FORM 35-CERT

Certificate of compliance with terms by public utility company under Rule 24

Filing Date: **1995-01-11**
SEC Accession No. 0000840716-95-000003

FILER

ENERGY INITIATIVES INC

CIK:**840716**| State of Incorp.:**NJ** | Fiscal Year End: **1231**
Type: **35-CERT** | Act: **35** | File No.: **070-08369** | Film No.: **95500934**

Business Address
100 INTERPACE PKWY
PARSIPPANY NJ 07054

SEC FILE NO. 70-8369

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

CERTIFICATE PURSUANT TO

RULE 24

OF PARTIAL COMPLETION OF

TRANSACTIONS

GENERAL PUBLIC UTILITIES CORPORATION
ENERGY INITIATIVES, INC.

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

In the Matter of	
GENERAL PUBLIC UTILITIES CORPORATION ENERGY INITIATIVES, INC.	Certificate Pursuant to Rule 24 of Partial Completion of Transactions
SEC File No. 70-8369	
(Public Utility Holding Company Act of 1935)	

TO THE MEMBERS OF THE SECURITIES AND EXCHANGE COMMISSION:

The undersigned, General Public Utilities Corporation ("GPU") and Energy Initiatives, Inc. ("EI"), hereby certify pursuant to Rule 24 of the Rules and Regulations under the Public Utility Holding Company Act of 1935 (the "Act"), that certain of the transactions proposed in the Application, as amended, filed in SEC File No. 70-8369, have been carried out in accordance with the Commission's order, dated May 18, 1994 with respect thereto, as follows:

1. As previously reported in the Certificate Pursuant to Rule 24 dated June 21, 1994, filed in this docket ("June 1994

Rule 24 Certificate"), on June 13, 1994 EI acquired from North Canadian Resources, Inc. ("NCRI") pursuant to a Stock Purchase and Sale Agreement dated March 31, 1994, as amended by the First Amendment to Stock Purchase and Sale Agreement dated as of June 13, 1994 ("Stock Purchase Agreement"), the common stock of North Canadian Power Incorporated (since renamed NCP Energy, Inc.) ("NCP"), together with NCP's indirect ownership interests in the

Lake, Pasco, Ada and Federal Paperboard Cogeneration Projects. At such time, requisite consents from third parties ("Requisite Consents") with respect to NCP's indirect ownership interests in the Syracuse Cogeneration Project ("Syracuse Project") had not yet been obtained, and consequently, NCP's ownership interests in that project were transferred to NCRI as "excluded subsidiaries" ("Excluded Subsidiaries") under the Stock Purchase Agreement pending receipt of the Requisite Consents.

2. Due to the inability to obtain the Requisite Consents to purchase the Excluded Subsidiaries, pursuant to a Second Amendment to Stock Purchase Agreement dated as of January 1, 1995 ("Amended Stock Purchase Agreement"), EI agreed to purchase instead certain of NCRI's interests in the Syracuse Project in lieu of purchasing the Excluded Subsidiaries as originally contemplated by the Stock Purchase Agreement.

Accordingly, on January 1, 1995, following the receipt of the requisite consents to effect such transaction, NCP acquired from Syracuse Investment, Inc. ("SII"), a Delaware corporation owned by NCRI, (i) a 4.9% limited partner interest ("4.9% Interest") in Syracuse Orange Partners, L.P., a Delaware limited partnership which currently holds an 89% limited partner interest in Project Orange Associates, L.P. ("POA"), a Delaware limited partnership which owns the Syracuse Project and (ii) pursuant to the Assignment Agreement dated as of January 1, 1995 and related Security Agreement, the right to receive distributions with respect to the balance of the SII limited partner interest in SOP. Such right is evidenced by a promissory note ("Distribution

Note") which is being held in escrow pending the receipt of an appropriate Commission order authorizing its acquisition by NCP.

3. On January 1, 1995, NCP and NCP Syracuse, Inc., a Delaware corporation owned by NCRI and the Managing General Partner of POA ("NCP Syracuse"), entered into certain Management Agreements pursuant to which NCP agreed to manage the Syracuse Project on behalf of NCP Syracuse (such rights and interest of NCP in and to the Management Agreements are referred to as the "Management Rights") (the 4.9% Interest, Distribution Note and

Management Rights are collectively referred to as the "Syracuse Interests").

4. Pursuant to a Purchase Options Agreement dated as of January 1, 1995, the parties agreed, among other things, that under certain circumstances, (i) NCP Syracuse, will have the right to acquire from NCP the Management Rights, the 4.9% Interest and the Distribution Note and (ii) NCP or its designee will have the right to acquire NCP Syracuse's 10% general partner interest in SOP and 1% general partner interest in POA and SII's 1% general partner interest in SOP and remaining limited partner interest in SOP, or at NCP's option, the outstanding shares of capital stock of NCP Syracuse and SII. In addition, pursuant to the Purchase Options Agreement, the parties agreed under certain circumstances to restrict the transfer of the interests held by them in the Syracuse Project.

5. As reported in the June 1994 Rule 24 Certificate, immediately prior to EI's acquisition of the NCP common stock, a 1% general partner and an aggregate 56.95% of limited partner interests ("Lake Interests") in the Lake Project were transferred

to Lake Interest Holdings Inc. ("LIHI"), a wholly-owned special purpose Delaware subsidiary of NCRI, and an aggregate 3.15% of limited partner interests ("Pasco Interests") in the Pasco

Project was transferred to Pasco Interest Holdings Inc., another wholly-owned special purpose Delaware subsidiary of NCRI. Pursuant to the Amended and Restated Lake Interest Option Agreement, dated as of June 13, 1994, and the Pasco Interest Option Agreement, dated as of June 13, 1994, EI was granted the exclusive option until March 31, 1995, to acquire all or specified portions of the Lake and Pasco Interests, subject to the satisfaction of certain conditions precedent set forth in these Option Agreements. Pursuant to First Amendments dated as of January 1, 1995 to each of the Lake Interest Option Agreement and Pasco Interest Option Agreement, the dates by which such options may be exercised were extended to December 31, 1995.

6. EI, NCRI and Harris Trust and Savings Bank ("Escrow Agent") have entered into a First Amendment to Amended and Restated Escrow Agreement, dated December 30, 1994. Pursuant thereto, on December 30, 1994, the Escrow Agent disbursed a total of $5,695,000 to NCRI in respect of the allocated purchase price for the Syracuse Interests, a partial working capital closing adjustment ($290,408) and an agreed upon portion of escrow interest earned with respect to the escrow deposit in payment for the Lake Interests and Pasco Interests ($35,161). In addition, the Escrow Agent dispersed a total of $4,586,771.51 to EI (which in turn paid such funds to GPU) representing the balance of EI's cash deposit remaining in escrow for the Syracuse Project Excluded Subsidiaries including approximately $205,726, the

agreed upon portion of escrow interest earned with respect to the escrow deposit in payment for the Lake Interests and Pasco Interests.

