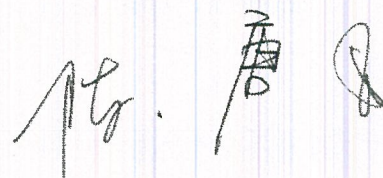


DATED THIS 21st DAY OF JUNE 2012

THE GOVERNMENT OF JAMAICA
and
NATIONAL ROAD OPERATING AND CONSTRUCTING COMPANY LIMITED
and
JAMAICA NORTH SOUTH HIGHWAY COMPANY LIMITED
and
CHINA HARBOUR ENGINEERING COMPANY LIMITED
in its capacity as Contractor and Operator

AMENDED AND RESTATED IMPLEMENTATION AGREEMENT
in respect of the North- South Highway Project in Jamaica

Handwritten signatures and initials in black ink, located at the bottom right of the page. There are three distinct marks: a large signature, a smaller signature with a box around it, and a circular stamp or mark.

This Amended and Restated Implementation Agreement (the "**Agreement**") is made on this 21st day of June 2012.

AMONG:

THE GOVERNMENT OF JAMAICA ACTING THROUGH THE MINISTER OF FINANCE AND PLANNING, THROUGH THE MINISTER OF TRANSPORT, WORKS AND HOUSING AND THROUGH THE MINISTER OF WATER, LAND, ENVIRONMENT AND CLIMATE CHANGE (the "**Government**");

NATIONAL ROAD OPERATING AND CONSTRUCTING COMPANY LIMITED, a company incorporated with limited liability under the Companies Act of Jamaica (the "**Grantor**");

JAMAICA NORTH SOUTH HIGHWAY COMPANY LIMITED, a private company incorporated with limited liability under the Companies Act of Jamaica (the "**Developer**");

CHINA HARBOUR ENGINEERING COMPANY LIMITED, a company organized and existing under the laws of the People's Republic of China (the "**Contractor**"); and

CHINA HARBOUR ENGINEERING COMPANY LIMITED, a company organized and existing under the laws of the People's Republic of China (the "**Operator**").

WHEREAS:

- (A) The Government has instructed and authorised the Grantor to make arrangements for the implementation of the North-South Highway Project and entered into a Memorandum of Understanding with China Harbour Engineering Company Limited (in this capacity, together with its parent company, China Communications Construction Company Limited, the "**Sponsor**") dated 13 January 2011 relating to contracts to design, construct, operate, maintain and finance the Toll Road (the "**Project**").
- (B) The Government of Jamaica (acting through the Ministry of Transport and Works), the Grantor and the Sponsor entered into a Framework Agreement dated 27 May 2011 to facilitate the implementation of the Project.
- (C) Pursuant to the Framework Agreement, the Grantor has agreed to enter into a concession agreement with the Developer for the carrying out of the works and the provision of the services with respect to the Project as described in the Concession Agreement to be entered into between the Grantor and the Developer (as amended or supplemented from time to time, the "**Concession Agreement**").
- (D) The Parties entered into an implementation agreement dated 16 November 2011 (the "**Implementation Agreement**") under which the Government covered and assumed responsibility for those areas of the arrangements with the Developer Parties which are properly the responsibility, and/or require the assistance, of the Government.
- (E) The Parties to the Implementation Agreement have agreed to enter into this Agreement in order to amend and restate the terms of the Implementation Agreement in the manner set out below.

NOW IT IS AGREED as follows:

1. INTERPRETATION

In this Agreement capitalized terms defined in the recitals or in clauses herein where they first appear shall have the meanings so assigned and all other capitalized terms shall have the meanings as set out in Schedule A hereto.

2. CONDITIONS

2.1 The Government shall be responsible for procuring or delivering, and undertakes to procure or deliver, each of the documents listed below on the Effective Date:

- (a) the issuance by the Minister of a Toll Order designating the Toll Road as a toll road for purposes of the Toll Roads Act and authorizing the Developer to levy, collect and retain tolls for use of the Toll Road;
- (b) the Government Guarantee;
- (c) the Land Development Schedule; and
- (d) a certificate signed by the Government setting out the representations and warranties as set out in clauses 3.1 (a) and 3.1 (f)(iii) with respect to the Concession Agreement and an additional representation and warranty that all acts, conditions and things required to be done, fulfilled and performed in order to ensure that the obligations expressed to be assumed by the Grantor in this Agreement and the Concession Agreement are legal, valid and binding (including but without limitation fulfilment of Jamaican law concerning public procurement),

3. REPRESENTATIONS

3.1 The Government represents and warrants to the Developer Parties that on the date of this Agreement:

- (a) the Grantor is a company, wholly-owned by the Government, which has been incorporated under the Companies Act of Jamaica and is duly organised, validly existing and in good standing under the laws of Jamaica, and has the necessary power and authority to enter into and perform its obligations under this Agreement;
- (b) this Agreement constitutes a legal, valid and binding obligation of the Grantor, enforceable against the Grantor in accordance with its terms, except as such enforceability may be limited by laws affecting the rights of creditors generally;
- (c) this Agreement constitutes legal, valid and binding obligations of the Government, enforceable against the Government in accordance with its terms;
- (d) the Toll Roads Act permits the levying of toll in respect of a toll road designated thereunder;

- (e) the execution, delivery and performance by the Government of this Agreement has been duly authorised by all requisite action, and will not contravene any provision of the Constitution of Jamaica, or any other applicable Statutory Requirements; and
- (f) all acts, conditions and things required to be done, fulfilled and performed in order:
 - (i) to enable the Government lawfully to enter into, exercise the Government's rights under, and perform and comply with the obligations expressed to be assumed by the Government in, this Agreement;
 - (ii) to ensure that the obligations expressed to be assumed by the Government in this Agreement are legal, valid, and binding (including but without limitation fulfilment of the requirements of Jamaican law concerning public procurement); and
 - (iii) to enable the Grantor lawfully to enter into, exercise the Grantor's rights under, and perform and comply with the obligations expressed to be assumed by the Grantor in, this Agreement

have been done, fulfilled and performed.

