

RECORDING REQUESTED BY
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136396

LEASEHOLD DEED OF TRUST, SECURITY AGREEMENT,
ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING

made as of

March 1, 1991

by

BEOWAVE GEOTHERMAL POWER COMPANY,

to

FIRST AMERICAN TITLE INSURANCE COMPANY OF NEVADA,

as Trustee

for and with

THE FUJI BANK, LIMITED
Los Angeles Agency,

as Beneficiary and

Security Representative

BEOWAVE GEOTHERMAL PROJECT

This instrument is, among other things, a revolving line of credit deed of trust, deed of trust, assignment of rents, assignment of leases, assignment, security agreement and financing statement of both real and personal property, including fixtures. The total outstanding principal amount of indebtedness secured by this instrument shall not exceed at any one time \$27,000,000. This instrument secures future advances subject to the provisions of NRS 106.300 to 106.400 inclusive. This instrument contains after acquired property provisions and secures obligations containing provisions for changes, indexing and adjustments of interest rates and payment terms, extensions of time for payments and other modifications in the terms of the obligations.

**LEASEHOLD DEED OF TRUST, SECURITY AGREEMENT,
ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING**

THIS LEASEHOLD DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING (this "Deed of Trust and Security Agreement") is made as of March 1, 1991 by BEOWAWE GEOTHERMAL POWER COMPANY, a California general partnership, as trustor (the "Partnership"), to First American Title Insurance Company of Nevada, a Nevada corporation, as trustee (the "Trustee") for and with THE FUJI BANK, LIMITED, acting through its Los Angeles Agency, as security representative (in such capacity, the "Security Representative"), as beneficiary hereunder for and on behalf of (i) the Banks named in the Credit Agreement referred to below (each a "Bank" and, collectively, the "Banks"), (ii) THE FUJI BANK, LIMITED, acting through its Los Angeles Agency, as Agent under the Credit Agreement referred to below (in such capacity, the "Agent") and (iii) each counterparty (a "Swap Counterparty") to any interest rate swap or other hedging device to which the Partnership is a party (a "Swap") between the Partnership and such Swap Counterparty if the obligations of the Partnership to such Swap Counterparty are secured by this Deed of Trust and Security Agreement pursuant to Section 1.08(d) hereof (individually, each of the entities referred to in the preceding clauses (i) through (iii), a "Secured Party" and, collectively, the "Secured Parties").

RECITALS

A. The Partnership, the Banks, the Agent and the Security Representative are parties to a Credit Agreement dated as of March 1, 1991 (the "Credit Agreement") pursuant to which the Banks have agreed to make loans to the Partnership in an aggregate principal amount up to but not exceeding at any time outstanding \$27,000,000.

B. It is a condition precedent to the initial borrowing of Loans under the Credit Agreement that, among other things, the Partnership shall have executed and delivered this Deed of Trust and Security Agreement.

C. Terms defined in the Credit Agreement which are not defined in this Deed of Trust and Security Agreement shall,

when used in this Deed of Trust and Security Agreement, have the respective meanings ascribed to those terms (including by incorporation by reference) in the Credit Agreement and the rules of interpretation specified in Section 1.02 of the Credit Agreement shall be applicable to this Deed of Trust and Security Agreement.

AGREEMENT

In order to induce the Banks, the Agent and the Security Representative to enter into, and to induce the Banks to make Loans pursuant to, the Credit Agreement, the Partnership hereby agrees with the Trustee and the Security Representative, for the ratable benefit of the Secured Parties, as follows:

ARTICLE I. LIENS AND SECURED OBLIGATIONS

1.01 Grants with Respect to the Property. The Partnership hereby irrevocably grants, transfers and assigns to the Trustee, in trust for the benefit of the Security Representative, with power of sale and, as provided in this Deed of Trust and Security Agreement, right of entry and possession, all right, title and interest of the Partnership in the following property (the "Property") now owned or in the future acquired by the Partnership or in which the Partnership now has or in the future may acquire any right, title or interest:

(a) All right, title and interest of the Partnership as present lessee under, and the leasehold created by, the Lease Agreement dated as of August 16, 1985, between J. Allen Ginn, Jr. and Ann A. Ginn, as lessor, and the Partnership, as lessee (the "Ground Lease"), which was recorded on October 21, 1985 as Instrument No. 390653, in Book 259, Pages 83 through 94, Official Records of Lander County, Nevada covering certain real property situated in the County of Lander, State of Nevada, as more fully described in Exhibit A attached to, and made a part of, this Deed of Trust and Security Agreement (the "Land").

(b) All buildings, structures and other improvements, related or to be related to the Project and now or in the future located on the Land or the real property subject to the Easements (as defined below), or, if located elsewhere, used or intended to be used in connection with the Project and any such improvements, all machinery, equipment, appliances, work in progress, production and injection or disposal wells, furniture, furnishings, inventory, fixtures and other property of any kind

or description now or in the future used or intended to be used in connection with and attached or affixed in any manner to the Land, the real property subject to the Easements, or any such improvements and related or to be related to the Project (including all electrical generating, distributing or transmitting machinery and equipment, all switchyard facilities, all storage tanks and pipelines and all gas, electric, heating, cooling, air conditioning, refrigeration and plumbing fixtures and equipment) and all improvements and additions thereto and all repairs, attachments, renewals or replacements of all or any part of the foregoing which have been or may in the future be attached or affixed in any manner to the Land, the real property subject to the Easements, or any such improvement (the "Improvements").

(c) All rights, rights of way, easements, licenses, privileges, tenements, hereditaments and appurtenances (including those under (i) the Right of Way grant, dated August 16, 1985, between the Ground Lessor and the Partnership, and recorded October 10, 1985 in Book 258, page 343 of Official Records, as File No. 130093, Lander County, Nevada, (ii) the Right of Way grant under that certain Agreement, dated August 16, 1985, between Ground Lessor and Chevron Geothermal Company of California, Inc., and recorded June 10, 1986 in Book 267, page 182 of Official Records as File No. 132726, Lander County, Nevada, (iii) the Right of Way grant under that certain Geothermal Resource Lease dated March 1, 1975 executed by United States Department of the Interior, Bureau of Land Management, as lessor, and Chevron Oil Company, as lessee, and recorded May 14, 1990 in Book 345 of Official Records, page 277 as File No. 164359, Lander County, Nevada, (iv) the Right of Way grant under that certain Geothermal Resource Lease, dated August 29, 1978, executed by The Board of Trustees of the Leland Stanford Junior University, as lessor, and Chevron U.S.A. Inc., as lessee, and recorded September 27, 1978 in Book 66 of Official Records, page 149 as File No. 66307, Eureka County, Nevada, and also recorded September 29, 1978 in Book 160 of Official Records, page 353 as File No. 091904, Lander County, Nevada, (v) the Right of Way grant under that certain Geothermal Resource Lease dated January 2, 1979, executed by Elmer L. Batz and Lillian F. Batz, husband and wife, as lessor, and by Chevron U.S.A. Inc., as lessee, and recorded April 6, 1979, in Book 69 of Official Records, page 476 as File No. 68023, Eureka County, Nevada, and also recorded April 12, 1979, in Book 164 of Official Records, page 583 as File No. 093578, Lander County, Nevada, and (vi) the easements granted under the Production Payment Deed (as defined below) and covering certain real property situated in the County of Lander, State of Nevada, now or in the future in any way appertaining and belonging to, or used or intended to be used in connection with all or any part of the Ground Lease, the Land or the Improvements or as a means of access to the same (including

any claim at law or in equity) and all after-acquired titles and reversions in or to each and every part of all streets, roads, highways and alleys adjacent to and adjoining the same (the "Easements").

(d) All right, title and interest of the Partnership as present grantee under, and the estate created by, the Production Payment Deed dated as of December 21, 1990, between Chevron Geothermal Company of California, Inc., as grantor, and Oxbow Power of Beowawe, Inc., as grantee (the "Production Payment Deed"), which was recorded December 21, 1990 in Book 218 of Official Records, page 199 as File No. 135010, Eureka County, Nevada, and also recorded December 21, 1990 in Book 355 of Official Records, page 089 as File No. 167749, Lander County, Nevada, and assigned by an Assignment and Assumption Agreement dated as of December 21, 1990, by and between Oxbow Power of Beowawe, Inc., as assignor, and the Partnership, as assignee, recorded December 21, 1990 in Book 218 of Official Records, page 222, as File No. 135012, Eureka County, Nevada and also recorded December 21, 1990 in Book 355 of Official Records, page 112, as File No. 167751, Lander County, Nevada, which Production Payment Deed covers certain real property situated in the Counties of Lander and Eureka, State of Nevada.

(e) All right, title and interest of the Partnership as present grantee under (i) that certain Water Rights Deed, dated as of December 21, 1990, made by Chevron U.S.A. Inc., a Pennsylvania corporation, as grantor, and the Partnership, as grantee, with respect to Water Right 48737 issued by the Nevada State Engineer and recorded in the Official Records of Lander County, Nevada on January 7, 1991, in Book 355, Pages 372 through 374 ("Water Rights Deed 48737"), and (ii) that certain Water Rights Deed, dated as of December 21, 1990, made by Chevron Geothermal Power Company, as grantor, and the Partnership, as grantee, with respect to Water Right 27959 issued by the Nevada State Engineer and recorded in the Official Records of Lander County, Nevada on January 7, 1991, in Book 355, Pages 369 through 371 ("Water Rights Deed 27959" and together with Water Rights Deed 48737 the "Water Rights Deeds").

(f) All rentals, earnings, income, deposits, security deposits, receipts, revenues, issues, profits and other proceeds ("Property Revenues") which, after the date of this Deed of Trust and Security Agreement and while any portion of the Secured Obligations (as defined below) remains unpaid, may accrue from all or any part of the Ground Lease, the Land, the Easements, the Production Payment Deed, the Water Rights Deeds, or the Improvements.

(g) All deposits, if any, made with, or other security given to, utility companies by the Partnership with respect to all or any part of the Ground Lease, the Land, the Easements, the Production Payment Deed, the Water Rights Deeds, or the Improvements.

(h) All right, title or interest of the Partnership to extend or renew the Ground Lease, the Easements or the Production Payment Deed.

(i) All other real property of every kind and description, and interests therein, now or hereafter acquired by the Partnership, wherever located, used in connection with, or related or to be related to, the Project.

1.02 Collateral Security. For the ratable benefit of the Secured Parties, the Partnership hereby pledges, assigns, transfers and delivers to the Security Representative, and grants to the Security Representative a continuing prior lien and security interest in, subject only to Permitted Liens, the following property (the "Collateral Security" and, together with the Property, the "Collateral") now owned or in the future acquired by the Partnership or in which the Partnership now has or may in the future acquire any right, title or interest:

(a) All existing and future goods and tangible personal property of any kind or description, whether or not constituting fixtures, wherever located or to be located, now or in the future used or intended to be used in connection with, or related or to be related to, the construction, occupancy, use, operation or maintenance of the Property or the Project (including all electrical generating, distributing or transmitting machinery and equipment, all switchyard facilities, all machinery, equipment, appliances, work in progress, production and injection or disposal wells, furniture, furnishings, inventory, fixtures, materials, supplies and vehicles of any kind or description), and all improvements and additions to, and all repairs, attachments, renewals or replacements of all or any part of the foregoing.

(b) All accounts, contract rights, documents, securities, chattel paper, instruments, notes, drafts, letters or advices of credit, receivables and other amounts and obligations owing to the Partnership, in each case in respect to the Project and all ledger sheets, files, books and records, architectural drawings, plans, specifications, soil tests, feasibility studies, appraisals, engineering reports and similar materials relating to all or any part of the Collateral or the Project; provided, however, that the Partnership may retain any computer tapes and software to the extent that appropriate copies of data are made

available to the Security Representative upon the exercise of the remedies set forth in Section 4.01 of this Deed of Trust and Security Agreement.