7. To summarize, GPU has made cash capital contributions to EI aggregating $59,212,590 which EI has in turn used to pay the purchase price for NCP and the Syracuse Interests.

8. The following exhibits are filed in Item 6:

B-1(i) - First Amendment to Amended and Restated Lake Interest Option Agreement

B-1(b) - Second Amendment to Stock Purchase and Sale Agreement

B-1(b)(i) - Revised Schedule 2.1 of Stock Purchase Agreement - filed under request for confidential treatment pursuant to Rule 104.

B-2(b) - First Amendment to Amended and Restated Escrow Agreement

B-3(a)(i) - Second Amendment to First Amended and Restated Limited Partnership Agreement of Lake Cogen Ltd.

B-5(a)(i) - First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P.

B-5(a)(ii) - First Amendment to First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P.

B-5(a)(iii)- Assignment of Partnership Interest

B-5(a)(iv) - Distribution Note

B-5(a)(v) - Assignment and Security Agreement

B-5(a)(vi) - Purchase Options Agreement

B-5(g) - Management Agreements

B-16(a) - First Amendment to Pasco Interest Option Agreement

SIGNATURE

PURSUANT TO THE REQUIREMENTS OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, THE UNDERSIGNED COMPANIES HAVE DULY CAUSED THIS CERTIFICATE TO BE SIGNED ON THEIR BEHALF BY THE UNDERSIGNED THEREUNTO DULY AUTHORIZED.

GENERAL PUBLIC UTILITIES CORPORATION

By:
T. G. Howson,
Vice President and Treasurer

ENERGY INITIATIVES, INC.

By:

B. L. Levy, President

Date: January 11, 1995

EXHIBIT TO BE FILED BY EDGAR

Exhibits:

B-1(i)	-	First Amendment to Amended and Restated Lake Interest Option Agreement
B-1(b)	-	Second Amendment to Stock Purchase and Sale Agreement
B-2(b)	-	First Amendment to Amended and Restated Escrow Agreement
B-3(a)(i)	-	Second Amendment to First Amended and Restated Limited Partnership Agreement of Lake Cogen Ltd.
B-5(a)(i)	-	First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P.
B-5(a)(ii)	-	First Amendment to First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P.
B-5(a)(iii)	-	Assignment of Partnership Interest
B-5(a)(iv)	-	Distribution Note
B-5(a)(v)	-	Assignment and Security Agreement
B-5(a)(vi)	-	Purchase Options Agreement
B-5(g)	-	Management Agreements
B-16(a)	-	First Amendment to Pasco Interest Option Agreement

Exhibit B-1(i)

AMENDMENT NO. 1 TO AMENDED AND RESTATED LAKE INTEREST OPTION AGREEMENT

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED LAKE INTEREST OPTION AGREEMENT, dated as of January 1, 1995 (this "Amendment No. 1"), is entered into by and among North Canadian Resources, Inc., a Delaware corporation ("NCRI"), Lake Interest Holdings Inc., a Delaware corporation ("LIHI"), and Energy Initiatives, Inc., a Delaware corporation ("Buyer") (NCRI, LIHI and Buyer are collectively referred to herein as the "Parties").

WHEREAS, the Parties have entered into an Amended and Restated Lake Interest Option Agreement, dated as of June 13, 1994 ("Original Agreement"), whereby, among other things, (A) LIHI granted to Buyer, for a period ending as of the close of business on the Lake Option Expiration Date (capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Original Agreement) the exclusive right and option to purchase all right, title and interest of LIHI in and to (i) the Lake Interest and (ii) the Lake Federal QF Interest and/or the Lake Florida QF Interest; and (B) NCRI irrevocably granted to Buyer the exclusive right and option to purchase all right, title and interest of NCRI in and to the LIHI Stock.

WHEREAS, as a result of circumstances arising from the Florida Power Proceeding, as defined below, the Parties desire to extend the Lake Option Expiration Date with respect to the Lake Interest and the Lake Federal QF Interest.

NOW, THEREFORE, in consideration of the above premises and the agreements contained herein and in the Purchase Agreement, the Parties, intending to be legally bound, mutually agree as follows:

1. Section 2.3 of the Original Agreement is hereby amended to read in its entirety as follows:

> 2.3 As used herein, "Lake Option Expiration Date" means, as to the Lake Florida QF Interest Option, the date of exercise of such Option (or, if earlier, termination of the Lake

Partnership); and as to each other Option, the earlier of (i) December 31, 1995 and (ii) 90 days following the date of (x) the issuance of a final non-appealable order by the Florida Public Service Commission ("Florida PSC") with respect to the proceeding entitled In re: Petition for Declaratory Statement Regarding Application of Rule 25-17.0832,F.A.C., to Certain Negotiated Contracts for Purchase of Firm Capacity and Energy by Florida Power Corporation (Docket No. 940771-EQ) ("Florida Power Proceeding"), or any successor proceeding or (y) a binding settlement agreement entered into between the parties in the Florida Power Proceeding and in the case entitled NCP Lake Power Inc. v.

Florida Power Corporation, Case No. 94-2354-CAOI (Fifth Judicial Circuit, Lake County, Florida).

2. This Amendment No. 1 shall not be effective unless and until TIFD III-C, Inc., a Delaware corporation ("TIFD"), shall have consented hereto as required by Section 6 of the Original Agreement.

3. Except as amended hereby, the Original Agreement shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, each of the Parties has caused this Amendment No. 1 to be duly executed on the date first written above.

NORTH CANADIAN RESOURCES, INC.	ENERGY INITIATIVES, INC.
By:	By:
Name:	Name:
Title:	Title:

LAKE INTEREST HOLDINGS INC.

By:

Name:

Title:

Exhibit B-1(b)

EXECUTION COPY

SECOND AMENDMENT TO
STOCK PURCHASE AND SALE AGREEMENT

SECOND AMENDMENT, dated as of January 1, 1995 (the "Second Amendment"), to STOCK PURCHASE AND SALE AGREEMENT, dated as of March 31, 1994 (the "Original Agreement") as amended by the First Amendment to Stock Purchase and Sale Agreement dated as of June 13, 1994 (the "First Amendment") by and among NORTH CANADIAN OILS LIMITED, a Canadian corporation ("NCO"), NORTH CANADIAN RESOURCES, INC., a Delaware corporation ("NCRI"), NCP ENERGY INC., a California corporation formerly known as North Canadian Power Incorporated ("NCP"), and ENERGY INITIATIVES, INC., a Delaware corporation ("Buyer"). Capitalized terms used in this Second Amendment shall unless otherwise defined herein or in Schedule I to this Second Amendment have the meanings ascribed to them in the Original Agreement and the Glossary attached as Annex A thereto, as amended by the First Amendment.