3.2 Each Developer Party represents and warrants that on the date of this Agreement:

- (a) it is company majority owned by, the People's Republic of China, and has been established under the laws of the People's Republic of China or, in the case of the Developer only, the laws of Jamaica;
- (b) this Agreement constitutes a legal, valid and binding obligation of such Developer Party, enforceable against such Developer Party in accordance with its terms;
- (c) the execution, delivery and performance by such Developer Party of this Agreement has been duly authorised by all requisite corporate and governmental action under the laws of the People's Republic of China or, in the case of the Developer only, the laws of Jamaica and will not contravene any laws of the Peoples' Republic of China or, in the case of the Developer only, the laws of Jamaica;
- (d) all acts, conditions and things required to be done, fulfilled and performed in order:
 - (i) to enable such Developer Party to lawfully to enter into, exercise such Developer Party's rights under and perform and comply with the obligations expressed to be assumed by such Developer Party in this Agreement; and
 - (ii) to ensure that the obligations expressed to be assumed by such Developer Party in this Agreement are legal, valid, and binding

have been done, fulfilled and performed.

4. TOLL REVENUES AND THE TOLL ROADS ACT

- 4.1 The Government confirms that no other person is or will be entitled to levy and collect Tolls from users of the Toll Road, save as agreed in respect of shared toll revenues in respect of the Toll Road and other linked toll roads. Tolls shall be charged and collected in Jamaican Dollars. All expenses relating to the collection of Tolls on the Toll Road shall be borne by the Developer save as provided in the Concession Agreement. Subject to the Concession Agreement, the Developer will have sole rights to revenue arising out of the collection of Tolls during the Concession Period.
- 4.2 Subject to the Concession Agreement, the Developer shall determine the level and structure of Tolls to be charged on a Part or, if there are no Parts, the entire Toll Road. The Developer shall not be entitled to collect Tolls in respect of a Part or the entire Toll Road until the Handover Date in respect of, respectively, that Part or the entire Toll Road.
- 4.3 The Developer shall not grant and shall not permit the granting of exemptions to the payment of Tolls other than those approved in advance by the Toll Regulator.
- 4.4 The Developer shall be free to determine the most appropriate methods for collecting Tolls. The Developer may entrust a third party operator with the responsibility for collecting Tolls in accordance with the Concession Agreement.
- 4.5 The Developer may, with the approval of the Grantor and subject to any applicable Toll Order, erect new toll equipment in order to implement its toll policy. Any new toll equipment shall only be erected to the extent its construction complies with the Core Requirements.
- 4.6 With respect to a Part or, if there are no Parts, the entire Toll Road, the Developer shall be entitled to collect Tolls at the Initial Toll Levels. The Developer, may on each anniversary of the Handover Date of a relevant Part or, if there are no Parts, the entire Toll Road, apply to the Toll Regulator, in accordance with the Tolling Policy, for the Toll Regulator's approval to an increase in the Toll Levels in respect of that Part or the entire Toll Road (as the case may be). The Developer shall be entitled to collect Tolls at the increased Toll Levels for the relevant Part or the entire Toll Road (as the case may be) from the effective date of the toll order in respect of such increase.
- 4.7 The Government confirms that the level of Tolls shall be calculated to take account of increases in line with US CPI and/or Jamaican CPI, as applicable, on an annual or monthly basis, as the case may be, and for foreign exchange adjustments all as set out in the Concession Agreement.
- 4.8 The Government shall notify the Developer if it disposes of all or any part of its shareholding in the Grantor.

5. TAX AND DUTY PROVISIONS

It is agreed by the Government and the Developer Parties that the tax provisions set out in Schedule B shall apply to the Developer Parties.

6. LAND ACQUISITIONS

- 6.1 The Government shall procure that the Developer will be given vacant possession of the Site in accordance with the Land Development Schedule envisaged under the Concession Agreement, so as to enable the Developer to perform its obligations in relation to the Construction Works in due time and to develop the Secondary Developments promptly upon being given vacant possession of the Site.
- 6.2 If the parties to the Concession Agreement are unable to perform, or delayed in performing, their respective obligations under the Concession Agreement, the Government shall (promptly after a written request of the Developer) exercise all reasonable efforts to assist the parties with respect to those matters within its control.

7. TOLL ROAD SECURITY

The Government shall procure that the Jamaican police will provide traffic safety and security services (including without limitation, controlling protestors), as appropriate, for the Toll Road and Secondary Developments at no cost to the Developer, subject to the Developer providing such facilities as may be reasonably required by the Jamaican police for such purposes as set out in the Core O & M Requirements, provided that such police traffic safety and security services shall not involve posting police at the Secondary Developments along the Toll Road, but shall include providing police patrol services along the Toll Road.