(c) To the extent assignable, all general intangibles, choses in action and claims and rights to recover and proceed against any Person, in each case relating to the design, development, construction, ownership, acquisition, occupancy, use, operation, maintenance and disposition of all or any part of the Collateral and the Project, including all goodwill, all authorizations, approvals, consents, waivers, exceptions, licenses, filings, registrations, permits, notarizations, special leases and other requirements of any governmental, quasi-governmental, judicial or public or statutory authority, body or entity ("Governmental Actions") and all materials prepared for filing or filed with any governmental agency in any way relating to the Project.

(d) All of the Partnership's right, title and interest under all of the Project Agreements and all other contracts (including those with any general contractors and subcontractors), purchase orders, leases, licenses and permits concerning the ownership, acquisition, occupancy, use, operation, maintenance or disposition of all or any part of the Collateral or the Project, as the same may be modified, amended or supplemented from time to time.

(e) All payment and performance bonds or guaranties relating to all or any part of the Collateral or the Project and any and all modifications and extensions of the same.

(f) All warranties or similar product performance, suitability and merchantability representations, indemnities and guaranties given by the vendors and suppliers of any Collateral and the right to recover against and proceed with respect to the same to the extent assignable.

(g) All amounts and all investments (including all proceeds of, interest on, and income from such investments) in the Operating Accounts and the Debt Service Reserve Account (the same to be held and applied as set forth in Article VII of the Credit Agreement) and all Deposited Monies (as defined below) (the same to be held and applied as set forth in Section 2.01 of this Deed of Trust and Security Agreement).

(h) All Taking Proceeds (as defined below).

(i) All proceeds from, and all rights to recover against and proceed with respect to, policies of insurance insofar as they relate to all or any part of the Collateral or

the design, development, construction, ownership, acquisition, occupancy, operation, maintenance or disposition of all or any part of the Collateral or the Project required to be maintained pursuant to Section 10.01(d) of the Credit Agreement or otherwise maintained in respect to all or any part of the Collateral or the Project, and any and all riders, amendments, extensions, renewals, supplements or extensions of such policies.

(j) All names under or by which all or any part of the Collateral or the Project may at any time be operated or known, provided that the Partnership may designate one or more additional projects as a Beowawe Geothermal Power Project with some further identification so as to distinguish it or them from the Project.

(k) All other personal property of every kind and description, and interests therein, now held or hereafter acquired by the Partnership, wherever located, used in connection with, or related to, the Project.

(l) All other proceeds (including from the sale of electric capacity and energy) in whatever form of all or any part of the Collateral.

For purposes of this Deed of Trust and Security Agreement, the term "proceeds" shall include, without limitation, whatever is received or receivable when the Collateral referred to above or proceeds therefrom is sold, collected, exchanged or otherwise disposed of, whether such disposition is voluntary or involuntary.

Without limiting the generality of the foregoing description of the Collateral Security, (i) a description of certain items included in the Collateral Security is included in Exhibit B attached to, and made a part of, this Deed of Trust and Security Agreement and (ii) the Collateral Security shall include all monies due and to become due under any of the Project Agreements or under any other contract, lease, license, permit, bond, guaranty, warranty, indemnity, policy of insurance, or Governmental Action, in each case, that is part of the Collateral Security, or any other part of the Collateral Security, any damages arising out of or for breach or default in respect of any of the foregoing, all other amounts, if any, from time to time paid or payable under or in connection therewith, the right of the Partnership to terminate any of the foregoing or to perform or to exercise remedies thereunder whether conferred by agreement, statute, law or otherwise, or to exercise any election or option to make any decision or determination whatsoever or to give any notice, consent, waiver or approval or to take any other action under or in respect thereof; provided that the execution

and delivery of this Deed of Trust and Security Agreement is for security only and shall not during the period of the Partnership's right of use and possession as provided in Section 1.07 hereof (A) transfer or in any way affect or modify the liabilities or responsibilities of the Partnership under any of the foregoing, it being expressly agreed that all obligations of the Partnership thereunder shall be and remain enforceable by the other parties thereto solely against the Partnership or (B) subject the Security Representative, the Trustee, any Bank or the Agent to any liabilities or responsibilities of the Partnership under any of the foregoing.

This Deed of Trust and Security Agreement shall constitute a security agreement pursuant to the Uniform Commercial Code as enacted by the State of Nevada ("Nevada UCC") with respect to the Collateral Security. For purposes of treating this Deed of Trust and Security Agreement as a security agreement, the Partnership shall be deemed to be the "Debtor" and the Security Representative the "Secured Party."

1.03 Fixtures. The Collateral in which the Security Representative has a Lien includes goods that are or may be or that shall or may become fixtures on the Property. This Deed of Trust and Security Agreement is intended to serve as a fixture filing pursuant to the terms of Sections 9313 and 9402 of the Nevada UCC. This filing is to be recorded in the real estate records of the county or counties in which the Property is located. In that regard, the following information is provided:

Name of debtor: Beowawe Geothermal Power Company,
a California general partnership

Address of debtor: See Section 7.07

Name of secured party: The Fuji Bank, Limited,
as Security Representative

Address of secured party: See Section 7.07.

1.04 Rents. The Partnership hereby absolutely and unconditionally assigns and transfers to the Security Representative (for the ratable benefit of the Secured Parties) all the income, rents, issues, deposits, profits and proceeds of the Property ("Rents") to which the Partnership may be entitled, whether now due, past due or to become due, and hereby gives to and confers upon the Security Representative the rights, power

and authority to collect the Rents; provided, however, that until the occurrence of an Event of Default and the exercise of any remedy available under Article IV of this Deed of Trust and Security Agreement, the Partnership shall have the right to collect the Rents. The Partnership irrevocably appoints the Security Representative its true and lawful attorney, at the option of the Security Representative at any time after the occurrence of an Event of Default and the exercise of any remedy available under Article IV of this Deed of Trust and Security Agreement, to demand, receive and enforce payment, to give receipts, releases, and satisfactions, and to sue, either in the name of the Partnership or in the name of the Security Representative on behalf of the Secured Parties, for all such Rents and apply the same to the Secured Obligations. It is understood and agreed that neither the foregoing assignment of Rents nor the exercise by the Security Representative of any of its respective rights or remedies under this Section 1.04 or under Article IV of this Deed of Trust and Security Agreement shall be deemed to make the Security Representative or any Secured Party a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property or the occupancy, use, operation or maintenance of all or any part of the Property.

1.05 Taking Proceeds. If all or any part of the Collateral or the Project is taken, damaged or reduced in value by reason of any taking, eminent domain, public improvement, inverse condemnation, condemnation or similar proceeding, the Security Representative (for the ratable benefit of the Secured Parties) shall, as additional security for the Secured Obligations, be entitled to receive payment of and to hold, as part of the Collateral, all compensation, awards and other payments or relief therefor to which the Partnership shall be entitled (the "Taking Proceeds"); provided, however, that, so long as no Event of Default shall have occurred and be continuing, the Partnership shall not be required to include as Deposited Monies under Section 2.01 of this Deed of Trust and Security Agreement any payment of Taking Proceeds in an amount of \$1,000,000 or less. If the Security Representative receives any Taking Proceeds that the Partnership is not required to pay over to the Security Representative, as provided in the preceding sentence, the Security Representative shall, as promptly as practicable, pay over the same to the Partnership. If any Taking Proceeds are received by the Partnership in circumstances in which the Security Representative is entitled to hold the same as part of the Collateral under the preceding sentence, the Partnership shall immediately pay over the same to the Security Representative, which shall include the same as part of the Deposited Monies for application in accordance with Section 2.01 of this Deed of Trust and Security Agreement. The Partnership

shall not be entitled without the prior approval of the Security Representative (which approval will not be unreasonably withheld) to make any compromise or settlement in connection with such taking, damage or reduction in value to the extent of the right, title and interest of the Partnership therein; provided, however, that no such approval need be obtained as to any such compromise or settlement that provides for a cash payment in an amount at least equal to the sum of the Secured Obligations and the unused Commitments at the time. All Taking Proceeds are hereby assigned to the Security Representative (for the ratable benefit of the Secured Parties), as additional security for the Secured Obligations, and the Security Representative shall, after deducting therefrom all its reasonable expenses (including reasonable attorneys' fees), include the Taking Proceeds (other than any amount the Partnership is entitled to retain pursuant to the first proviso of this Section 1.05) as part of the Deposited Monies for application in accordance with Section 2.01 of this Deed of Trust and Security Agreement.

1.06 Rights and Obligations. No Lien created by this Deed of Trust and Security Agreement or the Assignment of Contracts in respect of the Partnership's right, title or interest in contracts, leases, licenses, permits and Governmental Actions shall be construed to be a consent by the Security Representative or any Secured Party to any contract, lease, license, permit or Governmental Action so subject to any such Lien, or to impose upon the Security Representative or any Secured Party any obligations with respect to the same or to grant any power or right (not expressly granted in this Deed of Trust and Security Agreement or any other Loan Document) to approve or consent to any action under the foregoing prior to the occurrence of an Event of Default and the exercise by the Security Representative of any remedy available under Article IV of this Deed of Trust and Security Agreement.

1.07 Use and Possession. Notwithstanding the terms of any provision contained in this Deed of Trust and Security Agreement, the Assignment of Contracts or the Credit Agreement, until the occurrence of an Event of Default and the exercise of any remedy available under Article IV of this Deed of Trust and Security Agreement, the Partnership shall have the exclusive right to use and possess the Collateral, to collect, retain, use and enjoy all Property Revenues, Rents and accounts and to exercise its right, title and interest in contracts, leases, licenses, permits and Governmental Actions, subject at all times to (a) the right of Security Representative to receive all Deposited Monies, (b) the provisions of the Credit Agreement, and (c) such use, possession, retaining, enjoyment or exercise not otherwise constituting a Default.

1.08 Secured Obligations. The Liens created by this Deed of Trust and Security Agreement are given for the purpose of securing, in such order of priority as the Agent may, in its sole discretion, determine and instruct the Security Representative, the following obligations (the "Secured Obligations"):

(a) Full and timely payment of all amounts, liabilities and indebtedness (whether for principal, interest, fees, charges, reimbursement, indemnification or otherwise) now or in the future owed by the Partnership to the Secured Parties under or in respect of the Credit Agreement or the other Loan Documents and any renewals, extensions, modifications or amendments of any of the foregoing.

(b) Full and timely payment of all amounts, liabilities and indebtedness owed by the Partnership to the Security Representative pursuant to the terms of this Deed of Trust and Security Agreement.

(c) Full and timely performance by the Partnership of every obligation of the Partnership to or for the benefit of the Secured Parties and the Security Representative contained in the Credit Agreement or the other Loan Documents and any other agreement given by the Partnership to the Secured Parties which is for the purpose of further securing any amount, liability, indebtedness or obligation secured by the Collateral Documents and which recites that it is so secured.

(d) Full and timely payment of all amounts, liabilities, indebtedness (whether for principal, interest, fees, charges, reimbursement, indemnification or otherwise) now or in the future owed to a Swap Counterparty, and full and timely performance by the Partnership of every obligation of the Partnership under or in respect of any Swap, if the Partnership and the Swap Counterparty thereto execute and deliver to the Security Representative an addendum to this Deed of Trust and Security Agreement substantially in the form of Exhibit C hereto with appropriate insertions.

(e) Full and timely payment of all other amounts, liabilities or indebtedness owed by the Partnership in respect of any loans, letters of credit, guaranties or instruments of a similar nature which may in the future be provided to the Partnership by the Banks or (with the consent of the Majority Banks) a Bank, and full and timely performance of all related obligations, when evidenced by one or more instruments reciting that the same are secured by this Deed of Trust and Security Agreement.

