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Office of the Attorney General

December 1, 2011

Barclays Capital Inc.
Seattle, Washington

Citigroup Global Markets Inc.
Seattle, Washington

Piper Jaffray & Co.
El Segundo, California

**Re: Government of Guam Business Privilege Tax Bonds, Series 2011A
(AG Opinion Ref: GEDA 11-0974)**

Ladies and Gentlemen:

This letter is addressed to you as the Underwriters pursuant to Section K4(h) of the Bond Purchase Agreement, dated November 15, 2011 (the "Bond Purchase Agreement"), by and between Barclays Capital Inc., as representative of itself, Citigroup Global Markets Inc. and Piper Jaffray & Co. (collectively the "Underwriters"), and the Government of Guam (the "Government"), providing for the purchase of \$235,000,000 principal amount of Government of Guam Business Privilege Tax Bonds, Series 2011A (the "Bonds"). The Bonds are being issued pursuant to Section 1512.3 of Title 5 of the Guam Code Annotated (the "Act") and an Indenture, as supplemented by a First Supplemental Indenture, each dated as of December 1, 2011 (the "Closing Date"), by and among the Government, Bank of Guam as Trustee, and U. S. Bank National Association, as Co-Trustee. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture.

We have reviewed the Act, the Bond Purchase Agreement, the Continuing Disclosure Certificate of the Government dated the date hereof, the Indenture, the First Supplemental Indenture, the Preliminary Official Statement dated November 4, 2011 relating to the Bonds, as supplemented by a Supplement dated November 15, 2011 (the "Supplement," and together, the "Preliminary Official Statement"), the Official Statement dated November 15, 2011 relating to the Bonds (the "Official Statement"), certifications of the Government, the Trustee, the Co-Trustee, the Paying Agent and others, and opinions of counsel to the Trustee and to the Co-Trustee and Paying Agent, and such other documents, opinions and matters to the extent we deemed necessary to provide the opinions or conclusions set forth herein (such documents are collectively referred to

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herein as the "Documents"). We have assumed the genuineness of all signatures (other than those of the Government) on each of the Documents and signatures presented to us (whether as originals or as copies), and the due and legal execution and delivery thereof by, and validity against, any parties other than the Government. We have made no inquiries to establish or verify facts material to this opinion, but have assumed the accuracy of the factual matters represented, warranted or certified in the Documents, and of the legal conclusions contained in the opinions referred to above.

The opinions expressed in this letter are based on an analysis of existing laws, regulations, rulings and court decisions, and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to my attention after the date hereof. We do not purport to be experts in or generally familiar with or qualified to express legal opinions based on the laws of any jurisdiction other than the laws of Guam. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, waiver or severability provisions contained in the Documents, and we express no opinion as to the availability of equitable remedies to persons seeking to enforce the obligations of the Government.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the opinion that:

(1) The Government is on the Closing Date an unincorporated territory of the United States of America and has full legal right, power and authority to enter into and perform its obligations under the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, and the Continuing Disclosure Certificate to authorize, issue and sell the Bonds, to collect and enforce the collection of Business Privilege Tax Revenues, and to carry out and consummate all transactions required of the Government as contemplated by the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, and the Continuing Disclosure Certificate;

(2) The Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, and the Continuing Disclosure Certificate have been duly approved and authorized by the Government and each has been duly executed and delivered and is in full force and effect as of the Closing Date;

(3) The Bond Purchase Agreement has been duly authorized, executed and delivered by, and constitutes a valid and binding obligation of, the Government enforceable in accordance with its terms, except that the enforceability of the rights and obligations under the Bond Purchase Agreement may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors's rights, to the application of equitable principles and to the exercise of judicial discretion in appropriate cases;

(4) The execution of the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, and the Continuing Disclosure Certificate, and the consummation of the

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transactions contemplated thereby, and the compliance with the provisions thereof, will not conflict with or constitute on the part of the Government a breach of or a default under any existing law, administrative regulation, court order or consent decree of the Government or any department, division, agency or instrumentality of the United States to which the Government is subject, or any agreement, resolution or instrument to which the Government is a party or may otherwise be subject;

(5) The pledge of Business Tax Revenues pursuant to the Act and the Indenture creates a valid first priority lien in favor of the Trustee for the benefit of the Bondholders;

(6) All approvals, consents or orders of any governmental authority, board, agency or commission having jurisdiction the obtaining of which would constitute a condition precedent to the performance by the Government of its obligations under the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture and the Continuing Disclosure Certificate, or the Bonds and which can reasonably be obtained by the time of Closing have been obtained;

(7) There is no litigation or proceeding, pending (with service of process having been received by the Government or otherwise known to us) or, to our knowledge, threatened (either in Guam, state or federal courts):

(a) to restrain or enjoin the execution or delivery of the Bonds or the general collection of Business Privilege Tax Revenues;

(b) in any way contesting or affecting the existence of the Government or, except as described below, the title of any official of the Government to such person's office;

(c) to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of revenues of the Government pledged or to be pledged to pay the principal of and interest or premium, if any, on the Bonds, or the pledge thereof; or

(d) in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture and the Continuing Disclosure Certificate, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the power of the Government or its authority with respect to the Bonds, the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, and the Continuing Disclosure Certificate;

(8) As of the date of the Official Statement and as of the Closing Date, the statements contained in the Official Statement under the captions "INTRODUCTION," "LITIGATION" and "CONTINUING DISCLOSURE" are accurate in all material respects; and

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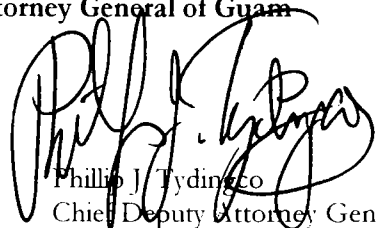
(9) We have no reason to believe that either the Preliminary Official Statement, as of the date of the Supplement and as of the date hereof, or the Official Statement, as of its date and as of the Closing Date, contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for the financial statements and other financial and statistical data included in the Preliminary Official Statement and the Official Statement and the Appendices thereto, as to which no view is expressed).

In addition to the foregoing, we have examined the decision by the Guam Supreme Court in *Gutierrez v. the Guam Election Committee*, 2011 Guam 3 (February 3, 2011) and other pending cases concerning the November 2010 gubernatorial election and certification of election results by the Guam Election Commission, and based thereon are of the opinion that (i) the Governor of Guam (the "Governor") has the authority to execute the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, the Continuing Disclosure Certificate, and any other document relative to the Bonds; (ii) there is no pending litigation or known threatened litigation having merit which would affect the Governor's authority to execute the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, the Continuing Disclosure Certificate, and any other document relative to the Bonds; and (iii) the Government has full legal right, power and authority to enter into and perform its obligations under the Bond Purchase Agreement, the Indenture, the First Supplemental Indenture, the Continuing Disclosure Certificate, and any other document relative to the Bonds, and to authorize, sell and issue the Bonds.

This letter is delivered to you as Underwriters of the Bonds, is solely for your benefit as such Underwriters, and is not to be used, circulated, quoted or otherwise referred to or relied upon by you for any other purpose. This letter is not intended to, and may not, be relied upon by holders of the Bonds or any other party to whom it is not specifically addressed.

LEONARDO M. RAPADAS
Attorney General of Guam

By:


Phillip J. Tydingco
Chief Deputy Attorney General