

TERM SHEET FOR INTERCREDITOR AGREEMENT
SAN LUIS POWER PROJECT - REPUBLIC OF CARMEN

This Term Sheet is not meant to be an exhaustive document and will be replaced and superceded by definitive documentation. This Summary of Terms and Conditions replaces all previous understandings and agreements, written or oral with respect to the Intercreditor Agreement.

Borrower: San Luis Energy Partners (“*SLEP*”), a consortium consisting of Universal Electric (“*Universal*”), the Alta Group (“*Alta*”), Constructores de Carmen (“*Constructores*” or “*Contractor*”) and General Generators (“*GG*,” and, together with Universal, Alta and Constructores, the “*Sponsors*”).

Project: The construction, operation and maintenance of (the “*Project*”), in Phase I (“*Phase I*”) a nominal 500MW heavy fuel-fired simple-cycle power generation facility (capable of operating on natural gas), and, in Phase II (“*Phase II*”), of a nominal 700MW gas-fired combined-cycle power facility (integrating the Phase I facility, and capable of operating on heavy fuel), together with ancillary plant and equipment (collectively, at any time, the “*Plant*”), located at a site owned by Corporación de la Electricidad de Carmen (“*CDEC*”) in SLEP, Carmen (the “*Site*”) and related The Project will be owned by SLEP and operated on behalf of SLEP by the Operator.

Creditors: Each lender party to the Common Terms Agreement (defined below).

Collateral Agent: _____, as Collateral Agent

Common Terms Agreement: That certain Common Terms Agreement to be entered into by Borrower and the lenders party thereto setting forth certain terms of the multiple drawdown, senior secured term loan facilities entered into by the Borrower in relation to the Project.

- Loan Documents:** The Common Terms Agreement, each Creditor's Facility Agreement, the Security Documents and related documentation.
- Collateral:** As defined in the Common Terms Agreement.
- Security Documents:** As defined in the Common Terms Agreement.
- Representations:** Each Creditor shall make representations customary and usual in an intercreditor agreement for a project financing of this type, including, without limitation: (i) such Creditor has no legal claim to payment in respect of its Facility Agreement other than as set forth in the Loan Documents and available generally to the benefit of all Creditors (except for any Political Risk Insurance (to be defined) and related agreements which may be available to a particular Creditor); (ii) such Creditor is not subject or party to contractual or legal restraint regarding the enforcement of its Facility, except as set forth in the Loan Documents; and (iii) such Creditor has no interest in or relating to the Collateral except as set forth in the Security Documents.
- Enforcement Actions:** The rights and remedies of each creditor under its Facility Agreement or under the Common Terms Agreement is subject in all respects to the Intercreditor Agreement (other than such actions necessary for preservation or maintenance of such Creditor's legal rights) and that such Creditor shall not be entitled to take enforcement actions or commence legal proceedings against the Borrower or Sponsors other than in accordance with the Intercreditor Agreement.
- Information:** Each Creditor shall agree to inform the Collateral Agent of Defaults or Events of Default, acceleration notices and receipt of payments in connection with Political Risk Insurance.
- Sharing of Collateral:** Creditors receiving payments on account of any Facility Agreement in excess of its Pro Rata Share (defined below) shall hold such payment in trust for the remaining Creditors and shall pay such excess over to the Collateral Agent for redistribution to any Creditor to whom amounts were due and payable. In the event redistribution is inadvisable, the Collateral Agent may consult with the Creditors to identify an alternative method of redistribution.

“*Pro Rata Share*” shall mean the portion of the claims of such Creditor that are received by such Creditor on or in respect of such day that bears the same proportion to the aggregate amount of all claims of all Creditors that are due and payable on such day. Provision shall be made for the receipt of funds by particular Creditors from proceeds of Political Risk Insurance.

Voting:

Decisions and determinations under the Intercreditor Agreement shall be made by the affirmative vote of the Required Creditors. The Collateral Agent may convene meetings of the Required Creditors or take action by written consent of the Required Creditors.

Conditions Precedent to Effectiveness:

Customary and usual in an intercreditor agreement for a project financing of this type, including, without limitation, providing true and complete copies of the Loan Documents.

Amendment of Loan Documents:

No Creditor shall amend, modify, waive or alter the terms of its respective Loan Documents or the Intercreditor Agreement without prior consent of the Required Creditors, and no amendment shall: (i) increase the amount of principal, fees or interest payable to such Creditor; (ii) accelerate any date specified for payment of amounts to such Creditor, or reduce, limit or terminate obligations of such Creditor to make advances under its Facility Agreement; (iii) amend any other term or condition that would adversely affect the Borrower’s ability to borrow thereunder or to comply with the terms thereof, or would prefer such Creditor over any other Creditor, (iv) change the definition of Required Creditors or percentage of claims required to take action under the Intercreditor Agreement. Amendments, modifications, waivers or alterations in violation of the foregoing would be of no force or effect.

Acceleration:

If an Event of Default shall have occurred and is continuing under any Loan Document, the Collateral Agent may, or shall at the request of the Required Creditors, declare all commitments and obligations of the Creditors under the Facility Agreements terminated and declare the loans thereunder and interest accrued thereon to be due and payable without presentment, demand, protest or notice of

any kind. Upon acceleration, the Collateral Agent may exercise all the rights and remedies of a secured party under applicable law.

Costs and Expenses:

The Borrower shall pay all reasonable out of pocket expenses of the Collateral Agent in connection with: (i) filing, registration and other fees payable to any governmental authority or otherwise required by law in connection with the execution, delivery and closing of the Loan Documents; (ii) administration of the Intercreditor Agreement and the Loan Documents; and (iii) the enforcement of any Loan Document against the Borrower, whether through negotiations, legal proceedings or otherwise and whether before or after a Default or Event of Default under the Loan Documents.

Other:

The Intercreditor Agreement shall contain additional representations customary and usual in an intercreditor agreement for a project financing of this type, including, without limitation, the additional provisions regarding: priority of distribution of funds upon acceleration; rights of the Collateral Agent to take action in a Default or Event of Default; marshalling of assets; indemnification of the Collateral Agent by the Borrower and cumulative remedies.

Governing Law:

Laws of the State of New York [Republic of Carmen] shall govern the Intercreditor Agreement.