(f) Any renewals, extensions, modifications or amendments of any of the foregoing.

The Credit Agreement provides for a revolving credit facility. Funds may be advanced by the Banks, repaid by the Partnership and subsequently readvanced by the Banks. Notwithstanding the aggregate principal amount of the Loans outstanding at any particular time, this Deed of Trust and Security Agreement shall secure, among all other indebtedness secured thereby, the full amount of principal indebtedness under the Credit Agreement of \$27,000,000. Subject to the conditions stated in the Credit Agreement, all advances thereunder by the Banks are obligatory and shall be secured by this Deed of Trust and Security Agreement. All such obligatory advances shall have the same priority as the funds initially advanced under the Credit Agreement. The unpaid principal balance of the Banks' Loans under the Credit Agreement may at certain times be zero. A zero principal balance does not affect the Banks' obligation to advance to the Partnership and thus, the interest of the Security Representative herein shall remain in full force and effect notwithstanding a zero principal balance under the Credit Agreement.

1.09 Excluded Assets. Notwithstanding the terms of any provision contained in this Deed of Trust and Security Agreement, the Assignment of Contracts or the Credit Agreement, the Collateral and the Rents shall not include any bank accounts or short-term investment securities of the Partnership (other than Deposited Monies and amounts and investments in the Operating Accounts, the Debt Service Reserve Account and any bank accounts and investments to the extent they include, or were acquired with, revenues of the Project unless and until permitted to be sold, transferred or distributed pursuant to Section 2.02(b)(i)(A)).

1.10 Liens for the Ratable Benefit of the Secured Parties. The Lien in the Collateral created by this Deed of Trust and Security Agreement and the related rights, privileges and remedies granted to the Security Representative shall be for the benefit of the Secured Parties ratably according to the amount of the Secured Obligations due to each of the Secured Parties. Each of the rights, privileges and remedies accorded to the Security Representative under this Deed of Trust and Security Agreement or the other Collateral Documents or otherwise by statute or at law or in equity with respect to the Collateral may be exercised by the Security Representative or by the Trustee upon the instruction of the Security Representative, but only for the ratable benefit of the Secured Parties as provided in this Section 1.10. Any Collateral held or recovered at any time by the Security Representative or any realization on account of any

Collateral shall inure to the ratable benefit of the Secured Parties as provided in this Section 1.10.

1.11 Risk of Loss; Insurance. Risk of loss of, damage to or destruction of the Collateral is and shall remain upon the Partnership. If the Partnership fails to effect and keep in force insurance covering the Collateral as required by Section 10.01(d) of the Credit Agreement, or fails to pay the premiums on such insurance when due, the Security Representative may, but is not obligated to, do so for the account of the Partnership and add the cost of doing so to the Secured Obligations. The Security Representative, its officers, employees and authorized agents, are hereby irrevocably appointed the attorneys-in-fact of the Partnership to endorse any draft or check that may be payable to the Partnership in order to collect the proceeds of such insurance or any return of unearned premiums.

ARTICLE II. DEPOSITED MONIES; RELEASE OF COLLATERAL

2.01 Deposited Monies. (a) The term "Deposited Monies" shall mean the amounts of all Taking Proceeds required to be deposited with the Security Representative as set forth in Section 1.05 herein, amounts paid or required to be paid to the Security Representative under policies of insurance as provided in Section 10.01(d) of the Credit Agreement and amounts paid or required to be paid to the Security Representative pursuant to Section 2.02(b) of this Deed of Trust and Security Agreement, together with any earnings and interest on such amounts, any other sums from time to time standing to the credit of such amounts, any investments of any such amounts and all rights, title and interest of the Partnership with respect to such amounts.

(b) Subject to Section 2.01(e) of this Deed of Trust and Security Agreement, any Deposited Monies at any time held by the Security Representative shall be paid over to or upon the order of the Partnership, at the Partnership's election, to reimburse it for, or to pay, the cost of replacing, renewing, repairing or rebuilding all or any part of the Collateral in respect of which such Deposited Monies were paid, upon the receipt by the Security Representative and the Agent of (i) prior to or concurrently with the delivery of the first disbursement request (A) a certificate of the Management Committee (1) stating that it has determined to replace, renew, repair or rebuild such Collateral, (2) describing in reasonable detail the work done or to be done and property purchased or to be purchased by way of

the replacement, renewal, repair or rebuilding of the affected Collateral and (3) stating the aggregate amount required for such purposes and, if such amount exceeds \$1,000,000, providing evidence satisfactory to the Security Representative that the amount of Deposited Monies then held by the Security Representative, together with other available sums, will be sufficient for such purposes, (B) a written undertaking by the Partnership that it has performed or will perform such replacement, renewal, repair or rebuilding as set forth in such certificate and (C) in the case of the replacement of Collateral, the replacement cost of which, when added to the replacement cost of Collateral as to which such an opinion of counsel shall not previously have been delivered pursuant to this clause (C), exceeds \$5,000,000, an opinion of counsel to the effect that the replacement property (and such other replacement property as to which no such opinion shall have been delivered) is or will upon acquisition or construction become part of the Collateral; and (ii) from time to time, following or concurrently with the delivery of the certificate and undertaking required to be delivered pursuant to clause (i) above, one or more written disbursement requests of the Partnership (A) stating that such request relates to a specific certificate and undertaking delivered pursuant to clause (i) above, (B) stating the specific amount requested to be disbursed, to be paid to or on the order of the Partnership and that such amount is requested to reimburse the Partnership for, or to pay, the cost incurred in such replacement, renewal, repair or rebuilding, (C) stating that the Partnership has not previously requested a disbursement or otherwise been reimbursed for the expenditure on account of which such request is made and (D) stating that no Event of Default or Default in respect of Section 11.01(a), (f) or (g) of the Credit Agreement, or any event or condition requiring prepayment of the Loans pursuant to Section 4.05(b)(i) of the Credit Agreement (a "Special Prepayment Event"), has occurred and is continuing. Subject to Section 2.01(e) of this Deed of Trust and Security Agreement, in lieu of the certificate, written undertaking and disbursement requests referred to in the preceding sentence, the Partnership may deliver to the Security Representative and the Agent an alternate certificate of the Management Committee directing the Security Representative to pay over such Deposited Monies to the Agent for application in accordance with the provisions of Section 4.05(a) of the Credit Agreement. Nothing herein contained shall be deemed to excuse the Partnership from repairing or maintaining the Collateral as required under Section 10.01(k) of the Credit Agreement or restoring all damage or destruction to the Collateral, regardless of whether there are insurance proceeds available to the Partnership or whether such proceeds are sufficient in amount. The application or release by the Security Representative of any Deposited Monies shall not cure or waive any Event of Default or notice of Default under the

Credit Agreement or this Deed of Trust and Security Agreement or invalidate any act done pursuant to such notice.

(c) Any Deposited Monies that shall not be applied as provided in Section 2.01(b) after the occurrence of a Special Prepayment Event or within three months after the receipt of such Deposited Monies by the Partnership or the Security Representative (except, subject to Section 2.01(e) of this Deed of Trust and Security Agreement, Deposited Monies in an amount set forth in certificates of the Partnership delivered to the Security Representative in accordance with Section 2.01(b)(i) within such three month period) shall, upon request of the Agent but subject to Section 2.01(e), be turned over by the Security Representative to the Agent for application in accordance with the provisions of Section 4.05(b)(i) of the Credit Agreement, and the Partnership shall not thereafter be entitled to deliver any certificate, written undertaking and disbursement request provided for in Section 2.01(b) in respect of such Deposited Monies.

(d) Subject to Sections 2.01(c) and (e) of this Deed of Trust and Security Agreement:

(i) the Security Representative shall from time to time:

(A) upon the written request of the Partnership invest in such Permitted Investments as may be specified in such request all or such part of the Deposited Monies as the Partnership shall specify in such request; and

(B) upon and in accordance with the written request of the Partnership convert into cash all or any of such Permitted Investments;

(ii) the Security Representative shall, upon request, promptly pay to the Partnership all interest or profits received by the Security Representative on any such Permitted Investment;

(iii) if any required or permitted sale or liquidation or any payment at maturity of securities representing investments of the Deposited Monies produces a net sum less than the cost of the securities so sold, liquidated or paid, the Partnership shall promptly pay to the Security Representative cash in an amount equal to such deficiency and such cash shall thereupon be deemed to be Deposited Monies; and

(iv) all such Permitted Investments and all cash into which such Permitted Investments may be converted shall be held by the Security Representative as part of the Collateral and shall be deemed to be Deposited Monies.

(e) The provisions of Sections 2.01(b), (c) and (d) of this Deed of Trust and Security Agreement shall not, except to the extent that the Security Representative (acting at the direction of the Agent or the Majority Banks) otherwise agrees in writing, apply to or in respect of the Deposited Monies or any part thereof at any time after the occurrence of an Event of default and the exercise of any remedy available under Article IV of this Deed of Trust and Security Agreement.

(f) The Partnership acknowledges and agrees that the revenues to result from the continued operation of the Project constitute a material inducement to the Banks in agreeing to make Loans to the Partnership and that a material portion of the value of the Collateral is attributable to the ability to generate such revenues, and the Partnership therefore agrees that any event of damage, destruction or governmental taking of all or any part of the Collateral that results in a requirement to deposit Deposited Monies and in a material cessation or interruption or other material impairment of continued operation of the Project shall constitute a material impairment of the value of the Collateral justifying the application of Deposited Monies in accordance with the provisions of this Section 2.01. The Partnership further acknowledges and agrees that the provisions of this Section 2.01 as to the disposition of the Deposited Monies are reasonable, have been entered into in good faith and shall not constitute a breach of any implied covenant of good faith and fair dealing.

2.02 Release of Collateral. (a) With the prior written consent of the Security Representative, the Partnership may sell or otherwise dispose of any part of the Collateral specified in such consent prior to the termination of the Liens of the Collateral Documents. The Security Representative will, at the Partnership's expense, execute and deliver to the Partnership such documents, and give the Trustee such directions to reconvey portions of the Collateral, as the Partnership shall reasonably request to evidence the release of such part of the Collateral.

(b) Without the consent of the Security Representative or the Secured Parties and without limiting the effect of Section 1.02(g) of this Deed of Trust and Security Agreement, from time to time and at any time:

(i) the Partnership may (A) make distributions to Partners pursuant to Section 10.02(f) of the Credit Agreement and (B) distribute proceeds of Collateral included in the Operating Accounts in accordance with the terms of Article VII of the Credit Agreement;

(ii) unless an Event of Default shall have occurred and be continuing or, in accordance with Section 11.02 of the Credit Agreement, the Agent shall have terminated the Commitments or declared the Loans to be immediately due and payable, the Partnership may sell or otherwise dispose of any item of Collateral (other than Collateral consisting of cash and investments the disposition of which is governed by clause (i) above) in the ordinary course of business of the Project; provided, however, that if any Event of Default shall have occurred and be continuing, or the aggregate fair market value of the Collateral sold or otherwise disposed of during the preceding 12 month period pursuant to this clause (ii) exceeds \$100,000 (net of the value of any replacements made subject to the Lien of this Deed of Trust and Security Agreement), an amount equal to the proceeds of any such sale or disposition made during the continuance of an Event of Default or such excess shall be deposited with the Security Representative as Deposited Monies;

(iii) unless any Event of Default shall have occurred and be continuing or, in accordance with Section 11.02 of the Credit Agreement, the Agent shall have terminated the Commitments or declared the Loans to be immediately due and payable, the Partnership may sell or otherwise dispose of any item of Collateral (other than Collateral consisting of cash and investments the disposition of which is governed by clause (i) above) with a replacement cost not in excess of \$100,000; provided, however, that if any Event of Default shall have occurred and be continuing, or the aggregate fair market value of such Collateral and all other Collateral sold or otherwise disposed of during the preceding 12 month period pursuant to this clause (iii) and clause (ii) above shall exceed \$100,000 (net of the value of any replacements made subject to the Lien of this Deed of Trust and Security Agreement), an amount equal to the proceeds of any such sale or disposition made during the continuance of an Event of Default or such excess shall be deposited with the Security Representative as Deposited Monies; and provided further, however, that in any event if such item of Collateral shall have been vital to the operation of

the Project, the Partnership shall use the proceeds of sale or disposition for the purpose of replacing such item of Collateral in accordance with Section 2.01 of this Deed of Trust and Security Agreement;

(c) The Liens created by the Collateral Documents in any item of Collateral sold or disposed of pursuant to clause (i), (ii) or (iii) of Section 2.02(b) (but not in the proceeds arising from such sale or disposition) shall cease immediately upon such sale or disposition, without any further action on the part of the Security Representative. The Security Representative will, at the Partnership's expense, execute and deliver to the Partnership such documents, and give the Trustee such directions to reconvey portions of the Collateral, as the Partnership shall reasonably request to evidence the release of such items of Collateral, upon the receipt by the Security Representative of a certificate of the Management Committee describing the item of Collateral sold or otherwise disposed of (or to be sold or otherwise disposed of) pursuant to paragraph (b) of this Section 2.02, describing such item of Collateral and stating that the sale or other disposition thereof complies with the identified requirements of such paragraph (b).