WHEREAS, simultaneously herewith Buyer and NCRI are entering into an amendment to the Escrow Agreement (the "First Escrow Agreement Amendment") as heretofore amended and restated;

WHEREAS, at the time of the NCP Closing the Syracuse Subsidiaries (as defined in Section 3.3.2(c)(i) of the Original Agreement) were classified as Excluded Subsidiaries and were transferred to NCRI prior to the NCP Closing in accordance with the provisions of Subsection 1.4.1 of the Original Agreement; and

WHEREAS, the parties now desire to amend the Original Agreement, as heretofore amended, in certain respects with respect to the provisions relating to the Project described on Annex B as the Syracuse Project and to proceed with closing the transfer of the Syracuse Interests (as hereinafter defined) in lieu of an Excluded Subsidiaries Closing;

NOW, THEREFORE, for good and valuable consideration, the parties hereto, intending to be legally bound, mutually agree that the Original Agreement, as amended by the First Amendment, is further

amended as follows:

ARTICLE I

A. Article I is hereby further amended by adding a new Subsection 1.1.4 to read as follows:

1.1.4 At the Syracuse Interest Closing, NCRI shall cause Syracuse Investment, Inc. ("SII") to sell, transfer, assign and deliver to NCP, and NCP shall purchase and accept all right, title and interest in

and to the following (which are collectively referred to herein as the "Syracuse Interests" and the closing at which the Syracuse Interests are transferred to Buyer is referred to herein as the "Syracuse Interest Closing"):

(a) a 4.9% limited partnership interest (the "4.9% Interest") in Syracuse Orange Partners, L.P. ("SOP"); and

(b) the right to receive Distributions with respect to the balance of the limited partnership interest to be owned by SII following the transfer of the 4.9% Interest provided for in paragraph (a) above, which will be evidenced by the NCRI Note.

The parties agree that the transactions provided for herein are in lieu of and substitution for the Excluded Subsidiary Closing relating to the Syracuse Subsidiaries. Upon completion of the Syracuse Interest Closing, the parties shall have no further obligations, rights or liabilities whatsoever with respect to the Syracuse Subsidiaries, the Syracuse Partnerships, or the Syracuse Project, and the NCO Obligations with respect thereto, pursuant to the provisions of Subsection 1.1.2, 1.2.2, 1.2.3, 1.2.4 and Section 1.3, provided that the foregoing shall not be deemed to limit any of the representations or indemnities of the parties in Articles V through VIII, XV and XVI. For purposes of this agreement, Distributions and Note shall have the respective meanings assigned to such terms in the Distributions Assignment Agreement.

B. Article I is hereby further amended by deleting Section 1.6.7 and replacing it with a new Section 1.6.7 as follows:

1.6.7 As used herein, "Option Expiration Date":

(i) as to each of the Lake Florida QF Interest Option and the Pasco Florida QF Interest Option, means the exercise date of such option (or, if earlier, termination of the Lake Project Partnership or Pasco Project Partnership, as applicable),

(ii) as to the Lake Interest Option, Lake Federal QF Interest Option, and LIHI Stock Option, has the meaning set forth in the Lake Option Agreement, and

(iii) as to the Pasco Federal QF Interest Option and PIHI Stock Option, has the meaning set forth in the Pasco Option Amendment.

C. Article I is hereby further amended by renumbering the existing provisions of Section 1.7 as Subsection 1.7.1 and adding a new Subsection 1.7.2 to read as follows:

1.7.2 At the Syracuse Interest Closing:

(i) the Management Agreement, dated as of June 13, 1994, between NCRI and NCP shall be terminated, and

(ii) NCP and NCP Syracuse, Inc. shall enter into the Syracuse Project Management Agreements in the form of Exhibit A to the Second Amendment pursuant to which NCP will, following the Syracuse Interest Closing, manage on behalf of NCP Syracuse the Syracuse Project.

D. Article I is hereby further amended to add a new Section 1.10

which shall read as follows:

1.10 Syracuse Interest Buy-Sell Agreement

At the Syracuse Interest Closing, NCP and NCP Syracuse and its affiliates shall enter into a Purchase Options Agreement relating to, among other things, the Syracuse Interest in the form of Exhibit B to the Second Amendment.

Article II

A. Article II is hereby further amended by deleting all of Subsection 2.1.1 and Schedule 2.1 referred to therein and substituting in lieu thereof a new Subsection 2.1.1 and Schedule 2.1 to read as follows:

2.1.1. The aggregate Purchase Price payable to NCRI in connection with the Purchase and Sale Transaction is Sixty-Two Million, Two Hundred Sixty Three Thousand, Five Hundred Dollars ($62,263,500) which shall be allocated and paid to NCRI in accordance with the following Schedule 2.1. Additional consideration of $2,600,000 shall be payable for the Management Agreement and $2,722,500 for the Note and the Distributions Assignment Agreement.

[Schedule 2.1 - filed under request for confidential treatment pursuant to Rule 104.]

B. Article II is hereby further amended to add a new Subsection 2.2.5 to read as follows:

2.2.5. At the Syracuse Interest Closing, the Escrow

Agent shall deliver to NCRI on behalf of Buyer and NCRI shall accept in immediately available funds $6,020,569.00, comprised of the aggregate of the following:

(a) $372,500 for the 4.9% Interest;

(b) $2,722,500 for the Note and the Distributions Assignment Agreement;

(c) $2,600,000 for the Management Agreement;

(d) $290,408 in partial settlement of the Working Capital Closing Adjustment

(e) $35,161 representing NCRI's share of interest in the Escrow Deposit from June 13, 1994 through the date of the Syracuse Interest Closing and attributable to the Pasco Federal QF Interest Option, Pasco Florida QF Interest Option, Lake Federal QF Interest Option and Lake Florida QF Interest Option.

