
EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA



**COOPERATION AGREEMENT BETWEEN THE CALIFORNIA
GOVERNMENT AND THE SPANISH MINISTRY OF DEVELOPMENT**

In Sacramento, on the 9 day of July, 2003, by and between Mr. JOSEPH PETRILLO, Chairman of the California High Speed Rail Authority with headquarters at 925 L Street, Suite 1425, Sacramento, CA 94814, and the remaining party, Mr. BENIGNO BLANCO RODRÍGUEZ, Secretary of State for Infrastructures of the Spanish Government with headquarters at Ministerio de Fomento, Paseo de la Castellana, 67, Madrid 28071, in representation of the Ministry of Development.

Both of them, on behalf of the Administrations they represent, and with the proper authorization to do so, hereby establish this Cooperation Agreement between the aforementioned entities, for, among others in accordance with the following clauses:

PURPOSE AND SCOPE OF COOPERATION

The two Administrations declare their interest in establishing and developing long-term cooperation in the field of high-speed rail transportation and exchange of information relative to the planning, technical standards, procurement, funding and operation, in accordance with their common interests.

THE COORDINATING COMMITTEE

The two parties agree to create a Coordinating Committee headed by a Coordinator from each Administration, with wide experience in high-speed railroad techniques. In the case of Spain, the coordinator shall be an official representative designed by the Ministry of Development.

DUTIES OF THE COORDINATION COMMITTEE

The Coordinating Committee's initial duty shall be the reciprocal exchange of information on topics considered to be of common interest in the field of railroad activities, as well as of any other topics which allow for reciprocal knowledge to be gained by both parties.

The Committee shall meet, as convenient, either in person in the site agreed by the parties, or in any other way considered convenient and cost effective.

EXCHANGE AND INFORMATION ANALYSIS

This agreement calls for the signing parties to information exchanges relating to high-speed rail transportation. When it is considered useful to both parties each party shall comment on the information provided by the other party, subject to personnel availability and budgetary sources. In this way, each party is expected to benefit from the exchange of information regarding the latest developments in the field of high-speed rail transportation.

TERMINATION

Either party may terminate this agreement upon the giving of 10 days notice to the other party.

LIMITATION

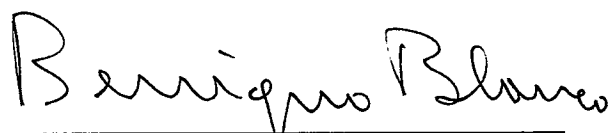
This agreement calls for the voluntary exchange of information which is otherwise public information, and the exchange of which is not prohibited by law or against public policy. No right of enforcement is created by this agreement. This agreement does not constitute an agreement for the provision of goods or services in exchange for compensation, nor does it represent any commitment for a future agreement of that sort. This agreement is not an exclusive agreement, and each party is free to enter into similar agreements with other entities with an interest and expertise in high-speed rail transportation.

CONFIDENTIALITY

No information which one party considers to be confidential shall be released to the other party unless the other party is given prior notice of the confidentiality of such information and agrees beforehand that it will accept such information subject to the assertion of confidentiality. This provision is intended to give the receiving party an opportunity to determine whether the laws which govern it permit to maintain the confidentiality of such information.

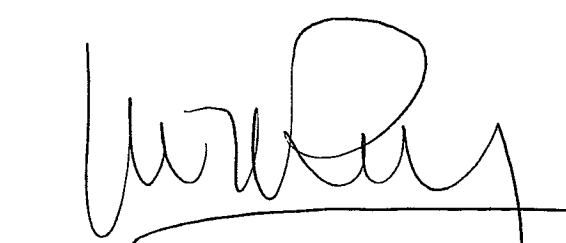
Signed in the Governor's Council Room on July 9, 2003 in presence of Mr. Michael Flores, Secretary of Foreign Affairs for the State of California and Mr. Francisco Javier Ruperez, Ambassador of Spain to the United States.


Mr. JOSEPH PETRILLO
Chairman of the California High Speed
Rail Authority


Mr. BENIGNO BLANCO RODRÍGUEZ
Secretary of State for Infrastructures

In Witness Of:


Mr. MICHAEL FLORES
Secretary of Foreign Affairs


Mr. FRANCISCO JAVIER RUPEREZ
Ambassador of Spain to the United
States