ARTICLE III. COVENANTS OF THE PARTNERSHIP

3.01 Change in Law. Without duplicating the effect of Section 5.04 of the Credit Agreement, in the event of the passage, after the date of this Deed of Trust and Security Agreement, of any law which has the effect of changing in any material way the laws now in force for the taxation of deeds of trust, such as this Deed of Trust and Security Agreement, or debts secured by such deeds of trust or the manner of the collection of any such taxes so as in either case to impose upon the Security Representative or the Secured Parties an obligation for payment of the whole or any part of any taxes, assessments or other similar charges with respect to this Deed of Trust and Security Agreement, the Ground Lease or the Property upon the Security Representative or the Secured Parties, except as otherwise provided in the following clause of this Section 3.01, the Secured Obligations shall immediately become due and payable at the option of the Agent (as directed by the Instructing Banks) and upon 90 days' notice to the Partnership; provided, however, that such election by the Agent shall be ineffective if such law either (a) shall impose a tax upon the Security Representative or any Secured Party and the Partnership is permitted by law and can become legally obligated to pay such tax prior to the due date of such tax (in addition to all interest, additional interest and other charges payable hereunder and under the Credit Agreement)

or reimburse such amounts if paid by the Security Representative or the Secured Parties, as the case may be, and (i) the Partnership does pay such tax and (ii) the Partnership agrees with the Agent in writing to pay or reimburse the Security Representative and each Secured Party, as the case may be, for the payment of any such tax when thereafter levied or assessed against the Partnership's interest in all or any part of the Property or (b) shall impose any such tax which the Partnership is not permitted by law and cannot become legally obligated so to pay or reimburse and which is in an aggregate actual or estimated amount that is immaterial to the Security Representative and the Secured Parties (as determined in good faith and reasonably by the Security Representative). The obligations of the Partnership under such agreement shall be secured by this Deed of Trust and Security Agreement.

3.02 Preservation and Protection of Security Interest.

(a) The Partnership will faithfully preserve and protect the Liens in the Collateral created by the Collateral Documents and will, at its own cost and expense, cause such Liens to be perfected and continue to be perfected and to be and remain prior to all other Liens, subject to Permitted Liens, so long as the Secured Obligations or any portion thereof are outstanding and unpaid, and for such purpose the Partnership will from time to time at the request of the Security Representative make notations of the security interest on certificates of title of the Collateral, a security interest in which is perfected by such notation, and deliver the same to the Security Representative, deliver possession of Collateral (concurrent with the acquisition thereof), a security interest in which is perfected by the taking of possession and file or record, or cause to be filed or recorded, such instruments, documents and notices, including financing statements and continuation statements, as the Security Representative may reasonably deem necessary or advisable from time to time in order to perfect and continue to perfect such Liens and to maintain their priority over all other Liens, subject to Permitted Liens.

(b) The Partnership will do all such other acts and things and will execute and deliver all such other instruments and documents, including further deeds of trust, mortgages, security agreements, pledges, endorsements, assignments (including assignments of the Partnership's contracts) and notices (including notices of any real property on which Collateral which is or may be a fixture is located together with a legal description of such real property), as the Security Representative may reasonably deem necessary or advisable from time to time in order to perfect and preserve the priority

(subject to Permitted Liens) of the Liens in the Collateral as contemplated in the Collateral Documents.

(c) The Security Representative is hereby irrevocably appointed the attorney-in-fact of the Partnership to do, at the Partnership's expense, all acts and things which the Security Representative may reasonably deem necessary or advisable to preserve, perfect, continue to perfect and maintain the priority of such Liens in the Collateral, including the signing of financing, continuation or other similar statements and notices on behalf of the Partnership, and which the Partnership is required to do by the terms of this Deed of Trust and Security Agreement or any other Loan Document, and, after request, shall not have done.

3.03 Provisions Applicable to the Collateral. The parties agree that the following provisions shall be applicable to the Collateral, and the Partnership covenants and agrees that during the term of this Deed of Trust and Security Agreement:

(a) Books and Records. The Partnership will keep accurate and complete books and records concerning the Collateral. The Partnership will furnish to the Security Representative, at such times and in such form and substance as may reasonably be requested, information adequate to enable the Security Representative to identify all or any part of the Collateral and determine the amount or value of the Collateral, and such information as the Security Representative may reasonably deem relevant concerning proceeds.

(b) Location of Chief Executive Office. The Partnership will not move its principal place of business and chief executive office outside of Palm Beach County, Florida except to such new location in the United States as it may establish in accordance with subsection (e) below.

(c) Location of Books, Records, Inventory and Equipment. The Partnership will, unless otherwise directed by a court of competent jurisdiction, keep books of account or records concerning its accounts, inventory, contract rights, equipment and proceeds at the location specified in Section 14.02 of the Credit Agreement except that a new location may be established in accordance with subsection (e) below. The Partnership will not move the location where equipment and inventory is kept outside of the Counties of Lander and Eureka, State of Nevada.

(d) Use of Other Names. The Partnership will not invoice an account debtor on any account included in the Collateral or maintain its records relating to any such account in any name other than its own proper name (as of the date of

this Deed of Trust and Security Agreement), except such new names as it may establish in accordance with subsection (e) below.

(e) Establishment of New Location or Name. If the Partnership desires to establish a new location for its principal place of business and chief executive office or plants where equipment, inventory or books of account or records relating to its accounts, inventory, contract rights, equipment or proceeds may be kept or to establish a new name in which it may invoice account debtors or maintain records concerning accounts, inventory, contract rights, equipment or proceeds, it shall first, with respect to each such new location or name:

(i) give the Security Representative written notice of its intention to do so and provide the Security Representative with such information in connection therewith as the Security Representative may reasonably request; and

(ii) take such action, satisfactory to the Security Representative, as may reasonably be necessary to maintain at all times the Liens of the Collateral Documents.

3.04 Account Verification. The Security Representative may at any time request the Partnership to have any account debtor of the Partnership verify directly to the Security Representative the status of any account payable by such account debtor and, if the Partnership fails to do so, the Security Representative may verify the same directly with any such account debtor. The Partnership from time to time will execute and deliver such instruments and take all such action as the Security Representative may reasonably request in order to effectuate the purposes of this Section 3.04.

3.05 Covenants Regarding Ground Lease, Easements and Production Payment Deed. With respect to the Ground Lease, the Easements and the Production Payment Deed, the Partnership agrees:

(a) To keep and perform each and every material covenant, agreement and obligation of the lessee set forth in the Ground Lease and of the grantee of each Easement and the Production Payment Deed, to take all actions necessary to preserve and keep unimpaired its rights and privileges under the Ground Lease, each Easement and the Production Payment Deed and not to commit, suffer or permit any material breach of the Ground Lease, any Easement or the Production Payment Deed. If the Partnership shall default under the Ground Lease, any Easement or the Production Payment Deed, the Security Representative may, at

its option but without any obligation to do so, take any action necessary or desirable to cure any default by the Partnership in the performance of any of the terms, covenants and conditions of the Ground Lease, any Easement or the Production Payment Deed, the Security Representative being authorized to enter upon the Land for such purposes. The Partnership shall, immediately on demand, pay to the Security Representative all costs of the Security Representative reasonably incurred in curing any such default, together with interest on such costs from the date of such demand at the rate described in Section 3.02 of the Credit Agreement. All sums due to the Security Representative pursuant to this Section 3.05(a) shall be secured by this Deed of Trust and Security Agreement.

(b) To give immediate notice to the Security Representative and the Agent of any material default under the Ground Lease, any Easement or the Production Payment Deed within the Partnership's knowledge or of the receipt by it of any notice of default from the lessor under the Ground Lease or the grantor under any Easement or the Production Payment Deed, and to furnish to the Security Representative and the Agent all information that they may reasonably request concerning the performance by the Partnership of the covenants of the Ground Lease, the Easements and the Production Payment Deed.

(c) That the provisions of this Deed of Trust and Security Agreement shall be deemed to be obligations of the Partnership in addition to the Partnership's obligations as lessee with respect to similar matters contained in the Ground Lease and as grantee under each Easement and the Production Payment Deed, and the inclusion in this Deed of Trust and Security Agreement of any covenants and agreements relating to similar matters under which the Partnership is obligated under the Ground Lease, any Easement or the Production Payment Deed shall not restrict or limit the Partnership's duties and obligations to keep and perform promptly all of its covenants, agreements and obligations as lessee under the Ground Lease and as grantee under each Easement and the Production Payment Deed; provided, however, that nothing in this Deed of Trust and Security Agreement shall be construed as requiring the taking of or the omitting to take any action by the Partnership, the Security Representative or the Agent which would cause a default under the Ground Lease, any Easement or the Production Payment Deed.

(d) That so long as this Deed of Trust and Security Agreement is in effect, there shall be no merger of the Ground Lease, any Easement or the Production Payment Deed or any interest therein, nor of the leasehold estate or other interest created thereby, with the fee estate in the Land, or the real

property subject to the Easements, or any portion thereof by reason of the fact that the Ground Lease, such Easement, the Production Payment Deed or such interest therein or such leasehold estate may be held directly or indirectly by or for the account of any person who shall hold the fee estate in the Land, or in the real property subject to the Easements, or any portion thereof or any interest of the lessor under the Ground Lease or of the grantor under the Easements or the Production Payment Deed. In case the Partnership acquires the fee title or any other estate, title or interest in the Land or the real property subject to the Easements, this Deed of Trust and Security Agreement shall attach to and cover and be a Lien upon the fee title or such other estate so acquired, and such fee title or other estate shall, without further assignment, mortgage or conveyance, become and be subject to the Lien of and covered by this Deed of Trust and Security Agreement. The Partnership shall notify the Security Representative and the Agent of any such acquisition by the Partnership and, on written request by the Security Representative, shall cause to be executed and recorded all such other and further assurances or other instruments in writing as may in the opinion of the Security Representative be required to carry out the intent and meaning hereof.

(e) That no surrender (except a surrender upon the expiration of the Ground Lease, any Easement or the Production Payment Deed or upon the termination by the lessor under the Ground Lease or the grantor under any Easement or the Production Payment Deed pursuant to its provisions or upon partial condemnation) by the Partnership, as lessee under the Ground Lease or as grantee under any Easement or the Production Payment Deed, to the lessor under the Ground Lease or the grantor under such Easement or Production Payment Deed, as the case may be, of any portion of the Ground Lease, any Easement or the Production Payment Deed or of any interest in the Ground Lease, any Easement or the Production Payment Deed, and no termination of the Ground Lease, any Easement or the Production Payment Deed by the Partnership as lessee under the Ground Lease or grantee under such Easement or Production Payment Deed, as the case may be, shall be valid or effective, and neither the Ground Lease nor any Easement nor the Production Payment Deed nor their respective terms may be amended, modified, changed or surrendered or canceled, or subordinated to any fee mortgage, to any lease, or to any other interest either orally or in writing, without the prior written consent of the Security Representative so long as this Deed of Trust and Security Agreement is in effect.

