyer's Account or otherwise be wire transferred by Seller or Trafigura as attorney in fact for Seller in immediately available funds to the such account as Buyer may direct in writing to Trafigura from time to time.

7. Costs and Expenses. Trafigura agrees to pay on demand all costs and expenses (including reasonable attorneys' fees and expenses) in connection with this Agreement, whether or not the transaction contemplated hereby shall be consummated, including without limitation, the preservation of any rights of or exercised by the Buyer, or the enforcement (whether through legal proceedings or otherwise) of this Agreement, including, without limitation the enforcement

Handwritten signature and initials, possibly "L.M." and "J.R.", in the bottom right corner of the page.

of rights under this Section 7, and any costs and expenses in connection with the termination of this Agreement or replacement of Servicer.

8. Notices. All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally (including by any recognized courier service that provides written receipt of delivery, such as Federal Express, DHL or UPS), sent by telecopy (if receipt is acknowledged by return telecopy or other writing or if such communication is also given by another means permitted hereunder dispatched on the same Business Day) or mailed by first class mail, postage prepaid, return receipt requested, in each case if addressed as follows:

If to Buyer: Sumitomo Mitsui Banking Corporation
277 Park Avenue
New York, NY 10172

Attn: Mariano Urquiola
Telephone: (212)-224-4085
Telecopy: (212)-224-5222

With a copy to:

Attn: BCDAD Loan Operations Department
Telecopy: (212)-224-5222

If to Seller: PETROWEST INC
Post Office Box 1256
Mayaguez, PR
00681

Attn: Jose Gonzalez
Telephone: (787) 834-0555
Telecopy: (787) 833 8060

With a copy to:

Attn: Karen Rodriguez
Telephone: (787) 834-0555
Telecopy: (787) 833 8060

Handwritten signatures and initials at the bottom right of the page. There are three distinct marks: a signature that appears to be 'K', a signature that appears to be 'A' with 'L.S.' written above it, and the initials 'JR'.

If to Trafigura: Trafigura A.G.
5 Houston Center
1401 McKinney, Suite 2375
Houston, TX 77010
Attn: Tim Waters/ Denise Rogers

Telephone: + 1 832 203 6493
Telecopy: +1 832 203 6401

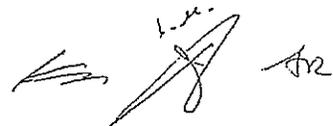
With a copy to:
Anya Revans
Portman House, 2 Portman Street
London W1H 6DU
Telephone: + 44 207 173 2256
Telecopy: +44207 170 7819

Any such communication will be effective three business days after mailing or when received, whichever is earlier. The parties may each change the address for service of notice upon it by a notice in writing to the other parties.

9. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10. **Controlling Language.** If this Agreement or any documents executed in connection herewith is written in two or more languages, the English text hereof or thereof will be the authoritative version and will be controlling for all purposes.

11. **Applicable Law; Jurisdiction and Venue.** This Agreement will be governed by and interpreted in accordance with the laws of the State of New York, except for the laws of that jurisdiction relating to conflicts of laws (other than Section 5-1401 of the New York General Obligations Law, which shall be applicable). The parties hereto irrevocably agree that any legal action or proceeding with respect to this Agreement will be brought in the courts of the State of New York in the Borough of Manhattan or of the United States of America in the Southern District of New York. By the execution and delivery of this Agreement, the parties hereto irrevocably submit to the jurisdiction of such courts and agree not to assert that such court is an inconvenient forum in any such action or proceeding. The parties agree that service of process in any such action or proceeding may be made either by mailing or delivering a copy of the summons and complaint in any such action or proceeding to the other party at the address set forth herein for notices. **TRAFIGURA, SELLER AND BUYER WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT WITH RESPECT TO THIS AGREEMENT, AND WAIVE, RELEASE AND AGREE NOT TO SUE UPON, ANY CLAIM FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES SUFFERED IN CONNECTION WITH, ARISING OUT OF, OR IN ANY WAY**



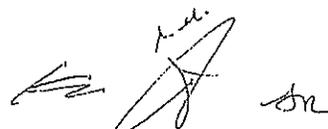
RELATED TO, THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED AND THE RELATIONSHIP ESTABLISHED BY THIS AGREEMENT, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION HEREWITH. THIS WAIVER IS INFORMED AND VOLUNTARY.