ARTICLE III

A. Article III is hereby amended by deleting all of Section 3.8 without substitution.

B. Article III is hereby further amended by deleting all of Subsection 3.9.2 (as amended) and substituting in lieu thereof a new Subsection 3.9.2 to read in its entirety as follows:

3.9.2 In the event following the NCP Closing the Lake Interest and the Pasco Interest have not been purchased by the Lake Interest Optionee and the Pasco Interest Optionee, respectively, on or prior to December 31, 1995, then unless the parties shall otherwise agree in writing, on January 1, 1996 the Escrow shall be terminated and the Escrow Agent shall disburse the escrow deposits in accordance with the provisions of the Amended and Restated Escrow Agreement as further amended.

C. Article III is hereby further amended to add a new Section 3.10 which shall read as follows:

3.10 Syracuse Interest Closing.

3.10.1. The closing with respect to the Syracuse Interest shall occur, subject to satisfaction of the conditions precedent set forth in Article XII of the Purchase Agreement as amended hereby, at the offices of Berlack, Israels & Liberman on the date hereof.

3.10.2. At the Syracuse Interest Closing, the Escrow Agent shall release and deliver:

(A) to Buyer:

(i) Buyer's Syracuse Deposit described in Section 3.2.3(c);

(ii) Seller's Syracuse Deposit described in Sections 3.3.2.(ii), (iii), (iv) and (v); and

(iii) $4,561,473.14, respecting Buyer's share of the interest in the Escrow Deposit through the date of the Syracuse Interest Closing and the balance of the deposit which is not required to be held in escrow pursuant to Section 4.4.1; and

(B) to NCRI:

(i) that portion of Seller's Syracuse Deposit described in Sections 3.3.2(i), (vi), (vii) and (viii); and

(ii) the aggregate cash payment described in Section 2.2.5.

3.10.3. At the Syracuse Interest Closing, the parties shall execute and deliver (and cause their affiliates to execute and deliver, as the case may be) the documents specified in Schedule A to the Second Amendment (collectively, the "Syracuse Closing Agreements").

3.10.4. At the Syracuse Interest Closing, each party shall execute and deliver to the other such other instruments and documents as may be necessary or appropriate to carry out the Purchase Sale Transactions and the Escrow Agreement, as

amended by the First Escrow Agreement Amendment, and to comply with the terms and conditions hereof and thereof.

ARTICLE IV

Article IV is hereby amended by adding a new Section 4.4. to read as follows:

4.4. Partial Settlement of Working Capital Closing Adjustment.

4.4.1. The parties agree that $290,408 shall be paid to NCRI from the funds held by the Escrow Agent, representing a partial settlement of the Working Capital Closing Adjustment. The amount of the Working Capital Closing Adjustment in dispute ($300,000) shall continue to be held in escrow, pending a final, mutual agreement by the parties. In addition to such $300,000, Escrow Agent shall continue to hold in escrow $9,886,020 in respect of the Lake Interest and Pasco Interest.

4.4.2. The parties further agree that from and after the Syracuse Interest Closing all interest earned on the Escrow Deposit shall be allocated and paid in accordance with the provisions of the Escrow Agreement as amended by the First Escrow Agreement Amendment.

ARTICLES V

The Second Amendment makes no changes to Articles V which shall continue in full form and effect as set forth in the Original Purchase Agreement as amended by the First Amendment.

ARTICLE VI

A. Article VI is hereby amended by deleting the proviso in Article VI added by Section 4(a) of First Amendment and substituting in lieu thereof with the following proviso to be inserted at the end of the first paragraph of Article VI to read

as follows:

provided, however, that representations regarding PIHI, Pasco Option Agreement, PIHI Stock and Pasco Option Interest are made as of the date of the First Amendment, and the representations set forth in Section 6.10 are made as of the date of the Second Amendment.

B. Article VI is hereby further amended to add the following new Section 6.10:

6.10.1. Syracuse Interest Closing Date Representations.

NCRI hereby represents and warrants to the Buyer, as of the date of this Second Amendment, as follows:

6.10.1 Each NCO Party (as defined below) has duly authorized, executed and delivered each Syracuse Closing Agreement to which it is a party and such agreement constitutes such NCO Party's valid and legally binding obligation, enforceable in accordance with its terms.

6.10.2 The execution, delivery and performance by each NCO Party of each Syracuse Closing Agreement to which it is a party are not prohibited by, do not violate or conflict with any provision of, or result in a default (or constitute an event which with notice or lapse of time or both, would become a default) under:

(a) Such NCO Party's Certificate of Incorporation or by-laws;

(b) Any order, decree or judgment of any court, Governmental Authority or arbitrative body to which such NCO Party or any of the Syracuse Partnerships or its assets are bound or subject;

(c) Any law or regulation applicable to such NCO Party or any of the Syracuse Partnerships; or

(d) Any Commitment to which such NCO Party or any of the Syracuse Partnerships is a party or by which its assets are bound or subject (subject to receipt of the Consents contemplated by the

Purchase Options Agreement).

6.10.3 No consent, approval or authorization of or filing of any certificate, notice, application, report or other document with, any Governmental Authority is required on the part of any NCO Party in connection with the valid execution and delivery of each Syracuse Closing Agreement to which it is a party or the performance by it of its obligations thereunder.

6.10.4 Each representation and warranty of each NCO Party contained in the Syracuse Closing Agreements is true and correct on and as of the date of the Second Amendment.

6.10.5 As used herein, the term "NCO Party" means each of NCO, NCRI, NCP Syracuse, SII, LIHI and PIHI.

Article VII

The Second Amendment makes no change in Article VII which shall continue in full force and effect as set forth in the Original Purchase Agreement as amended by the First Amendment.

Article VIII

A. The first paragraph of Article VIII is hereby amended to delete such first paragraph in its entirety and substituting in lieu thereof a new first paragraph to read as follows:

As an inducement to NCO, NCRI and NCP to enter into this Agreement, Buyer hereby makes the following

representations to NCO, NCRI and NCP as of the date hereof, provided, however, that the representations set forth in Section 8.11 are made to NCO and NCRI only, and such representations are made as of the date of the Second Amendment.

B. Article VIII is hereby amended to add the following new Section 8.11:

8.11 Syracuse Interest Closing Date Representations.

Buyer hereby represents and warrants to Sellers, as of the date of this Second Amendment, as follows:

8.11.1. Each EI Party (as defined below) has duly authorized, executed and delivered each Syracuse Closing Agreement to which it is a party and such agreement constitutes such EI Party's valid and legally binding obligation, enforceable in accordance with its terms.