(f) That the Partnership shall, promptly after the execution and delivery of this Deed of Trust and Security Agreement or of any instrument or agreement supplemental to this

Deed of Trust and Security Agreement, notify the lessor under the Ground Lease and the grantor of each Easement and the grantor under the Production Payment Deed in writing of the execution and delivery of this Deed of Trust and Security Agreement, or of the supplemental instrument or agreement, as the case may be.

(g) That if the Ground Lease, any Easement, or the Production Payment Deed is for any reason whatsoever terminated prior to the natural expiration of its term and, if pursuant to any provision of the Ground Lease, any Easement, or the Production Payment Deed or otherwise, any Secured Party shall acquire from the lessor under the Ground Lease or the grantor under any Easement or the Production Payment Deed a new lease of the leased property or of any part of the leased property, or a new easement or production payment deed, as applicable, the Partnership shall have no right, title or interest in or to such new lease or the leasehold estate created by such new lease or the new easements or production payment deed.

(h) The Partnership acknowledges that pursuant to Section 365 of the Bankruptcy Act it is possible that a trustee in bankruptcy of the Ground Lessor as a debtor-in-possession could reject the Ground Lease, in which case the Partnership, as lessee, would have the election described in Section 365(h) of the Bankruptcy Act (which election, as the same may be amended, revised or recodified from time to time, and together with any comparable right under any other state or federal law relating to bankruptcy, reorganization or other relief for debtors and any other right the Partnership may have to rescind, surrender or terminate the Ground Lease under any state law, whether now or hereafter in effect, is herein called the "Election") to treat the Ground Lease as terminated by such rejection or, in the alternative, to remain in possession for the balance of the term of such Ground Lease and any renewal or extension thereof that is enforceable by the lessee under applicable non-bankruptcy law.

(i) The Partnership covenants that it will not suffer or permit the termination of the Ground Lease by exercise of the Election without the prior written consent of the Security Representative. The Partnership acknowledges that since the Ground Lease is a primary part of the Secured Parties' security for the Secured Obligations, the Security Representative does not anticipate that it would consent to termination of the Ground Lease and shall not under any circumstances be obliged to give such consent.

(j) In order to secure the covenant made in Section 3.05(i) above and as security for the other obligations secured under this Agreement, the Partnership assigns the Election to the Trustee and the Security Representative (for the

ratable benefit of the Secured Parties). The Partnership acknowledges and agrees that the foregoing assignment of the Election is one of the rights which the Trustee and the Security Representative may use at any time in order to protect and preserve the other rights of the Trustee and the Security Representative under this Deed of Trust and Security Agreement; provided, however, that unless any Event of Default shall have occurred and be continuing or, in accordance with Section 11.02 of the Credit Agreement, the Agent shall have terminated the Commitments or declared the Loans to be immediately due and payable, the Trustee and the Security Representative may not exercise the assigned Election to treat the Ground Lease as terminated by such rejection without the Partnership's consent.

(k) The Partnership acknowledges and agrees that the Election is in the nature of a remedy and is not a property interest which the Partnership can separate from the Ground Lease. Therefore, the Partnership agrees that any exercise of the Election in favor of preserving the right to possession under the Ground Lease shall not be deemed to constitute a taking or sale of the Property by the Trustee or the Security Representative and shall not entitle the Partnership to any credit against the Secured Obligations.

(1) The Partnership acknowledges and agrees that in the event the Election is exercised in favor of the Partnership remaining in possession, the Partnership's resulting right to possession and use of (and rents and profits from) the Land under the Ground Lease, as adjusted by the effect of Section 365 of the Bankruptcy Act, if any, shall then be part of the Property and shall be subject to the Lien created by this Deed of Trust and Security Agreement.

3.06. Other Covenants. The Partnership agrees to keep and perform each and every covenant of the Partnership set forth in any other Loan Document.

ARTICLE IV. REMEDIES

4.01 Remedies. Upon the occurrence and continuance of an Event of Default under the Credit Agreement, and subject to the provisions of Nevada Revised Statutes 107.080, the Security Representative or the Trustee, upon written instructions from the Agent (the legality thereof as among the Trustee, the Security Representative and the Agent to be determined solely by the Agent), shall, without notice to or demand (other than any notice

provided for in Section 11.02 of the Credit Agreement and any notice required by law the giving of which is not waivable) upon the Partnership (all of which are hereby waived), without releasing the Partnership from any obligation under the Collateral Documents and without waiving any rights that the Security Representative or any Secured Party may have or impairing any declaration of default or election to cause the Property to be sold or any sale proceeding predicated thereon, have the right to:

(a) Demand, collect or receive upon all or any part of the Collateral and assemble or require the Partnership to assemble all or any part of the Collateral;

(b) Commence, appear in or defend any action or proceeding purporting to affect all or any part of the Collateral or the interests, rights, powers or duties of the Security Representative or any Secured Party, whether brought by or against the Partnership, the Security Representative or any Secured Party;

(c) Pay, purchase, contest or compromise any claim, debt or Lien which in the judgment of the Security Representative may affect or appear to affect the Collateral or the interest, rights, powers or duties of the Security Representative or any Secured Party;

(d) In such manner and to such extent as the Security Representative or the Agent may deem necessary to protect the Collateral or the interests, rights, powers or duties of the Security Representative or any Secured Party, enter into and upon the Property and take and hold possession of all or any part of the Collateral (the Partnership hereby waiving and releasing any claim for damages in respect of such taking, except to the extent of any such damages resulting from the gross negligence or willful misconduct of the Security Representative) and exclude the Partnership and all other Persons from the Collateral, operate and manage the Collateral and rent and lease the same, perform such reasonable acts of repair or protection as may be reasonably necessary or proper to conserve the value of the Collateral, and collect any and all income, rents, issues, profits and proceeds from the Collateral, the same being hereby assigned and transferred to the Security Representative for the ratable benefit of the Secured Parties, and from time to time apply or accumulate such income, rents, issues, profits and proceeds in such order and manner as the Agent, in its sole discretion, shall instruct, it being understood that the collection or receipt of income, rents, issues, profits or proceeds from the Collateral after declaration of default and election to cause the Property to be sold under and pursuant to

the terms of this Deed of Trust and Security Agreement shall not affect or impair any Event of Default or declaration of default or election to cause the Property to be sold or any sale proceedings predicated thereon, but such proceedings may be conducted and sale effected notwithstanding the collection or receipt of any such income, rents, issues, profits and proceeds unless the amount so collected or received is sufficient to reinstate the indebtedness secured by this Deed of Trust and Security Agreement in accordance with Nevada Law;

(e) Commence an action to foreclose this Deed of Trust and Security Agreement as a mortgage in respect of the Property, or, by the delivery to the Trustee of a written declaration of default and demand for sale and of written notice of default and of election to cause the Property to be sold (which notice the Trustee shall cause to be duly filed for record), foreclose by exercise of the power of sale provided for in this Deed of Trust and Security Agreement. Should the Security Representative be instructed by the Agent to foreclose by exercise of the power of sale provided for in this Deed of Trust and Security Agreement, the Security Representative shall also deposit with the Trustee this Deed of Trust and Security Agreement, the Credit Agreement and such receipts and evidence of expenditures made and secured hereby as the Trustee may require, and notice of sale having been given as then required by law and after lapse of such time as may then be required by law after recordation of such notice of default, the Trustee, without demand on the Partnership, shall sell the Property at the time and place of sale fixed by it in such notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. The Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. The Trustee shall deliver to any purchaser its deed or deeds conveying the Property, or any portion thereof, so sold, but without any covenant or warranty, express or implied. The recitals in such deed or deeds of any matters or facts shall be conclusive proof of the truthfulness thereof. Any Person, including the Partnership, the Trustee, the Security Representative or any Secured Party, may purchase at such sale;

(f) Revoke all or any of the rights of the Partnership provided for pursuant to Section 1.07 of this Deed of Trust and Security Agreement by written notice to the Partnership;

(g) Take over and direct collection of the Rents, the Property Revenues and the accounts of the Partnership that are included in the Collateral and the proceeds thereof; give notice of the Security Representative's Lien in the Rents, the Property Revenues, such accounts and the proceeds thereof to any or all Persons obligated to the Partnership thereon; direct such persons to make payment of all monies paid or payable thereon directly to the Security Representative (and, at the request of the Security Representative, the Partnership shall indicate on all billings that payments thereon are to be made to the Security Representative); and give any Person so notified and directed the receipt of the Security Representative for any such payment as full release for the amount so paid;

(h) Take control of any and all of the Rents, the Property Revenues, accounts, contractual and other rights that are included in the Collateral and proceeds arising from any such contractual and other rights; enforce collection either in the name of the Security Representative or in the name of the Partnership, of any or all of the Rents, the Property Revenues, accounts, contractual and other rights that are included in the Collateral and proceeds by suit or otherwise; and receive, give receipts for, surrender, release or exchange all or any part thereof or compromise, settle, extend or renew (whether or not longer than the original period) any indebtedness thereunder;

(i) Sell all or any portion of the Collateral at public or private sale at such place or places and at such time or times and in such manner and upon such terms, whether for cash or credit, as the Agent in its sole discretion may instruct (the legality of such instruction as between the Agent, the Trustee and the Security Representative to be determined by the Agent);

(j) Endorse in the name of the Partnership any instrument, howsoever received by the Security Representative, representing Collateral or proceeds of any of the Collateral;

(k) Require the Partnership to turn over, or to instruct the financial institutions holding the same to turn over, all monies and investments in the Operating Accounts to the Security Representative; and

(l) Exercise all of the rights and remedies granted to a secured party under Article 9 of the Nevada UCC and all other rights and remedies given to the Security Representative and the Secured Parties by this Deed of Trust and Security Agreement or any other Loan Document or otherwise available at law or in equity.

Neither the Trustee nor the Security Representative shall be under any obligation to make any of the payments or do any of the acts referred to in this Section 4.01 and any of the actions referred to in this Section 4.01 may be taken irrespective of whether any notice of default or election to sell has been given hereunder (provided, however, all notices required by law shall be given in accordance with such law) and without regard to the adequacy of the security for the Secured Obligations.

4.02 Rescission of Notice of Default. If so instructed by the Agent, the Security Representative, at any time before the Trustee's sale, may rescind any notice of default and of election to cause the Property to be sold by executing and delivering to the Trustee a written notice of such rescission, which notice, when recorded, shall also constitute a cancellation of any prior such declaration of default and demand for sale. The exercise by the Security Representative of such right of rescission shall not constitute a waiver of any Default then existing or subsequently occurring, shall not impair the right of the Security Representative to execute and deliver to the Trustee, as provided above, other such declarations of default and demands for sale and notices of default and of election to cause the Property to be sold and shall not otherwise affect any provision, agreement, covenant or condition of this Deed of Trust and Security Agreement or any other Loan Document or the rights, obligations or remedies of the parties hereunder.

4.03 Appointment of Receiver. Upon the occurrence and continuance of an Event of Default, the Security Representative, at the direction of the Agent, upon notice to the Partnership and as a matter of right, and without regard to the then current value of the Collateral or the interest of the Partnership in the Collateral, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Collateral, and the Partnership hereby irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all the powers and duties of the Security Representative in case of entry as provided herein and shall continue as such and exercise all such powers until the date of confirmation of sale of the Collateral unless such receivership is sooner terminated.