12. **Assignment.** This Agreement shall inure to and be binding upon the successors, and assigns of Seller, Trafigura and Buyer, and the terms "Seller" "Trafigura" and "Buyer" shall include and mean, respectively, the successors and assigns of Seller, Trafigura and Buyer. Neither Trafigura nor Seller shall have any right to assign this Agreement, without the written consent of Buyer. Buyer may assign its rights hereunder in full or in part, including, without limitation, rights with respect to any one or more Receivables, without the consent of the Seller or Trafigura as long as no change in assignment acknowledgment from PREPA is required. For the avoidance of doubt, the parties hereto agree that any such assignee of the Receivables shall be deemed to be the "Beneficiary" under and as defined in the Guarantee with respect to such assigned Receivables.

13. **No Waiver.** This Agreement embodies the entire agreement and understanding between Buyer, Trafigura and Seller and supersedes all prior agreements and understandings relating to the subject matter hereof. No waiver or amendment of or forbearance to enforce any of Buyer's rights hereunder shall be effective unless in writing. All warranties, representations and covenants imposed or made herein shall survive the execution and delivery of this Agreement. No delay on the part of Buyer in the exercise of any right or remedy shall operate as a waiver thereof and no single or partial exercise by Buyer of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

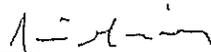
14. **Savings Clause.** If any of the provisions of this Agreement shall contravene or be held invalid under the laws of any jurisdiction, this Agreement shall be construed as if not containing such provisions and the rights, remedies, warranties, representations, covenants, and provisions hereof shall be construed and enforced accordingly in such jurisdiction and shall not in any manner affect such provision in any other jurisdiction, or any other provisions of this Agreement in any jurisdiction.

15. **Patriot Act Disclosures.** Buyer hereby notifies Seller and Trafigura that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 signed into law October 26, 2001), the Criminal Code, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, the United Nations Suppression of Terrorism Regulations, the Anti-Terrorism Act and any equivalent law applicable under any relevant foreign jurisdiction (collectively, the "National Security Laws"), it may be required to obtain, verify and record information that identifies Seller, Trafigura and/or PREPA, which information includes the name and address of Seller, Trafigura and/or PREPA and other information that will allow the Buyer to identify Seller, Trafigura and/or PREPA in accordance with applicable National Security Laws.



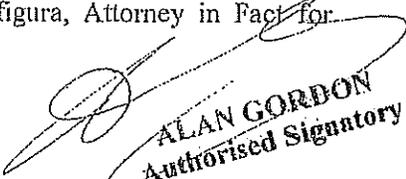
IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Agreement as of the date first above written.

PETROWEST INC., as Seller

By: 
Name: Jose Gonzalez
Title: President

TRAFIGURA A.G., as Trafigura, Attorney in Fact for
Petrowest Inc. and as Servicer

By: 
Name: ANITA REVARUS
Title: AUTHORIZED SIGNATORY


ALAN GORDON
Authorized Signatory

SUMITOMO MITSUI BANKING CORPORATION
as Buyer

By: 
Name Kaoru Furuya
Title Deputy General Manager
Global Trade Finance
Department

LIST OF EXHIBITS

- Exhibit A - Sales Agreement between PREPA and Petro West
- Exhibit B - Operating Agreement
- Exhibit C - Power of Attorney
- Exhibit D - Sales and Service Agreement between Trafigura and Petro West
- Exhibit E - Purchase Request
- Exhibit F - Guaranty
- Exhibit G - Assignment of Funds Acknowledgment and Agreement of Conditions for its Acceptance by the Puerto Rico Electric Power Authority
- Exhibit H - PREPA-TRAFIGURA Exposure Monitor

1-11-
 se