8. CONSENTS AND ASSISTANCE

- 8.1 Each Developer Party shall be responsible for applying for, and for all costs of obtaining, the Competent Authority Consents required by that Developer Party. Provided that such Developer Party notifies the Government at the time of making such application and complies with the procedures set out in the Concession Agreement and the Concession Specification complies with the requirements of the Concession Agreement, the Government shall procure that the Competent Authority Consents are delivered to such Developer Party within the time frames referred to in the Concession Agreement.
- 8.2 Subject to the Concession Agreement and Clause 8.3 below, each Developer Party shall be responsible for obtaining and maintaining, at its own cost, all Required Consents. Subject to and in accordance with the provisions of this Agreement, the Government shall, at that Developer Party's request:
- (a) use all efforts to assist that Developer Party in its dealings with any Competent Authority to the extent permitted by the provisions of any Statutory Requirements in connection with executing and implementing the Project and the Secondary Developments, as the case may be;
 - (b) use all efforts to assist any Developer Party to the extent permitted by the provisions of any Statutory Requirements to obtain those Required Consents in a timely manner necessary for the construction, operation and maintenance of the Toll Road and the Secondary Developments; and
 - (c) use all efforts under the circumstances to ensure that the Required Consents when issued by Competent Authorities have an effective period for the maximum duration permissible under Jamaican law.

- 8.3 Following issuance of a Completion Certificate in respect of a Part or the Toll Road and prior to the opening of a Part or the Toll Road for traffic, the Government shall promptly procure that the Part or the Toll Road, as appropriate, is designated as a toll road for the purposes of the Toll Roads Act. The Developer shall use reasonable efforts to assist the Government in this, in accordance with the Concession Agreement.

9. GOVERNMENT ACTIONS

- 9.1 The Government shall ensure that neither it nor any Competent Authority takes any discriminatory action which materially and adversely affects the Project and the Secondary Developments or the performance of a Developer Party's obligations or the enjoyment of its rights or the interests of any Developer Party, the Sponsor, the Lenders, or the Shareholders and the Secondary Developments. Nothing in the foregoing shall apply to any actions taken by the Government or any Competent Authority pursuant to its respective rights and obligations arising under the Concession Agreement and this Agreement.

- 9.2 The Government undertakes to the Developer Parties that neither it nor any Competent Authority will expropriate, compulsorily acquire, nationalise, or otherwise compulsorily procure any shares of the Developer or assets of any Developer Party (including, without limitation, any part of the Toll Road or the Secondary Developments, the Contract Plant, the Construction Works, the Contractor's Equipment or any Developer Party property), provided that compensation calculated in accordance with the Concession Agreement will be provided should the Government exercise its taking powers and authority..

- 9.3 The Government undertakes that in accordance with local law, neither the Grantor nor any other public or statutory body or local authority shall:

- (a) build or alter the route of, improve the speed of journey or capacity of, or upgrade or improve the quality or condition as compared to that prevailing as at the Effective Date of any competing road set out in Schedule C (except for normal routine, periodic maintenance or safety improvement); or
- (b) build any new or alter the route of any existing rail (the existing railway lines are set out in Figure 1) or other transport system in the Relevant Transport Corridor Figure 2 (except for normal routine, periodic maintenance or safety improvement);

unless the Toll Road has reached its maximum traffic volume as shall be determined by the Core Design and Construction Requirements; provided that the remedy for the Developer Parties for breach of this undertaking shall be the payment of, or contribution to, the payment of a Compensation Amount pursuant to the Concession Agreement.

For the avoidance of doubt existing rail, including rail not in operation shall not be treated as new rail.

- 9.4 The Developer shall have a right of first refusal to carry out all construction, improvement and development works on the road sections mentioned below for the periods set out below and subject to the Developer's offer for such works being on no less favourable terms than any other competing offer for such works:

- (a) in the event that TransJamaica Highway Limited does not exercise its rights to develop the May Pen to Williamsfield road section on or before 1 December 2013, the May Pen

to Williamsfield road section for a period ending on the eighth anniversary of the Effective Date; and

- (b) Williamsfield to Montego Bay road section for a period of 15 years commencing on and from the Effective Date.

10. **GOVERNMENT GUARANTEE**

The Government shall provide to the Developer, on the Effective Date, a guarantee in respect of the Grantor's rights and obligations under the Concession Agreement (the "**Government Guarantee**"). The Government Guarantee shall be given in accordance with all applicable statutory requirements, and shall be in a form mutually agreed by the Parties.

11. **DEVELOPMENT LAND**

The Government hereby agrees that it shall transfer without consideration to the Developer 5 (five) square kilometers of government-owned land or such lesser plot(s) as shall be agreed by the Parties (the "**Development Land**") for development by the Developer (or any Affiliate) in compliance with local planning regulations. Subject to these general principles, the Government and the Developer agree that:

- (a) the primary purpose of the Development Land shall be to develop projects and activities that will, directly or indirectly, enhance usage of the Toll Road;
- (b) the Developer shall work with the Government to identify the location(s) of the Development Land with a view to the Development Land being identified, and title transferred to the Developer, by no later than the date of issue of the Final Completion Certificate;
- (c) the Developer and the Government shall cooperate in respect of the application and prosecution of all requisite planning and other consents, permits and approvals for the permitted projects and activities on the Development Land, both before and after the date of transfer of title to the Developer of the Development Land;
- (d) the Developer may develop the Development Land through sub-contractors, provided that any such sub-development will be subject to all the same restrictions that apply to the Developer under this Agreement;
- (e) after the date of issue of the Final Completion Certificate, the Developer shall be entitled to sell, transfer, lease or otherwise dispose of all or part of the Development Land to third parties subject to the same restrictions that apply to the Developer;
- (f) the Developer and the Government shall negotiate appropriate tax concessions to apply to the development of the Development Land and all related activities; these will be subject to the approval of the Cabinet of Jamaica;
- (g) if the Developer has failed to complete the development of the Development Land by the 25th anniversary of the date of acquisition of the first parcel of the Development Land, then that part of the Development Land that remains undeveloped shall be returned to the Government without charge;