8.11.2. The execution, delivery and performance by each EI Party of each Syracuse Closing Agreement to which it is a party are not prohibited by, do not violate or conflict with any provision of, or result in a default (or constitute an event which with notice or lapse of time or both, would become a default) under:

(a) Such EI Party's Certificate of Incorporation or by-laws;

(b) Any order, decree or judgment of any court, Governmental Authority or arbitrative body (in the case of NCP, entered into after June 13, 1994), to which such EI Party or its assets are bound or subject;

(c) Subject to receipt of the Authorizations (as defined below), any law or regulation applicable to such EI Party; or

(d) Any Commitment to which such EI Party is a party or by which its assets are bound or subject (in the case of NCP, entered into after June 13, 1994), subject to receipt of the Consents contemplated by the Purchase Options Agreement.

8.11.4. No consent, approval or authorization of or filing of any certificate, notice, application, report or other document with, any Governmental Authority is required on the part of any EI Party in connection with the valid execution and delivery of each Syracuse Closing Agreement to which it is a party or the performance by it of its obligations thereunder (other than those that have been obtained or made and such Governmental authorizations as are contemplated by

the Purchase Options Agreement and Distributions Assignment Agreement ("Authorizations").

8.11.5. Each representation and warranty of each EI Party contained in the Syracuse Closing Agreements is true and correct on and as of the date of the Second Amendment.

8.11.6. As used herein, the term "EI Party" means each of Buyer and NCP.

Articles IX - XI

This Second Amendment makes no change in Articles IX through XI which shall continue in full force and effect as set forth in the Original Purchase Agreement as amended by the First Amendment.

Article XII

Article XII is hereby amended to add a new Section 12.4 which shall read as follows:

12.4. Conditions Precedent to Syracuse Interest Closing.

The obligations of the parties hereto to consummate the transactions to be performed by them in connection with the Syracuse Interest Closing are subject to satisfaction of each of the following conditions:

(a) each of the conditions precedent to the obligations of the respective parties in Section 12.1 and 12.2 hereof shall have been satisfied;

(b) all of the Requisite Consents necessary to consummate the Syracuse Interest Closing shall have been received, and such Requisite Consents shall be in full force and effect.

Articles XIII and XIV

This Second Amendment makes no change in Articles XIII and XIV.

Article XV

A. Article XV is hereby amended to delete all of paragraph (a) of Subsection 15.1.1 and to substitute in lieu thereof a new paragraph (a) which shall read as follows:

(a) the representations of:

(i) NCO set forth in Article V,

(ii) NCRI set forth in Article VI, and

(iii) NCP set forth in Article VII

are true and correct on the date of the Original Agreement (or on the date of the First Amendment or Second Amendment, as applicable, in respect of the representations described in the proviso to the first paragraph of Article VI), except that no representation or warranty is being made as to the title to any real estate or any Encumbrances thereon; and

B. Article XV is hereby further amended by adding a new paragraph (d) to Subsection 15.1.2 which shall read as follows:

(d) all Claims now or hereafter asserted by or on behalf of Adam Victor, G.A.S. Orange Development, Inc., G.A.S. Orange Partners, L.P., Gas Alternative Systems, Inc. or any of their Affiliates, successors or assigns (including, without limitation, in the proceeding entitled G.A.S. Orange Partners, L.P., G.A.S. Orange Development, Inc., Gas Alternative Systems, Inc. and Adam H. Victor v. NCP Syracuse, Inc., North Canadian Power Incorporated and Syracuse Orange Partners, L.P., 94 CV 752 (N.D.N.Y.)), insofar as such Claims arise out of or relate to the ownership, operation or management

of either or both of the Syracuse Partnerships or the Syracuse Cogeneration Project at any time prior to the date of the Syracuse Interest Closing provided, however, that (i) NCO does not indemnify Buyer and its Affiliates against loss of any amounts which would have been payable or distributable by the Syracuse Partnerships to Buyer or its Affiliates but for expenses or losses (including indemnification by the Syracuse Partnerships of their partners in accordance with the terms of their partnership agreements) incurred or suffered by the Syracuse Partnerships in connection with such Claims and (ii) the indemnity provided by this paragraph (d) shall not be subject to the limitations set forth in Sections 15.1.3 and 15.1.4 below.

C. Article XV is hereby further amended to delete all of paragraph (a) of Subsection 15.2.1 and to substitute in lieu

thereof the following paragraph (a) which shall read in its entirety as follows:

(a) the representations of Buyer set forth in Article VIII are true and correct as of the date of the Original Agreement (or on the date of the Second Amendment in respect of the representation described in the proviso to the first paragraph of Article VIII); and

D. Article XV is further hereby amended by replacing the words "or Pasco Option Closing" with ", Pasco Option Closing or Syracuse Interest Closing" in the second line of Section 15.1.2(c) and 15.2.2(c).

ARTICLES XVI

Article XVI is hereby amended by adding a new paragraph (d) to Subsection 16.2.2 which shall read as follows:

(d) all Taxes imposed:

(i) on Buyer or NCP (including but not limited to under Sections 186, 186-a, or 189 of the New York Tax Law) and attributable to the ownership of the

4.9% Interest, and

(ii) on either or both of the Syracuse Partnerships pursuant to Sections 186, 186-a or 189 of the New York Tax Law, to the extent of NCP's direct or indirect share thereof;

in each case, with respect to periods (or portions thereof) ending on or prior to the Syracuse Interest Closing.

ARTICLE XVII

The Second Amendment makes no changes to Article XVII of the Original Agreement.

Glossary

The definition of "Closing Documents" is hereby amended to read in its entirety as follows:

> The documents to be delivered by Sellers and/or Buyer at the NCP Closing, an Excluded Subsidiary Closing, a Lake Interest Closing, a Pasco Option Closing and at the Syracuse Interest Closing, as the case may be, as set forth in Articles III and XII of the Agreement.

Except as expressly amended by this Second Amendment, the Original Agreement, as amended by the First Amendment, shall

continue in full force and effect in accordance with its terms. This Second Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SECOND AMENDMENT

TO STOCK PURCHASE AND SALE AGREEMENT]

IN WITNESS WHEREOF, each of the parties has caused this Second Amendment to be duly executed on this date first written above.

NORTH CANADIAN OILS LIMITED

By:
Name:
Title:

By:
Name:
Title:

ENERGY INITIATIVES, INC.

By:
Name:
Title:

NORTH CANADIAN RESOURCES, INC.
on behalf of itself and NCP Syracuse, Inc. and Syracuse Investment, Inc.

By:
Name:
Title:

NCP ENERGY INC.

By:
Name:
Title:

SCHEDULE I

[To Second Amendment to Stock Purchase and Sale Agreement]

1. Assignment of Partnership Interest, dated as of the date hereof, between SII and NCP ("Partnership Interest Assignment Agreement"), and related Consent to Assignment by the General Partners, Confirmation of Transfer by the General Partners and Consent of NCP.