4.04 Application of Proceeds. Any monies or property actually received by the Security Representative pursuant to the exercise of any of the rights or remedies referred to in Section 4.01 of this Deed of Trust and Security Agreement shall (subject to the instructions to the Security Representative from the Agent as to the manner of such exercise) be applied in the following order:

first, to the payment of costs and expenses incurred in the enforcement of rights and remedies under the Collateral Documents;

second, to the payment of all amounts due to the Security Representative under Section 5.06(b) of this Deed of Trust and Security Agreement and Section 5 of the Assignment of Contracts;

third, to the payment of all amounts due under Section 5.06(a) of this Deed of Trust and Security Agreement not paid in item second above;

fourth, to the payment of all of the Secured Obligations (except for such Secured Obligations which shall have been paid pursuant to items first, second and third of this Section 4.04), ratably according to the then unpaid amounts thereof, without preference or priority of any kind among such various Secured Obligations;

fifth, to the payment of such amounts, if any, as shall be required to be paid pursuant to Section 9504(1)(c) of the Nevada UCC and any similar provision of any applicable law; and

sixth, the remainder, if any, to the Partnership, its successors or assigns, to such Person as may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

4.05 Additional Security. If the Secured Parties at any time hold security for any Secured Obligations in addition to the Collateral, the Security Representative may enforce the terms of the Collateral Documents or otherwise realize upon the Collateral, at its option, either before or concurrently with the exercise of remedies as to such other security or after a sale is made of such other security, and may apply the proceeds upon the Secured Obligations without affecting the status of or waiving any right to exhaust all or any other security, including the Collateral, and without waiving any breach or default or any right or power whether exercised under the Collateral Documents, contained in the Collateral Documents or provided for in respect of any such other security.

4.06 Sale of Certain Collateral. The Partnership recognizes that the Security Representative may be unable to effect a public sale of any securities which may constitute a portion of the Collateral by reason of certain prohibitions

contained in the Securities Act of 1933 and applicable state securities laws and instead may resort to one or more private sales of such Collateral to a restricted group of purchasers who will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. In addition, the Consents provide for certain rights of the Security Representative to be subject to the Project remaining a "qualifying facility" under PURPA. The Partnership acknowledges that the ability of the Security Representative to sell rights in the Project Agreements may be impaired as a result of such limitations in the Consents. The Partnership recognizes and agrees that, because of those restrictions, sales of securities or contractual rights constituting part of the Collateral may result in prices and other terms less favorable to the seller than if the disposition were made pursuant to a public sale and, notwithstanding such circumstances, agrees that any such private or limited sale or sales shall be deemed to have been made in a commercially reasonable manner and the exclusion as offerees of Persons whose holding of rights in the Project Agreements or any other part of the Collateral might result in a disqualification of the Project under PURPA shall be deemed to be commercially reasonable. The Security Representative and the Secured Parties shall be under no obligation to delay a sale of any of the securities constituting part of the Collateral for the period of time necessary to permit the issuer of such securities to register them for public sale under the Securities Act of 1933 or under applicable state securities laws.

4.07. Remedies Cumulative. No remedy conferred upon or reserved to the Trustee or any Secured Party by this Deed of Trust and Security Agreement is intended to be exclusive of any other remedy provided or permitted by any Loan Document or by law, but each shall be cumulative and shall be in addition to every other remedy so provided or permitted. Every power or remedy given by this Deed of Trust and Security Agreement to the Trustee or the Security Representative or to which either of them may be otherwise entitled may be exercised concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee or the Security Representative and either of them may pursue inconsistent remedies.

ARTICLE V. SECURITY REPRESENTATIVE

5.01 Authorization and Action. The Security Representative, in such capacity, shall be entitled to exercise such powers and perform such duties under this Deed of Trust and

Security Agreement and each other Collateral Document as are delegated to the Security Representative by the terms hereof or thereof, together with such powers as are reasonably incidental thereto. As to any matters not expressly provided for by this Deed of Trust and Security Agreement and the other Collateral Documents, the Security Representative shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Agent (as directed by the Majority Banks), and such instructions shall be binding upon the Secured Parties; provided, however, that the Security Representative shall not be required to take any action which exposes the Security Representative to personal liability or which is contrary to this Deed of Trust and Security Agreement or any other Collateral Document or applicable law. Nothing in this Deed of Trust and Security Agreement or any other Collateral Document shall, or shall be construed to, constitute the Security Representative a trustee or fiduciary for any Secured Party or impose on the Security Representative any duties or obligations other than those expressly provided for herein. The Security Representative may exercise any of its duties under this Deed of Trust and Security Agreement by or through agents or employees and shall be entitled to advice of counsel concerning all matters pertaining to its duties under this Deed of Trust and Security Agreement.

5.02 Duties and Obligations. Neither the Security Representative nor any of its officers, directors, agents or employees shall be liable to the Partnership (or any Person claiming through or in right of the Partnership) or any Secured Party for any action taken or omitted to be taken by it or them under or in connection with this Deed of Trust and Security Agreement or any other Collateral Document, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, the Security Representative (i) may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (ii) absent its own gross negligence or willful misconduct, shall incur no liability to any Secured Party under or in respect of this Deed of Trust and Security Agreement or any other Collateral Document by acting upon any notice, consent, certificate, telegram, telecopy, telex or teletype message, statement or other instrument or writing believed by it to be genuine and signed or sent by the proper party or parties or by acting upon any representation or warranty of the Partnership made or deemed to be made hereunder and (iii) shall not be required to initiate or conduct any litigation or collection proceedings under or pursuant to this Deed of Trust

and Security Agreement or any other Collateral Document except to the extent requested by the Agent (as directed by the Majority Banks or by the Instructing Banks (as the case may be)). Further, the Security Representative (A) makes no warranty or representation to any Secured Party and shall not be responsible to any Secured Party for the accuracy or completeness of any information, exhibit or report furnished hereunder, for any statements, warranties or representations (whether written or oral) made or deemed made in or in connection with this Deed of Trust and Security Agreement, or for the value, sufficiency, title or condition of any Collateral, (B) shall have no duty to ascertain or to inquire as to, or to enforce, the performance or observance of any of the terms, covenants or conditions of this Deed of Trust and Security Agreement or any other Collateral Document or Project Agreement on the part of the Partnership or any other Person or to inspect the property (including the books and records) of the Partnership, and (C) shall not be responsible to any Secured Party for the due execution, legality, validity, enforceability, genuineness, sufficiency, effectiveness or value of this Deed of Trust and Security Agreement, any other Collateral Document, any Project Agreement, or any other instrument or document furnished pursuant to any thereof.

5.03 Security Representative and Affiliates. With respect to its Commitment under the Credit Agreement, the Loans made by it thereunder and the Note issued to it thereunder, the Security Representative which is also a Bank shall have, in its capacity as a Bank, the same rights and powers under this Deed of Trust and Security Agreement as any other Secured Party and may exercise the same as though it were not the Security Representative; and the term "Bank" or "Banks" and "Secured Party" or "Secured Parties," shall, unless otherwise expressly indicated, include the Security Representative in its individual capacity. Except as provided in Section 6.04 of the Credit Agreement, the Security Representative and its Affiliates may accept deposits from, lend money to, act as trustee under indentures of and generally engage in any kind of business with the Partnership, the Partners, Oxbow Power, OPC, OC, Mission, Mission Group, SCEcorp and any Affiliate thereof, all as if the Security Representative were not the Security Representative hereunder and without any duty to account therefor to the Secured Parties.

5.04 Failure to Act. The Security Representative shall in all cases be fully justified in failing or refusing to act under this Deed of Trust and Security Agreement and the other Collateral Documents unless it shall first receive such advise or concurrence of the Agent or the Majority Banks as it deems appropriate and shall be indemnified to its satisfaction by the Secured Parties against any and all liability and expense which

may be incurred by it by reason of taking or continuing to take such action.

5.05 Successor Security Representative. So long as a replacement security representative has been appointed as provided below, the Security Representative may resign as Security Representative under this Deed of Trust and Security Agreement by delivering written notice of its resignation to the Partnership, the Agent and the Banks, whereupon the Security Representative's rights, powers and duties as Security Representative shall be terminated without any other or further act or deed on its part or on the part of any of the other parties to the Credit Agreement, this Deed of Trust and Security Agreement, or any other Collateral Document. Upon the resignation of the Security Representative, the Agent shall be entitled to appoint any Secured Party that is then a party to the Credit Agreement (with the consent of such Secured Party) as a successor security representative under the Deed of Trust and Security Agreement, whereupon such successor security representative shall succeed to the rights, powers and duties of the former Security Representative. Upon the acceptance of any appointment as Agent under the Credit Agreement by a successor Agent, such successor Agent shall also succeed to and become vested with all of the rights, powers, privileges, duties, and obligations of the Security Representative under this Deed of Trust and Security Agreement and the other Collateral Documents, and the former Security Representative shall be discharged from its obligations under this Deed of Trust and Security Agreement and the other Collateral Documents.

5.06 Cost and Expenses: Indemnity.

(a) The Partnership agrees to pay within five (5) Business Days of demand (i) all reasonable costs and expenses, if any, of the Security Representative (including reasonable counsel fees and disbursements) in connection with any amendment, modification or waiver of any of the terms of this Deed of Trust and Security Agreement, the other Collateral Documents or any other document delivered pursuant hereto or thereto; and (ii) all reasonable costs and expenses, if any, of the Security Representative (including reasonable counsel fees and disbursements) in connection with the enforcement against the Partnership of this Deed of Trust and Security Agreement and the other Collateral Documents or any other document delivered pursuant hereto or thereto and the preservation of and realization upon any of the Collateral (including costs in any bankruptcy proceeding, work-out or reorganization); provided, however, that in each case the Partnership shall not be required to pay any of the foregoing consisting of any salary and overhead expenses or other administrative costs.

(b) The Partnership shall indemnify, pay and/or reimburse for and hold the Security Representative, and its officers, directors, employees, agents, attorneys-in-fact and Affiliates, harmless from and against all obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including reasonable counsel fees) and other liabilities or disbursements of any kind or nature arising out of or relating to this Deed of Trust and Security Agreement, or any other Collateral Document or the Collateral or any action taken or omitted to be taken by the Security Representative thereunder or with respect thereto; provided, however, that the Partnership shall not be liable for any portion thereof resulting from the gross negligence or willful misconduct of the Security Representative or any such other Person. Promptly after receipt by an indemnified party under this subsection (b) of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof may be made against the Partnership under this subsection (b), notify the Partnership in writing of the commencement thereof, but the omission so to notify the Partnership will not relieve the Partnership from any liability which it may have to any indemnified party otherwise than under this subsection (b), except to the extent of any damages which the Partnership proves were suffered by it directly as a result of such negligent failure to notify. If any such claim or action shall be brought against an indemnified party, and it shall notify the Partnership thereof, the Partnership shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel satisfactory to the indemnified party. After notice from the Partnership to the indemnified party of its election to assume the defense of such claim or action, the Partnership shall not be liable to the indemnified party under this subsection (b) for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than reasonable costs of investigation; provided, however, that the indemnified party shall have the right to employ counsel to represent the indemnified party and its controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought by the indemnified party against the Partnership under this subsection (b) if, in the reasonable judgment of the indemnified party, it is advisable for the indemnified party and those controlling persons to be represented by separate counsel, and in that event the reasonable fees and expenses of such separate counsel shall be paid by the Partnership.

(c) The agreements in this Section 5.06 shall survive the termination of this Deed of Trust and Security Agreement.

(d) Notwithstanding any provision to the contrary in this Deed of Trust and Security Agreement, the rights of the Security Representative to reimbursement and indemnification, as provided in this Deed of Trust and Security Agreement, shall survive the termination of the Security Representative acting as Security Representative under this Deed of Trust and Security Agreement with respect to reimbursement obligations arising on or before such termination.