- (h) the development of the Development Land shall commence within 10 years of the Effective Date; and
 - (i) the Developer and the Government shall enter into an agreement reflecting the above principles prior to the Effective Date or such other later date as the parties may agree.
- 11.2 The obligation of the Government to transfer the Development Land under Clause 11.1 of this Agreement shall arise on the date that the Developer becomes entitled to be issued with the Final Completion Certificate, provided that until the Development Land is transferred to the Developer (a) the Government shall provide the Developer with all licenses, permits, easements and other permissions necessary to enable the Developer to access and develop the Development Land; and (b) the Government shall not sell or dispose of or grant to any person any encumbrance or security over all or any part of the Development Land.
- 11.3 If the Government is not the absolute legal owner of the Development Land (or any part thereof), the Government shall procure that the Development Land is transferred to the Developer in accordance with the terms of this Clause
- 12. CURRENCY**
- 12.1 In the event that the Bank of Jamaica shall fail to publish a US\$/J\$ Weighted Average, the Government shall convert to US Dollars any amount which the Grantor is required to pay to the Developer in US Dollars in accordance with:
 - (a) the US\$/J\$ Weighted Average provided by two leading Jamaican commercial banks; or
 - (b) if the rate referred to in clause 12.1(a) above is not available as a result of two leading Jamaican commercial banks not publishing a US\$/J\$ Weighted Average, the US\$/J\$ Weighted Average published by the Bank of Jamaica for the 12 month period ending on the date immediately preceding the date on which two leading Jamaican commercial banks first failed to publish the relevant US\$/J\$ Weighted Average.
- 12.2 The Government shall ensure that no limitation or restriction exists or will be imposed on the ability of any Developer Party to remit amounts in foreign currency related to the Project to the Sponsor, any Developer Party or any of its shareholders or lenders or on the rate at which such funds may be transferred.
- 12.3 The Government shall ensure that the each Developer Party shall be permitted to open and operate US Dollar bank accounts, including bank accounts necessary to implement the Project or the Secondary Developments, as appropriate (including any accounts reasonably required by any Lender) inside Jamaica, and the accumulation of earnings and other receipts and the transfer of funds into and out of such accounts.
- 12.4 The Government shall ensure that no Developer Party shall be restricted in transferring any funds between its accounts in Jamaica and its accounts maintained outside Jamaica (including without limitation any compensation payments to be made by the Grantor in the event of a termination of the Concession Agreement).
- 12.5 Each Developer Party shall be permitted to purchase US Dollars through normal commercial banking channels for any amount required to be converted by such Developer Party.

- 12.6 The Government shall ensure that each relevant Competent Authority gives any general or specific permissions or consents required to authorise any of the accounts, transfers, conversions or transactions permitted by this Clause 12.

13. GOVERNING LAW AND SETTLEMENT OF DISPUTES

- 13.1 This Agreement shall be governed by, and construed in accordance with, the laws of Jamaica.

13.2

- (a) Any dispute arising out of, or in connection with, this Agreement shall (regardless of the nature of the dispute) be referred to arbitration and finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. The arbitration shall be conducted in English and the seat of the arbitration shall be London.
- (b) No arbitrator appointed pursuant to this Clause 13.2 shall be a national of the People's Republic of China or Jamaica, nor shall any such arbitrator be an employee or agent or former employee or agent of any Party.
- (c) The arbitrators while determining any dispute shall, without prejudice to the generality of their powers, have power to issue proposed findings at the request of any Party, award compensation, assess and award interest at such rate as they think fit on any sum awarded by them (whether interim or final) for any period, whether before or after the date of their award. The award of the arbitrators shall be final and binding on the Parties.

- 13.3 The Government unconditionally and irrevocably:

- (a) agrees that, should any proceedings be brought against it or its assets (other than aircraft, naval vessels and other defense-related items of the Government or assets protected (or which are capable of being protected) by the diplomatic and consular privileges under the State Immunity Act 1978 of the United Kingdom or the Foreign Sovereign Immunities Act of the United States of America or any analogous legislation, as applicable, hereinafter the "**Excepted Assets**") in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity from such proceedings shall be claimed by or on behalf of itself or with respect to its assets (other than Excepted Assets);
- (b) waives any right of immunity (to the fullest extent permitted by applicable law) which it or any of its assets (other than Excepted Assets) now has or may acquire in the future in any jurisdiction; and
- (c) consents generally in respect of the enforcement of any judgment against it (to the fullest extent permitted by applicable law) in any such proceedings in any jurisdiction to the giving of any relief or the issue of any process in connection with such proceedings (including, without limitation, the making, enforcement or execution against or in respect of any property whatsoever (other than Excepted Assets) irrespective of its use or intended use).

13.4 With respect to any proceedings for enforcement of an award pursuant to Clause 13.3(a) against assets (other than Excepted Assets) of any Party brought in the courts of England:

- (a) the Government appoints the High Commissioner of Jamaica in England at 1 Prince Consort Road, London SW7 2BZ, to receive for and on its behalf service of process in such jurisdiction in any such enforcement proceedings;
- (b) each Developer Party shall appoint an agent (to be notified in writing to the Government by not later than the Effective Date) to receive for and on its behalf service of process in the United Kingdom in any such enforcement proceedings;
- (c) each Party agrees to maintain in England duly appointed process agents, notified to the other Party, for the purpose of this Clause 13.4; and
- (d) each Party agrees that failure by any such process agent to give notice of any process to it shall not impair the validity of such service or of any judgment based thereon.