2. Management Agreements, each dated as of the date hereof, between NCP Syracuse and NCP.

3. Promissory Note of NCRI delivered pursuant to the Distributions Assignment Agreement.

4. Assignment Agreement, dated as of the date hereof, between Investment and Buyer ("Distributions Assignment Agreement") and related Security Agreement, dated as of the date hereof, between SII and NCP ("Security Agreement").

5. Purchase Options Agreement, dated as of the date hereof, among NCRI, NCP Syracuse, SII and NCP ("Purchase Options Agreement").

6. First Amendment to the Escrow Agreement, dated December 30, 1994, among Escrow Agent, NCO, NCRI, NCP and Buyer ("Escrow Agreement Amendment").

7. First Amendment to Lake Interest Option Agreement, dated as of the date hereof, among NCRI, LIHI and Buyer ("Lake Option Amendment").

8. First Amendment to Pasco Interest Option Agreement, dated as of the date hereof, among NCRI, PIHI and Buyer ("Pasco Option Amendment").

9. The Second Amendment to the Stock Purchase and Sale Agreement.

10. First Amendment, dated the date hereof, to the First Amended and Restated Limited Partnership Agreement of SOP.

11. Termination of Management Agreement, dated as of the date hereof, among NCRI and NCP.

12. Consent, Waiver and Release Agreement, dated as of the date hereof, among Metlife Capital Corporation, NCO, NCRI, NCP, NCP Syracuse and Buyer.

13. Second Amendment, dated as of the date hereof, to First Amended and Restated Limited Partnership Agreement of Lake Cogen Ltd., among LIHI, NCP Lake Power Incorporated and Lake Investment, L.P.

Exhibit B-2(b)

EXECUTION COPY

FIRST AMENDMENT
dated December 30, 1994 to

AMENDED AND RESTATED
ESCROW AGREEMENT

by and among

NORTH CANADIAN RESOURCES, INC.,

ENERGY INITIATIVES, INC.,

and

HARRIS TRUST AND SAVINGS BANK

dated

June 13, 1994

FIRST AMENDMENT TO
AMENDED AND RESTATED ESCROW AGREEMENT

THIS FIRST AMENDMENT dated December 30, 1994 (the "First Escrow

Agreement Amendment") to the AMENDED AND RESTATED ESCROW AGREEMENT dated June 13, 1994 (the "Escrow Agreement") is made and entered into by and among NORTH CANADIAN RESOURCES, INC., a Delaware corporation ("NCRI"), ENERGY INITIATIVES, INC., a Delaware corporation ("Buyer") and HARRIS TRUST AND SAVINGS BANK (the "Escrow Agent"). Capitalized terms used in this First Escrow Agreement Amendment shall unless otherwise defined herein have the meanings ascribed to them in the Glossary referenced as Annex A to the Escrow Agreement.

WHEREAS, NCRI, Buyer and the Escrow Agent initially entered into the Escrow Agreement dated March 31, 1994 (the "Original Escrow Agreement");

WHEREAS, the Original Escrow Agreement was amended and restated on June 13, 1994 by the First Amended and Restated Escrow Agreement and;

WHEREAS, the parties now desire to further amend the Escrow Agreement;

NOW, THEREFORE, in consideration of the premises and promises contained herein, the parties intending to be legally bound mutually agree that the Amended and Restated Escrow Agreement, is hereby further amended as follows:

ARTICLE I

ESCROW

This First Escrow Agreement Amendment makes no change in Article I of the Escrow Agreement. As of the date hereof, after giving effect to the disbursements made on the date hereof, Buyer's Cash Deposit consists of $10,186,020.00. In addition, Escrow Agent holds the Lake Interest Deposits and Pasco Option Deposits.

ARTICLE II

DISBURSEMENTS

Section 2.4 of the Escrow Agreement is hereby deleted in its entirety. This First Escrow Agreement Amendment makes no other change in Article II of the Escrow Agreement.

ARTICLE III

INTEREST ON BUYER'S CASH DEPOSIT

A. Article III of the Escrow Agreement is hereby amended to delete all of Section 3.2 and to substitute a new Section 3.2 which shall read as follows:

3.2. Interest in Buyer's Cash Deposit

3.2.1. Any interest earned after the date hereof with respect to Buyer's Cash Deposit attributable to the Pasco Option Deposits (which amount is agreed to be $1,324,010.00) shall be allocated as follows:

(a) 50% of such interest accruing on or prior to March 31, 1995 shall be allocated to each of NCRI and Buyer; and

(b) 100% of such interest accruing after March 31, 1995 shall be allocated to NCRI.

All such interest accrued shall be paid out at the time any of Buyer's Cash Deposit is paid out in connection with every payout of Buyer's Cash Deposit with respect to such Pasco Option Deposits in proportion to the amount paid out.

3.2.2. Any interest earned after the date hereof with respect to Buyer's Cash Deposit attributable to the Lake Interest Deposits (which amount is agreed to be an aggregate of $8,562,010.00 of which $1,562,010.00 is allocable to the Lake Federal QF Interest Option and Lake Florida QF Interest Deposit shall be allocated as follows:

(a) 50% of such interest accruing on or prior to March 31, 1995 shall be allocated to each of NCRI and Buyer;

(b) 100% of such interest accruing after March 31, 1995 with respect to the Lake Federal QF

Interest Deposit and the Lake Florida QF Interest Deposit shall be allocated to NCRI; and

(c) 50% of the balance of such interest accruing after March 31, 1995 shall be allocated to each of NCRI and Buyer.

All such interest accrued shall be paid out at the time any of Buyer's Cash Deposit is paid out in connection with every payout of Buyer's Cash Deposit with respect

to Lake Interest Deposits in proportion to the amount paid out.

3.2.3. Any interest earned after the date hereof with respect to the balance of Buyer's Cash Deposit ($300,000) shall be allocated to Buyer and paid out to Buyer when said $300,000 is disbursed.

ARTICLE IV

TERMINATION OF ESCROW

Article IV is hereby amended by deleting the reference in paragraph (d) of Section 4.1 to "March 31, 1995" and substituting in lieu thereof "December 31, 1995". Section 4.1 is further amended by deleting the proviso at the end of such Section 4.1 beginning with the words "provided, however" and ending with the words "as provided herein."

Article IV is further amended by deleting Sections 4.1(b) and (c) in their entirety.