5.07 Relationship of Swap Counterparties. No Swap Counterparty shall have the right to enforce directly the Liens created by this Deed of Trust and Security Agreement or the other Collateral Documents. No Swap Counterparty shall have any right to require the Security Representative to take or fail to take any action under this Deed of Trust and Security Agreement or any other Collateral Document or to receive any application of funds except pursuant to Section 4.04 of this Deed of Trust and Security Agreement.

ARTICLE VI. THE TRUSTEE

6.01 Acceptance of Trust. The Trustee accepts the trust of this Deed of Trust and Security Agreement when this Deed of Trust and Security Agreement, duly executed and acknowledged, is made a public record as provided by law. The trust created hereby is irrevocable by the Partnership.

6.02 No Notice. The Trustee shall be under no obligation to notify any party hereto of any action or proceeding of any kind in which the Partnership, the Secured Parties, the Security Representative or the Trustee shall be a party, unless brought by the Trustee, or of any pending sale under any other deed of trust.

6.03 Instructions from the Security Representative. The Security Representative is acting as representative of the Secured Parties pursuant to the provisions of the Loan Documents. The Trustee shall receive and is authorized to act upon instructions solely from the Security Representative and shall not be bound by instructions from the Agent or any Secured Party unless and until the Trustee has received written instructions to the contrary executed by the Agent and all the Banks. The Trustee shall be entitled to rely on a written notice or response from the Security Representative as being based on the written concurrence or consent of all the Banks unless otherwise expressly stated in the Security Representative's notice or response. The Trustee will deal with the Security Representative

with regard to this Deed of Trust and Security Agreement and all other matters in connection herewith. In the event the Trustee relies on or complies with written instructions from the Security Representative, the Trustee shall not incur any liability for such reliance and compliance; provided, however, that nothing contained herein shall relieve the Trustee from liability for any negligence or the negligence of its employees or agents in connection with or arising from the Trustee's performance or nonperformance of its responsibilities and duties under this Deed of Trust and Security Agreement. The Trustee may, upon the written request of the Security Representative, join in granting any easement in or conveying any interest in or creating any restrictions on the Property.

6.04 Appointment of Successor Trustee. If directed by the Agent, the Security Representative may, from time to time, by a written instrument executed and acknowledged by the Security Representative and recorded in the county or counties where the Property is located, substitute a successor or successors for the Trustee.

ARTICLE VII. MISCELLANEOUS PROVISIONS

7.01 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising, on the part of the Trustee or the Security Representative, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any further exercise thereof or the exercise of any other right, power or privilege; nor shall acceptance of payment of any sum in respect of any Secured Obligation after its due date or in an amount less than the sum due constitute a waiver of any rights of the Security Representative or any Secured Party either to require prompt payment when due of all other sums so secured or to make any declaration under Article XI of the Credit Agreement for failure to pay the total sum due. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

7.02 Subrogation. The Security Representative (for the ratable benefit of Secured Parties) shall be subrogated for further security to the Lien, although released of record, of any and all encumbrances paid out of the proceeds of the Secured Obligations.

7.03 Binding Effect. This Deed of Trust and Security Agreement applies to, inures to the benefit of, and binds all parties hereto and their successors and assigns.

7.04 Severability. If one or more provisions contained in this Deed of Trust and Security Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Deed of Trust and Security Agreement.

7.05 Statute of Limitations Waived. The right to plead any and all statutes of limitations as a defense to any demand secured by this Deed of Trust and Security Agreement is hereby waived to the full extent permitted by law.

7.06 Payment for Statements. The Partnership shall pay the reasonable fee demanded by the Agent or the Security Representative for any beneficiary statement regarding the Secured Obligations; provided, however, that such amount may not exceed the maximum amount allowed by law at the time request for the statement is made.

7.07 Notices. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing (including by telex, telecopier or any other form of telecommunication) and mailed or sent or delivered, as to each party hereto, to its address set forth below. Any notice required or permitted to be given hereunder shall not be effective until actually received during the recipient's normal business hours. Any party from time to time, by notice to the other parties given as above set forth, may change its address for purposes of receipt of any such communication.

To the Partnership by personal delivery,
courier or telecopy:

Beowawe Geothermal Power Company
1601 Forum Place
West Palm Beach, Florida 33401
Attn.: Executive Director
Telephone No.: (407) 697-4300
Telecopier: (407) 687-5140

To the Partnership by mail:

Beowawe Geothermal Power Company
P. O. Box 027553
West Palm Beach, Florida 33402-75531
Attn.: Executive Director

With copies to:

Crescent Valley Energy Company
18872 MacArthur Blvd., Suite 400
Irvine, California 92715
Attn.: Treasurer
Telephone No.: (714) 752-5588
Telecopier: (714) 752-5624

Oxbow Power of Beowawe, Inc.
P. O. Box 027553
West Palm Beach, Florida 33402-75531
Attn.: President
Telephone No.: (407) 697-4300
Telecopier: (407) 687-5140

To the Trustee:

First American Title Insurance Company
of Nevada
201 West Liberty Street
Reno, Nevada 89504

To the Security Representative:

The Fuji Bank, Limited
Los Angeles Agency
333 South Grand Avenue, Suite 2500
Los Angeles, California 90071
Attn.: Project Finance Group
Telephone No.: (213) 680-9855
Telecopier: (213) 625-0189

7.08 Copies of Notices. The Partnership requests that a copy of any notice of default and of any notice of sale hereunder be mailed to the Partnership at the address set forth above.

7.09 Statement. The Partnership shall, at any time and from time to time upon not less than 10 days' prior written notice from the Security Representative, execute, acknowledge and deliver to the Security Representative a statement (i) certifying that this Deed of Trust and Security Agreement and the other Secured Obligations are unmodified and in full force and effect

or, if modified, stating the nature thereof and certifying that each Secured Obligation, as so modified, is in full force and effect and the date to which principal, interest and other sums secured hereby have been paid and (ii) acknowledging that there are no uncured Events of Default under this Deed of Trust and Security Agreement or any other Secured Obligation or specifying such Events of Default if any are claimed. Any such certificate may be conclusively relied upon by the Security Representative and any prospective purchaser, or assignee of any Secured Obligation. The Partnership's failure to deliver such certificate within such time shall be conclusive upon the Partnership that (a) the Secured Obligations are in full force and effect, without modification, except as may be represented by the Security Representative, and (b) there are no uncured Events of Default thereunder.

7.10 Release of Collateral. Upon written request of the Agent stating that all obligations secured hereby have been paid and upon surrender to Trustee of this Deed of Trust and Security Agreement for cancellation and retention and upon payment of its and the Security Representative's fees, the Security Representative shall (a) instruct the Trustee to reconvey, without warranty, the Property then held hereunder, and the Trustee shall do so, and (b) release, without warranty, the Collateral Security. The recital in such reconveyance or release of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance or person receiving such release may be described as "the person or persons legally entitled thereto."

7.11 Release of Obligors. Without affecting the liability or the obligations of the Partnership for the performance of any of the Secured Obligations (or in connection with Secured Obligations referred to in Section 1.08(d), any liabilities or any other Person) (excepting only any Person or property otherwise expressly released in writing by the Security Representative at the direction of the Agent), the Agent, or the Security Representative at the direction of the Agent, may from time to time and without notice release any Person from liability for payment or performance of any of the Secured Obligations, extend the time of payment or otherwise alter the terms of any of the Secured Obligations, accept additional security therefor of any kind, including trust deeds or mortgages, or alter, substitute or release any Collateral or other property securing the Secured Obligations.

7.12 Limitations on Recourse. The terms, provisions and limitations contained in Article XIII of the Credit Agreement shall apply to this Deed of Trust and Security Agreement as

though fully set forth in this Deed of Trust and Security Agreement.

7.13 Governing Law. THIS DEED OF TRUST AND SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEVADA APPLICABLE TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEVADA.

7.14 Entire Agreement. Except as provided in the other Collateral Documents, this Deed of Trust and Security Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall not be modified except by a written agreement of the parties as provided in the Credit Agreement.

7.15 No Third Party Beneficiaries. This Deed of Trust and Security Agreement is entered into for the sole protection and benefit of the parties hereto, and, except as specifically provided herein, no other Person shall be a direct or indirect beneficiary of, or shall have any direct or indirect cause of action or claim in connection with, this Deed of Trust and Security Agreement.

7.16 Headings; Table of Contents. The Section and subsection headings in this Deed of Trust and Security Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof.

7.17 Inconsistency. In the event of any inconsistency between the terms and provisions of this Deed of Trust and Security Agreement and the terms and provisions of the Credit Agreement, the terms and provisions of the Credit Agreement shall control.

7.18 Incorporation. To the extent not inconsistent with this Deed of Trust and Security Agreement, all covenants which can be incorporated into a deed of trust under Chapter 107 of the Nevada Revised Statutes are deemed incorporated herein.

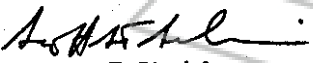
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COPY

IN WITNESS WHEREOF, the Partnership and the Security Representative have duly executed this Deed of Trust and Security Agreement, as of the day first above written.

BEOWAVE GEOTHERMAL POWER COMPANY,
a California general partnership

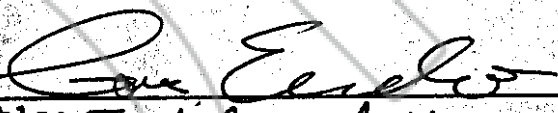
By CRESCENT VALLEY ENERGY COMPANY
A General Partner

By 
Scott B. T. Sinclair
Title: Vice President and Treasurer

By OXBOW POWER OF BEOWAVE, INC.
A General Partner

By _____
Title: _____

THE FUJI BANK, LIMITED
Los Angeles Agency,
as Security Representative

By 
Title: Joint General Manager

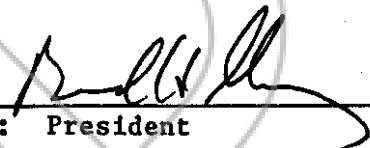
IN WITNESS WHEREOF, the Partnership and the Security Representative have duly executed this Deed of Trust and Security Agreement, as of the day first above written.

BEOWAWA GEOTHERMAL POWER COMPANY,
a California general partnership

By CRESCENT VALLEY ENERGY COMPANY
A General Partner

By _____
Title:

By OXBOW POWER OF BEOWAWA, INC.
A General Partner

By 
Title: President

THE FUJI BANK, LIMITED
Los Angeles Agency,
as Security Representative

By _____
Title:

STATE OF California)
) ss.
COUNTY OF Orange)

On March 27, 1991, before me, the undersigned, a Notary Public in and for said county and state, personally appeared Scott B. T. Sinclair, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice President and Treasurer of CRESCENT VALLEY ENERGY COMPANY, a general partner of BEOWAVE GEOTHERMAL POWER COMPANY, a California general partnership, the partnership that executed the within instrument and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument on behalf of said partnership, and acknowledged to me that such partnership executed the same.

WITNESS my hand and official seal.

Jacqueline Vu Dao
Name of Notary Public

September 28, 1993
Commission Expiration Date



[SEAL]

COUNTY OF _____)
STATE OF _____) ss.

On _____, 1991, before me, the undersigned, a Notary Public in and for said county and state, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the _____ of CRESCENT VALLEY POWER COMPANY, a general partner of BEOWAWA GEOTHERMAL POWER COMPANY, a California general partnership, the partnership that executed the within instrument and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument on behalf of said partnership, and acknowledged to me that such partnership executed the same.

WITNESS my hand and official seal.

Name of Notary Public

Commission Expiration Date

[SEAL]

COUNTY OF Palm Beach)
STATE OF Florida) ss.