14. NOTICES

Any notice, consent or other communication to be given or made under this Agreement to any Party (i) shall be in writing, (ii) shall, subject to Clause 13, be delivered by hand, airmail, facsimile or established courier service to such party's address specified below or at such other address as such parties notify to the other Parties from time to time and (iii) shall be effective only upon receipt.

For each Developer Party:

China Harbour Engineering Company Limited
No.9 Chunxiu Road,
Dongzhi Men Wai,
Beijing, China

For the Grantor:

National Road Operating and Constructing Company
11A - 15 Oxford Road
Kingston 5
Jamaica

Attention Ivan Anderson

Telephone: (876) 929-1581
Facsimile: (876) 926-9281

For the Government:

Permanent Secretary
Ministry of Transport, Works and Housing
138 Maxfield Avenue
Kingston 10
Jamaica

Attention: Audrey Sewell

Telephone: (876) 754-2611
Facsimile: (876) 920-8376


15. TERMINATION

- 15.1 If the Effective Date has not been achieved by December 31, 2012, this Agreement shall automatically terminate and none of the Parties shall have any further rights or obligations hereunder, unless all of the Parties agree in writing to extend the date of termination of this Agreement.

16. ASSIGNMENT

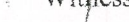
The Developer may assign by way of security its right under this Agreement to a Lender acceptable to the Government as may be permitted by the Concession Agreement.

SIGNED on behalf of **THE GOVERNMENT OF JAMAICA** by the Minister of Finance and Planning
the Minister of Transport, Works and Housing
and the Minister of Water, Land, Environment and
Climate Change
in the presence of:



Witness

Wend

of: 

Witness

) Asst. Secy. (Finance)
) Minister of Finance and Planning

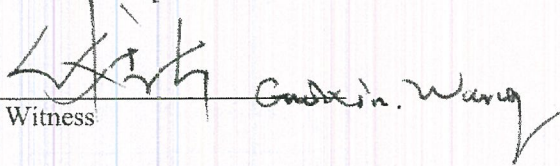
Minister of Water, Land, Environment and
Climate Change

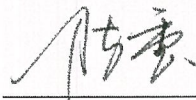
) Amir K. Puri
Minister of Transport, Works and Housing

Managing Director

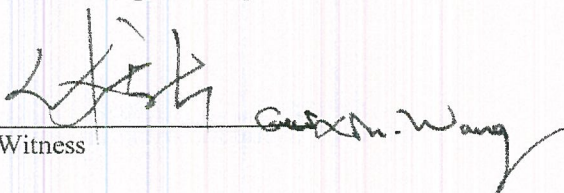
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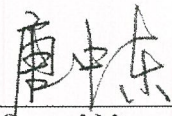
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SIGNED on behalf of **JAMAICA NORTH SOUTH
HIGHWAY COMPANY LIMITED**
by its Director in the presence of:


Witness

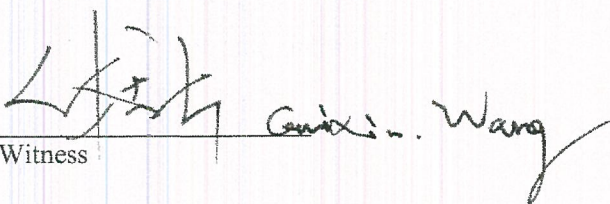
) 
) _____
) Director
Chen Zhong.

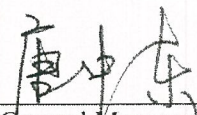
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.....
SIGNED on behalf of **CHINA HARBOUR
ENGINEERING COMPANY LIMITED** as Contractor
by its General Manager in the presence of:


Witness

) 
) _____
) General Manager
ZHONG DONG TANG

.....
SIGNED on behalf of **CHINA HARBOUR
ENGINEERING COMPANY LIMITED** as Operator
by its General Manager in the presence of:


Witness

) 
) _____
) General Manager
ZHONG DONG TANG

SCHEDULE A
INTERPRETATIONS

"Affiliate" means, in relation to any person, a person that controls, is controlled by or is under common control with such person. As used in this definition the terms "control", "controlled by" or "under common control with" shall mean ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities of such person or the power to direct the management or policies of such person, whether by operation of law, by contract or otherwise;

"Compensation Amount" means a payment of compensation payable by the Grantor to the Developer pursuant to the terms of the Concession Agreement;

"Competent Authority" includes the Toll Authority, the Toll Regulator, any court of competent jurisdiction and any local, national or supranational agency, inspectorate, department, local authority, minister, ministry, official or public or statutory person (whether autonomous or not) in or of the State or any political subdivision thereof and any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

"Competent Authority Consents" means the consents to be listed in the Concession Agreement to be obtained on or prior to the Effective Date;

"Completion Certificate" means the certificate issued by the Grantor's Representative pursuant to the Concession Agreement confirming that the conditions precedent to the completion and opening of one or more Parts of the Toll Road have been satisfied pursuant to the terms of the Concession Agreement;

"Concession Period" means the concession period specified in the Concession Agreement and for the avoidance of doubt ending upon the expiry or termination of the Concession Agreement;

"Construction Works" means all of the work concerning the detailed design, specification, construction and completion of all parts of the Toll Road excluding the Existing Road Section (but, for the avoidance of doubt, including the Unfinished Road Section), in accordance with the provisions of the Concession Agreement;