Article IV is hereby further amended to delete all of Subsection 4.2 and to substitute in lieu thereof a new Section 4.2 to read as follows:

4.2. In the event following the NCP Closing the entire Lake Option Interest and Pasco Option Interest has not been purchased by the Lake Optionee(s) and Pasco Optionee(s) on or prior to December 31, 1995, then unless the parties shall otherwise agree in writing, on January 1, 1996 the Escrow shall be terminated and

the Escrow Agent shall:

(a) deliver to NCRI the entire balance of the Sellers' Escrow Deposit;

(b) deliver to Buyer the entire balance of the Buyer's Escrow Deposit;

(c) disburse to Buyer and NCRI all accrued but undistributed interest earned on the Cash Deposit in accordance with Article III; and

(d) disburse to Buyer the balance of the Cash deposit.

ARTICLES V - X

This First Escrow Agreement Amendment makes no changes in Article V through Article X.

ARTICLE XI

Section 11.1 is hereby amended to insert in the third line after the word "Agreement" and before the word "constitute" the following phrase:

, together with this First Escrow Agreement Amendment and the Second Amendment and the documents and instruments referred to therein,"

[SIGNATURE PAGE TO FIRST AMENDMENT DATED DECEMBER 30, 1994 TO AMENDED AND RESTATED ESCROW AGREEMENT DATED JUNE 13, 1994]

IN WITNESS WHEREOF, the undersigned, have caused this First Amendment to the Amended and Restated Escrow Agreement to be executed as of the day and year first above written.

NORTH CANADIAN RESOURCES, INC. ENERGY INITIATIVES, INC.

By:
Name:
Title:

By:
Name:
Title:

HARRIS TRUST AND SAVINGS BANK
Escrow Agent

By:
Name:
Title:

Exhibit B-3(a)(i)

EXECUTION COPY

SECOND AMENDMENT
TO
FIRST AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
LAKE COGEN, LTD.

This SECOND AMENDMENT TO FIRST AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT OF LAKE COGEN, LTD. (the "Second Amendment"), dated as of January 1, 1995, by and among NCP Lake Power Incorporated, a Delaware corporation ("NCP Lake"), Lake Investment, L.P., a Delaware limited partnership ("LIL"), and Lake Interest Holdings Inc., a Delaware corporation ("LIHI").

W I T N E S S E T H:

WHEREAS, Lake Cogen Ltd. (the "Partnership") is a Florida limited partnership existing on the date hereof under and pursuant to that certain First Amended and Restated Limited Partnership Agreement of Lake Cogen, Ltd., a Florida limited partnership, dated as of July 24, 1992, as amended by that certain First Amendment to First Amended and Restated Limited Partnership Agreement of Lake Cogen, Ltd., dated as of June 13, 1994 (said limited partnership agreement, as so amended, the "Partnership Agreement");

WHEREAS, NCP Lake and LIHI are all of the general partners of the Partnership and LIL and LIHI are all of the limited partners of the Partnership;

WHEREAS, the parties hereto desire to further amend the

Partnership Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound, the parties hereto agree as follows:

1. The date contained in the first sentence of subparagraph (C) of clause (ii) of the definition of Partnership Interest contained in the Partnership Agreement is hereby changed from "March 30, 1995" to "December 31, 1995."

2. This Second Amendment shall not be effective unless and until TIFD III-C, Inc., a Delaware corporation ("TIFD"), shall have consented hereto as required under that certain Assignment of Partnership Interests, dated as of July 29, 1992, among NCP Lake, Lake Investment and TIFD, as agent, and that certain Assignment of Partnership Interests, dated as of June 13, 1994, by and between LIHI and TIFD, as agent.

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed by the undersigned thereunto duly authorized on the date first above written.

NCP LAKE POWER INCORPORATED

By:
Name:
Title:

LAKE INVESTMENT, L.P.

By: NCP Lake Power Incorporated,
General Partner

By:
Name:
Title:

LAKE INTEREST HOLDINGS INC.

By:
Name:
Title:

EXHIBIT B-5(a)(i)

EXECUTION COPY

FIRST
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS, L.P.
A DELAWARE LIMITED PARTNERSHIP

NCP Syracuse, Inc.,
as General Partner

and

Syracuse Investment, Inc.,
as General Partner

and

MetLife Capital Corporation,
as Limited Partner

and

Stewart & Stevenson Services, Inc.,
as Limited Partner

and

Syracuse Investment, Inc.,
as Limited Partner

TABLE OF CONTENTS

THE LIMITED PARTNERSHIP INTERESTS REFERRED TO HEREIN ("INTERESTS") HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR UNDER THE SECURITIES LAWS OF DELAWARE OR ANY OTHER STATE. SUCH INTERESTS ARE BEING OFFERED AND SOLD UNDER THE EXEMPTION PROVIDED BY SECTION 4(2) OF THE SECURITIES ACT AND SIMILAR EXEMPTIONS UNDER APPLICABLE STATE LAW.

A PURCHASER OF ANY INTEREST MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR UNDER APPLICABLE STATE SECURITIES LAWS AND, THEREFORE, CANNOT BE SOLD UNLESS THEY ARE SUBSEQUENTLY SO REGISTERED OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THERE IS NO OBLIGATION OF THE ISSUER TO REGISTER THE INTERESTS UNDER THE SECURITIES ACT OR APPLICABLE STATE LAW.

ARTICLE XIII OF THE PARTNERSHIP AGREEMENT PROVIDES FOR FURTHER RESTRICTIONS ON TRANSFER OF THE INTERESTS.

FIRST
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS, L. P.,
A Delaware Limited Partnership

THIS FIRST AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (the "Agreement") of Syracuse Orange Partners, L.P., a Delaware limited partnership (the "Partnership"), is dated as of December 16, 1992 by and among NCP Syracuse, Inc., a Delaware corporation, as a general partner ("NCP Syracuse"), Syracuse Investment, Inc., a Delaware corporation, as a general partner ("Syracuse Investment") (NCP Syracuse and Syracuse Investment are collectively referred to as the "General Partners"), MetLife Capital Corporation, a Delaware corporation, as a limited partner ("MetLife"), Stewart & Stevenson Services, Inc., a Texas corporation, as a limited partner ("Stewart & Stevenson"), and Syracuse Investment as a limited partner, and any other Person admitted to the Partnership as a General Partner or a Limited Partner in accordance with the terms of this Agreement.

RECITALS

A. Project Orange Associates, L.P., a Delaware limited partnership (the "Project partnership"), was formed on May 23, 1988 for the purpose of developing, owning, constructing and maintaining a gas-fired cogeneration facility to be located near Syracuse University in Syracuse, New York, consisting of (i) an approximately 80 megawatt (net) natural gas fired cogeneration plant constructed on property leased from Syracuse University in Syracuse, New York, (ii) accompanying steam delivery and condensate return facilities, (iii) an existing steam generating plant to be operated by the Project partnership under contract with Syracuse University, (iv) a 120 million MMBtu prepaid natural gas fuel supply, (v) a 9.5 mile natural gas transmission pipeline, and (vi) all contracts, agreements, licenses and the

business conducted by the Project Partnership in connection with the foregoing items (i)-(v) (collectively, the "Project").