On March 26, 1991, before me, the undersigned, a Notary Public in and for said county and state, personally appeared Bernard H. Cherry, personally known to me (or proved to me on the basis of satisfactory evidence) to be the President of OXBOW POWER OF BEOWAWA, INC., a general partner of BEOWAWA GEOTHERMAL POWER COMPANY, a California general partnership, the partnership that executed the within instrument and personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument on behalf of said partnership, and acknowledged to me that such partnership executed the same.

WITNESS my hand and official seal.

Carol Lundeen Hays
Name of Notary Public

March 19, 1993

Commission Expiration Date

[SEAL]



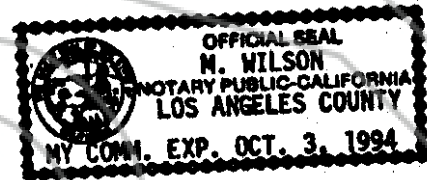
CAROL LUNDEEN HAYS
MY COMMISSION EXPIRES
March 19, 1993
BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF California)
) ss.
COUNTY OF Los Angeles)

On March 27, 1991, before me, the undersigned, a
notary public in and for said State, personally appeared
Takao Endo, the Joint General Manager
of THE FUJI BANK, LIMITED, personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person whose
name is subscribed to the within instrument, and acknowledged to
me that he executed it.

WITNESS my hand and Official Seal.

M. Wilson
Name of Notary Public
10/3/94
Commission Expiration Date



[SEAL]

Exhibit A

Parcel 1
Ground Lease

A portion of the east half of the southeast quarter of section 13, Township 31 North, Range 47 East, Mt. Diablo Base & Meridian, county of Lander, state of Nevada, described as follows:

Beginning at the southeast corner of said section, thence N 47°30'W, a distance of 1500 feet more or less to a monument marked "BM34". Thence S 32°40'E a distance of 253 feet to the true point of beginning.

Thence S 45°00'E, a distance of 470 feet.
Thence N 45°00'E, a distance of 305 feet.
Thence N 45°00'W, a distance of 30 feet.
Thence N 45°00'E, a distance of 645 feet.
Thence N 45°00'W, a distance of 110 feet.
Thence S 45°00'W, a distance of 110 feet.
Thence N 45°00'W, a distance of 510 feet.
Thence S 45°00'W, a distance of 560 feet.
Thence S 45°00'E, a distance of 180 feet.
Thence S 45°00'W, a distance of 280 feet, to the true point of beginning.

Excepting therefrom, that portion if any, lying east of the east line of said section.

Basis or bearings: A line from said monument "BM34" bears S 49°40'E, a distance of 564 feet more or less, to a monument marked "GINN-1-13".

Contains 11.34 acres more or less.

Parcel 2

A portion of the East Half of the Southeast Quarter of Section 13, Township 31 North, Range 47 East, Mt. Diablo Base & Meridian, County of Lander, State of Nevada, more particularly described as follows:

Beginning at the Southeast Corner of said Section 13, thence N. $47^{\circ}30'W$, a distance of 1493.07 feet more or less to a monument marked "BM34". Thence S. $32^{\circ}40'E$, a distance of 253 feet to the TRUE POINT OF BEGINNING, said TRUE POINT OF BEGINNING being the southwesterly corner of that certain leasehold estate as described in Document No. 130295, recorded on October 21, 1985 in Book 259, Page 94 of the Official Records of Lander County, Nevada;

Thence N. $45^{\circ}00'E$, a distance of 280 feet, along the boundary line of said leasehold estate;

Thence continuing along said boundary line, N. $45^{\circ}00'W$, a distance of 180 feet;

Thence departing said boundary line, S $45^{\circ}00'W$, a distance of 280 feet;

Thence S. $45^{\circ}00'E$, a distance of 180 feet to the TRUE POINT OF BEGINNING.

Containing 1.16 acres, more or less.

EXHIBIT B

MAJOR EQUIPMENT

| ITEM | MAKE | SERIAL # |
|---|----------------------|---------------|
| Separator | Mitsubishi | 003A-1 |
| Demister | Mitsubishi | 003A-3 |
| Hot Water Collecting Tank | Mitsubishi | 003A-2 |
| Low Pressure Flasher | Mitsubishi | 003A-4 |
| Brine Return Surge Tank | Mitsubishi | 003A-5 |
| Reinjection Motor "A" | Louis Allis | 7-K67215-003 |
| Reinjection Motor "B" | Louis Allis | 7-K67215-002 |
| Reinjection Motor "C" | Louis Allis | 8-201263-001 |
| Reinjection Pump "A" | Byron Jackson | 871-S-00001 |
| Reinjection Pump "B" | Byron Jackson | 871-S-00002 |
| Reinjection Pump "C" | Byron Jackson | 871-S-00003 |
| Turbine | Mitsubishi | N-1209 |
| Auxiliary Oil Pump | Mitsubishi | AHM183Y0101 |
| Emergency Oil Pump | Mitsubishi | H36886011 |
| Oil Coolers "A" | Mitsubishi | N-2312-4201 |
| "B" | Mitsubishi | N-2313-4202 |
| Oil Filters Right "A" | Mitsubishi | 1209LP.A-4220 |
| "B" | Mitsubishi | 1209LP.B-4221 |
| Oil Filters Left "A" | Mitsubishi | 1209LP.A-4218 |
| "B" | Mitsubishi | 1209HP.B-4219 |
| Oil Purifier | Mitsubishi | H36886003 |
| Oil Vapor Extractor | Osaka Blower Mfg. Co | 250237 |
| Generator | Mitsubishi | AAA183Y0101 |
| Aux. Cooling H ₂ O Pumps "A" | Mitsubishi | H36886004 |
| Aux. Cooling H ₂ O Pumps "B" | Mitsubishi | H36886006 |
| Aux. Seal H ₂ O Pumps "A" | Mitsubishi | H3688600 |
| "B" | Mitsubishi | H36886007 |

EXHIBIT B
MAJOR EQUIPMENT
(continued)

| ITEM | MAKE | SERIAL # |
|-------------------------------------|------------------|----------------|
| Condenser | Mitsubishi | N/A |
| Cooler | Mitsubishi | N-1986 |
| Hot Well Motors "A" | Mitsubishi | AHA183Y0101 |
| "B" | Mitsubishi | AHA183Y0102 |
| "C" | Mitsubishi | AHA183Y0103 |
| Hot Well Pumps "A" | Yoshikura Kogyo | 11016A |
| "B" | Yoshikura Kogyo | 11016B |
| "C" | Yoshikura Kogyo | 11016C |
| Cooling Tower | Harley | 12 434 85 |
| Cooling Tower Wetting Pump | U.S. Pumps | F-5720-04-2201 |
| Vacuum Pump Motor | Houston | 6304612 |
| Vacuum Pump | Nash | 86Y0156 |
| Fire Pump | General Electric | DXB062 |
| Jockey Pump | Baldor | F485 |
| Flash & Drain Tank | Mitsubishi | N-1893 |
| Air Compressors "A" | Tenabe | 850317 |
| "B" | Tenabe | 850318 |
| Air Dryers "A" & "B" | Nitsie | MOB-6 |
| Air Receiver | Mitsubishi | 003A-6 |
| Condenser Inlet C/W CV Air Receiver | Mitsubishi | 003A-7 |
| Transformer | Mitsubishi | 674221 |
| Auxiliary Generator | Caterpillar | 6BA02028 |
| Auxiliary Transformer | Mitsubishi | 3266001 |

Exhibit C

ADDENDUM TO LEASEHOLD DEED OF TRUST,
SECURITY AGREEMENT, ASSIGNMENT OF
LEASES AND RENTS AND FIXTURE FILING

The Fuji Bank, Limited
Los Angeles Agency
333 South Grand Avenue, Suite 2500
Los Angeles, California 90071

Re: Beowawe Geothermal Power Company

Ladies and Gentlemen:

Reference is made to the Leasehold Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of March 1, 1991 (as amended, modified or supplemented from time to time, the "Deed of Trust and Security Agreement"), by Beowawe Geothermal Power Company (the "Partnership") to First American Title Insurance Company of Nevada, as Trustee, for and with The Fuji Bank, Limited, acting through its Los Angeles Agency, as Beneficiary and Security Representative (the "Security Representative"). Terms defined in the Deed of Trust and Security Agreement are used herein with their defined meanings.

The Partnership and _____ (the "Swap Counterparty") are a party to the _____ (the "Swap Agreement"), a copy of which is attached hereto. Pursuant to Section 1.08(d) of the Deed of Trust and Security Agreement, the Partnership and the Swap Counterparty intend that the obligations of the Partnership to the Swap Counterparty under the Swap Agreement shall be secured by the Deed of Trust and Security Agreement as provided in such Section 1.08(d). So long as the obligations of the Partnership to the Swap Counterparty under the Swap Agreement shall be secured by the Deed of Trust and Security Agreement, the Swap Counterparty agrees that it shall be bound by all of the terms and provisions of the Deed of Trust and Security Agreement (including, without limitation, Section 5.07 of the Deed of Trust and Security Agreement).

The Swap Counterparty hereby appoints and authorizes the Security Representative to take such action as agent on its behalf and to exercise such powers under the Deed of Trust and Security Agreement and the other Collateral Documents as are contemplated by Section 5.01 of the Deed of Trust and Security Agreement. The Swap Counterparty agrees that it shall not have

any right to enforce directly the Liens created by the Deed of Trust and Security Agreement or to require the Agent or the Security Representative to take or fail to take any action under the Deed of Trust and Security Agreement or any other Loan Document, its only right being to receive its pro rata share of monies or property, if any, applied pursuant to clause "Fourth" of Section 4.04 of the Deed of Trust and Security Agreement.

The Swap Counterparty expressly acknowledges that it has entered into the Swap Agreement as principal for its own account. It is understood and agreed by the Swap Counterparty that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, condition, affairs, status and nature of the Partnership, and the nature and value of any of the Collateral. Accordingly, the Swap Counterparty confirms to the Security Representative that it has not relied, and will not hereafter rely, on the Security Representative (i) to check or inquire on the Swap Counterparty's behalf into the adequacy, accuracy or completeness of any information provided by the Partnership under or in connection with the Deed of Trust and Security Agreement or the transactions therein contemplated (whether or not such information has been or is hereafter distributed to the Swap Counterparty by the Security Representative), or (ii) to assess or keep under review on the Swap Counterparty's behalf the financial condition, creditworthiness, condition, affairs, status or nature of the Partnership or the nature or value of any of the Collateral.

The Swap Counterparty agrees to indemnify the Security Representative (to the extent not reimbursed by the Partnership), ratably according to the amount of the Secured Obligations due to the Swap Counterparty, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Security Representative in any way relating to or arising out of the Deed of Trust and Security Agreement, any other Collateral Document, any Collateral or any documents contemplated by or referred to therein or the transactions contemplated thereby or any action taken or omitted by the Security Representative in connection with any of the foregoing; provided that the Swap Counterparty shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Security Representative's gross negligence or willful misconduct. Without limitation of the foregoing, the Swap Counterparty agrees to reimburse the Security Representative promptly upon demand for its ratable share of any costs and expenses or other charges incurred by the Security

Representative and payable by the Partnership pursuant to Section 5.06(a) of the Deed of Trust and Security Agreement to the extent that the Security Representative is not reimbursed for such expenses or charges by the Partnership. The agreements contained herein shall survive the termination of the Deed of Trust and Security Agreement.

Very truly yours,

BEOWAWE GEOTHERMAL POWER COMPANY

By _____
Title: _____

[NAME OF SWAP COUNTERPARTY]

By _____
Title: _____

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OFFICIAL RECORDS
RECORDED AT THE REQUEST OF

First American
91 APR -1 18:00
Little Co.

EUREKA COUNTY, NEVADA
M.N. REBALEATI, RECORDER
FILE NO. FEE \$59-