"Contract Plant" means machinery, computer hardware and software, apparatus, materials, articles and things of all kinds to be provided under the Concession Agreement and intended to form or forming part of the Toll Road and/or for the purposes of operating and maintaining the Toll Road;

"Contractor's Equipment" means all appliances or things of whatsoever nature required for the purposes of the construction of the Toll Road but does not include Contract Plant, materials and other things intended to form or forming part of the Toll Road;

"Core Design and Construction Requirements" means the specified requirements for the design and construction of the Toll Road, to be set out in the Concession Agreement;

"Core O&M Requirements" means the specified requirements for the operation and maintenance of the Toll Road, to be set out in the Concession Agreement;

"Core Requirements" means the Core Design and Construction Requirements and the Core O&M Requirements, as the same may be amended from time to time pursuant to the Concession Agreement;

"Customs Duty" means any duties charged by Jamaican customs in respect of goods imported into Jamaica for use on the Project;

"Developer Party" means the Developer, the Operator and the Contractor, and together, the **"Developer Parties"**.

"Effective Date" means the date the Concession Agreement becomes unconditional in accordance with the terms of the Concession Agreement;

"Existing Road Section" means the part of the Mount Rosser Bypass other than the Unfinished Road Section (which has been partially constructed prior to the date of this Agreement);

"Final Completion Certificate" means the certificate confirming completion of the Construction Works issued by the Grantor's Representative under Clause 16.9 of the Concession Agreement.

"Financing Agreements" means

- (a) the financing agreements entered into (or to be entered into) with the approval of the Grantor, which approval is not to be unreasonably withheld or delayed; and
- (b) any hedging agreements entered into by the Developer with the prior written consent of the Grantor, which consent is not to be unreasonably withheld or delayed if that hedging arrangement complies with the hedging policy set out in the Concession Agreement,

as such agreements may be amended from time to time in accordance with the Concession Agreement, but shall not include any agreement under which finance is provided to the Developer or a shareholder or any Affiliate of a Shareholder;

"Government Guarantee" has the meaning given to the term in Clause 10 (Governmental Guarantee);

"Grantor's Representative" means the person appointed by the Grantor who is fluent in English, to act as the Grantor's representative in connection with the Concession Agreement;

"Handover Date" means, in relation to the Toll Road or any Part, the date of issue by the Grantor's Representative of the Completion Certificate for the Toll Road or the relevant Part;

"Initial Toll Levels" means the initial Toll Levels to be agreed pursuant to the Concession Agreement;

"Jamaican Dollars" means the lawful currency from time to time of the State;

"Land Development Schedule" means the schedule for the acquisition of the Site to be set out in the Concession Agreement;

"Lender" means any person providing finance to the Developer under any Financing Agreement (but for the avoidance of doubt shall not include any Shareholder or Affiliate of any Shareholder);

"Minister" means the Minister of Transport, Works and Housing of the Government of Jamaica;

"Mount Rosser Bypass" means the section of the Toll Road between Linstead and Moneague (as more specifically set out in the Core Requirements) and which consists of the Existing Road Section and the Unfinished Road Section;

"Part" means any section or part of the Toll Road which the Developer may from time to time decide to complete and commence operation of separately from the remainder of the Toll Road in accordance with the Concession Agreement;

"Parties" means the parties to this Agreement, and **"Party"** means any one of them;

"Relevant Transport Corridor" means the area of land delineated on the map attached as Figure 2;

"Required Consents" means all consents, licences, authorisations, permissions, approvals and permits of any Competent Authority which are necessary for the construction or operation of the Toll Road or the Secondary Developments or for the performance of any of the Developer's obligations under the Concession Agreement, including the Competent Authority Consents;

"Reviewed Design Documentation" means the draft or revised design information, drawings and manuals submitted to the Grantor and returned to the Developer marked as "reviewed without comments" in accordance with the Concession Agreement;

"Road Operating Rights" means the right under the Toll Roads Act to operate the Toll Road and levy and collect Tolls;

"Secondary Developments" means developments of any kind on the Site which are not included in the Project, including, without limitation, advertising, the provision of petrol stations and ancillary services and developments which relate to electricity and telecommunications cables and fibre optics;

"Shareholders" means the shareholders of the Developer;

"Site" means the lands acquired and shown on the NROCC land acquisition plans for Mt. Rosser, as well as those other lands to be agreed between the parties pursuant to the Concession Agreement;

"Standards Act" means the Standards Act of 1969;

"State" means the Government of Jamaica;

"Statutory Requirements" means all applicable statutes, laws, regulations, rules, by-laws, guidelines, standards, proclamations, schemes, notifications, directions, notices, forms or orders and any other requirements from time to time having the force of law;

"Tax" means any kind of tax, duty, levy, charge, contribution, impost or any similar charge, whether or not similar to any in force at the date of this Agreement and whether imposed by a local, municipal, governmental, state, federal or other body or authority in Jamaica or elsewhere;

"Toll Authority" means the body established by section 4 of the Toll Roads Act;

"Toll Levels" means the levels of Tolls which the Developer is entitled to levy pursuant to the Concession Agreement;

"Toll Order" means one or more orders made by the Minister under section 8 of the Toll Roads Act designating a road a toll road, authorizing the levy collection and retention of tolls and/or specifying or providing for any of such other matters as by sections 8 and 10 of the Toll Roads Act may be specified or provided for in an order made under section 8 of the said Act;

"Tolling Policy" means the tolling policy established pursuant to the Concession Agreement;

"Toll Regulator" means the person, group of persons or body designated by the Minister pursuant to Section 23 of the Toll Roads Act;

"Toll Road" means the road from Spanish Town to Ocho Rios, to be financed, designed, constructed, operated and maintained by the Developer in accordance with the terms of the Concession Agreement;

"Toll Roads Act" means the Toll Roads Act 2002 including all amendments thereto prior to the Effective Date and all subsidiary legislation setting out the legal framework applicable to the construction, operation and maintenance of toll roads in Jamaica;

"Tolls" means the tolls charged to users of the Toll Road in accordance with the Concession Agreement;

"Unfinished Road Section" means (as more specifically set out in the Core Requirements) that part of the Mount Rosser Bypass between the chainage point at 4,700 metres and the chainage point at 9,700 metres (which has not been constructed at the date of the Agreement) and the two southbound lanes between the chainage point at 2,700 metres and the chainage point at 4,700 metres where the wearing course has not been completed, as per China Harbor Engineering Company Limited's letter to the Grantor dated August 19, 2011 (ref: CHEC-JRMC-2011-No. 10); and

"US Dollars" means the lawful currency for the time being of the United States of America.

"US\$/J\$ Weighted Average" means the weighted average rate of exchange for the purchase of US Dollars in Jamaica with Jamaican Dollars.

SCHEDULE B¹
TAX PROVISIONS

It is agreed that the following tax provisions shall apply to the Developer Parties:

1. GENERAL CONSUMPTION TAX

The Government shall, by no later than the Effective Date, procure that the Developer Parties are, to the extent applicable, granted the following General Consumption Tax ("GCT") rates with respect to the Project:

- (a) the rate of GCT on Tolls charged to users shall be zero for the period commencing on the Effective Date and ending on the 35th anniversary of the Final Handover Date;
- (b) GCT applicable on invoices of/to Developer Parties and sub-contractors of any Developer Party, to/from any other Developer Parties or sub-contractor of any Developer Party shall be exempted or remitted for the period commencing on the Effective Date and ending on the 25th anniversary of the Final Handover Date;
- (c) GCT applicable on other direct sub-contractors or suppliers to or from any Developer Parties shall be exempted or remitted for the period commencing on the Effective Date and ending on the 25th anniversary of the Final Handover Date;
- (d) GCT applicable on imports into Jamaica by or to the Developer Parties shall be exempted or remitted for the period commencing on the Effective Date and ending on the 25th anniversary of the Final Handover Date; and
- (e) the GCT refundable as a result of exemption or remission granted pursuant to this Clause I will be paid to Developer Parties or its suppliers or subcontractors within a maximum 8 week period,

2. IMPORT AND EXPORT

2.1 The Government shall, by no later than the Effective Date, procure that the Developer Parties, are granted the necessary exemptions and waivers of any Customs duties and levies of any kind imposed during importation on any items, excluding cars, purchased directly or imported by any of the Developer parties for the purposes of the Project and the Secondary Developments for the period commencing on the Effective Date and ending on the 25th anniversary of the Final Handover Date. The exemption shall cover the following:

- (a) customs duty;

- (b) additional stamp duty on customs inward warrants (applicable to certain goods, for example, mill-finished extrusions, anodized-finished extrusions, corrugated sheets etcetera).
- 2.2 Each Developer Party shall, to the extent reasonably and economically possible (and consistent with its obligations under the Concession Agreement), use, and procure that its sub-contractors use, labour, technical expertise, products and materials produced or originating in Jamaica.
- 2.3 Subject to Clause 2.2, the Developer Parties shall be entitled to import without restriction all items for the design, construction, completion, operation and maintenance of the Project and the Secondary Developments, including but not limited to, spare parts and replacements to the spare parts inventory.
- 2.4 The Government shall, in respect of all items imported into Jamaica by any Developer Party for incorporation into the Project and the Secondary Developments or for the purposes of the Project and the Secondary Developments, take all advance steps and issue such advance instructions and issue such certificates and documentation as may be necessary or reasonable, and procure that any relevant Competent Authority issues such certificates and documentation required, under the circumstances to ensure expedient custom clearance of such items and non payment of Taxes pursuant to the terms of this Agreement.
- 2.5 Each Developer Party shall be entitled to export without restriction all items imported by it under Clause 2.3 for permanent installation in the Project and the Secondary Developments for the purpose of repair or refurbishment outside Jamaica and to re-import the same without restriction, and the Government shall, at the request of any relevant Developer Party, take reasonable measures to expedite the issuance of any consents required for the export and re-import of such items and the non- payment of Taxes pursuant to the terms of this Agreement.

3. TAX EXEMPTIONS AND REMISSIONS

- 3.1 The Government shall, by no later than the Effective Date, procure that the Developer Parties are granted the following tax exemptions, waivers and remissions which are necessary to enable or assist the Developer Parties to fulfill their respective obligations under the Concession Agreement and in respect of the Secondary Developments:
 - (a) Corporate tax
 - (i) zero percent corporate tax rate shall be payable for the period commencing on the Effective Date and ending on the 20th anniversary of the Final Handover Date;
 - (ii) any tax and accounting losses shall be permitted to be carried forward until they have been fully absorbed and such ability to carry forward shall not be prejudiced by any change of shareholding;
 - (iii) realised exchange losses shall be deductible for tax purposes; and
 - (iv) interest expense incurred for the Project's construction or operation shall be deductible.

(b) Stamp duties and other duties

For the duration of the Concession Period, no stamp duties on:

- (i) equity and quasi-equity issues as well as on capital increase and transfer of shares or
 - (ii) insurance policies, financial instruments of any kind, assignment, leasing activities and other securities and other forms of transfer of contract
- shall be payable.

(c) Withholding taxes

For the duration of the Concession Period, no withholding tax or other taxes shall be incurred under Jamaican law on:

- (i) interest payments and other payments made for loans contracted by any Developer Party with foreign or multilateral institutions or foreign commercial banks under the Financing Agreements;
- (ii) payments or repayments in respect of any shareholder loans (and interest and other payments) made to or from any Developer Party;
- (iii) any payments by way of dividends or other distributions to or from any Developer Party; or

The above exemptions shall not be prejudiced by the tax resident status of the receiving party.

(d) Other taxes

For the duration of the Concession Period, no:

- (i) contractor's levy and other taxes on construction contracts (if any) which are otherwise applicable to the Developer Parties;
 - (ii) property tax on the ownership of any property or real estate where such tax is imposed; or
 - (iii) transfer tax upon transfer of shares, property and right of any kind;
- shall be payable.

- (e) For the purposes of corporate tax calculations, the Developer Parties' costs incurred in constructing the Toll Road should be capitalized as Road Operating Rights. Such Road Operating Rights shall be amortized for tax and accounting purpose. The method to be used for the amortization can be based on either a straight line basis or the traffic volume.

SCHEDULE C

Competing and Non-Competing Roads

Competing Roads:

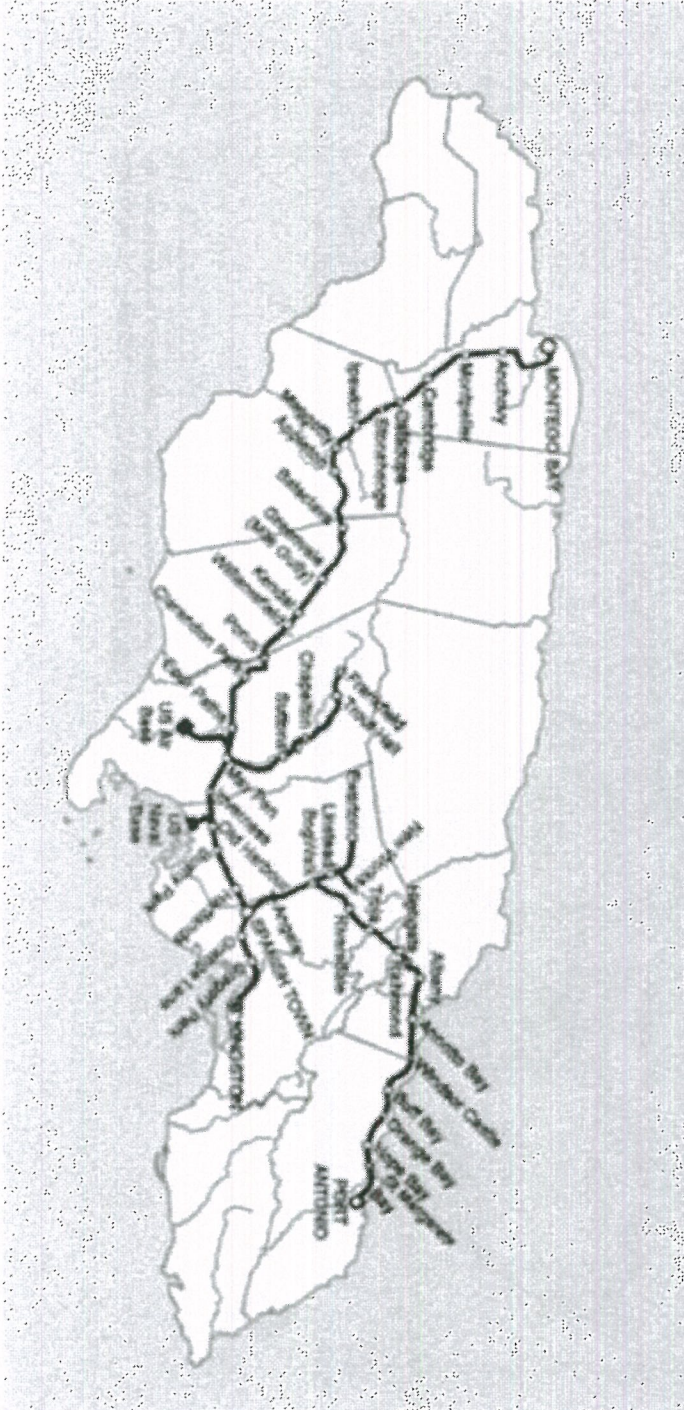
- Existing free road from Spanish Town to Ocho Rios.
- Existing free road from Moneague through Golden Grove to St. Ann's Bay.
- Any new roads within the Relevant Transport Corridor (defined generally as 30 Km on each side of the road from Spanish Town to Ocho Rios and as shown on the attached Figure 2). Roads within the Metropolitan Areas of Kingston and Spanish Town shall not be considered within the Relevant Transport Corridor.
- If the Government substantially alters the alignment of more than 50% of any roads within the Relevant Transport Corridor in the period of 25 years from the Effective Date then these roads shall be considered to be competing roads.

Non-Competing Road:

- The existing Spanish Town Bypass from Old Harbour Road to Angels.
- The existing Mandela Highway from Kingston to Spanish Town.
- The Junction Road from Stony Hill, St. Andrew to Annotto Bay, St. Mary provided that no improvements or enhancements that allow for more than 2 lanes of traffic shall be made to the Junction Road..

The existing railway lines are attached in Figure 1 Railway Map of Jamaica.

FIGURE 1
Railway Map of Jamaica



Railway Map of Jamaica

Figure 2
Relevant Transport Corridor