B. Pursuant to that certain First Amended and Restated Agreement of Limited Partnership of the Project Partnership, dated as of April 5, 1991 (the "FARALP"), NCP Syracuse is the managing general partner of the Project Partnership and the Partnership is a limited partner of the Project Partnership.

C. The Certificate of Limited Partnership of the Partnership was filed in the Office of the Secretary of State of the State of Delaware on April 3, 1991.

D. NCP Syracuse, Stewart & Stevenson and Syracuse Investment formed the Partnership on the terms and conditions set forth in that certain Limited Partnership Agreement of Syracuse Orange Partners, L.P. entered into as of April 30, 1991 (the "Prior Agreement").

E. MetLife has acquired an interest in the Partnership as a Limited Partner pursuant to that certain Investment Agreement among NCP Syracuse, MetLife and Syracuse Investment entered into immediately prior to the Effective Time.

F. NCP Syracuse, Stewart & Stevenson and Syracuse Investment desire to admit MetLife as a Limited Partner, and MetLife desires to be admitted as a Limited Partner, and NCP Syracuse, Stewart & Stevenson, Syracuse Investment and MetLife desire to continue the Partnership and to amend and restate the Prior Agreement, effective as of the Effective Time, on the terms and conditions set forth in this Agreement, which Agreement shall govern the relationships of the parties hereto. The provisions of the Prior Agreement are hereby completely superseded for all periods beginning on or after the Effective Time except as specifically provided herein.

G. Concurrent with the execution of this Agreement, the partners of the Project Partnership have entered into that certain Second Amended and Restated Agreement of Limited Partnership of Project Orange Associates, L.P., which amends and

restates the FARALP (as so amended and restated, the "Project Partnership Agreement").

NOW, THEREFORE, in consideration of the premises and of the mutual covenants set forth herein, the parties agree as follows:

ARTICLE I
DEFINITIONS

The capitalized terms used in this Agreement shall have the meanings set forth herein or in Exhibit B attached hereto.

ARTICLE II
CONTINUATION OF PARTNERSHIP

2.1 Continuation. NCP Syracuse caused a Certificate to be prepared and filed in the office of the Delaware Secretary of State on April 3, 1991. The parties hereto acknowledge that the Partnership has been formed under the Act, and that the Act shall govern the rights and liabilities of the parties hereto, except as otherwise herein expressly stated.

2.2 Name. The name of the Partnership is "SYRACUSE ORANGE PARTNERS, L.P." The business of the Partnership may be conducted under any name reasonably chosen by NCP Syracuse, in accordance with the Act, and NCP Syracuse may, in its reasonable discretion, change the name of the Partnership from time to time. NCP Syracuse shall promptly notify the Partners of any such name change.

2.3 Principal Place of Business. The principal office of the partnership shall be located at 1100 Town & Country Road, Suite 800, Orange, California 92668. From time to time, NCP Syracuse may change the location of such principal office in the United States and may establish such additional offices as NCP Syracuse may deem advisable, in NCP Syracuse's sole discretion. Notification of any such change or additional offices shall be given to the Partners as soon as practicable.

ARTICLE III
FILING OF CERTIFICATES AND OTHER DOCUMENTS

3.1 Additional Filings of Certificates. In addition to the filing of the Certificate with the Delaware Secretary of State, the General Partners shall cause the Certificate to be filed in such other places as are or shall be required by the Financing Agreement or by applicable law. The General Partners shall also cause the Certificate to be amended as and when required by applicable law (including, without limitation, an amendment to the Certificate to reflect the admission of Syracuse Investment as an additional General Partner), and shall cause to be prepared and filed in the office of the Delaware Secretary of State and in such other places as are or shall be required by applicable law any Certificate of Cancellation required to be filed by

applicable law.

3.2 Filing of Other Documents. From time to time, the General Partners shall sign, acknowledge, swear, file and publish any additional certificates, notices, statements or other instruments, including any appropriate fictitious business name statements, as, when and where required by any provisions of law governing the formation of the Partnership or the conduct of its business or to enable the Partnership to hold Partnership Property in the Partnership's name.

ARTICLE IV
PURPOSE

4.1 Purpose and Character of Business. The sole purpose and character of the business of the Partnership is to act as a limited partner of, and to hold an equity interest in, the Project Partnership. The Partnership may do any or all things that may be necessary, convenient, incidental, or appropriate to the conduct of the business and the achievement of the purposes specified above. Without limiting the generality of the foregoing, except as expressly provided herein: (a) the Partnership may borrow money from a General Partner in such General Partner's individual capacity, any Affiliate of such General Partner, any Limited Partner in such Limited Partner's individual capacity, any Affiliate of any such Limited Partner or any other third person, and may give security therefor and repay such loans, and otherwise enter into, perform and discharge contracts, agreements, instruments and other arrangements with such General Partner in such General Partner's individual capacity, any Affiliate of such General Partner, any Limited Partner in such Limited Partner's individual capacity, any Affiliate of any such Limited Partner or any other Person, all such transactions and arrangements to be on arm's-length terms; (b) the Partnership may act as guarantor of the obligations of, or otherwise for the benefit of, the Project Partnership, and grant one or more security interests in its interest in the Project Partnership; (c) the Partnership may loan money to the Project Partnership; and (d) the Partnership may (i) develop, own, sell, transfer, convey, license, mortgage, pledge, exchange, exploit or otherwise dispose of or deal with all of the property of every nature whatsoever of the Partnership, (ii) incur indebtedness, secured or unsecured, for any of the purposes of the Partnership, and (iii) engage in any

activities that are in furtherance of said purpose and are not prohibited by law.

ARTICLE V
FISCAL YEAR AND ACCOUNTING METHOD

5.1 Term. The term of the Partnership commenced on April 3, 1991, the date the Certificate was filed in the office of the Delaware Secretary of State. Unless earlier dissolved pursuant to Section 15.1 hereof or the provisions of the Act, the Partnership shall be dissolved on December 31, 2040.

5.2 Fiscal Year; Accounting Method. The Partnership's fiscal year shall be the calendar year, unless otherwise required by law. The Partnership's books and records shall be maintained on an accrual basis in accordance with GAAP and tax accounting methods, unless otherwise required by law.

ARTICLE VI
CONTRIBUTIONS, CAPITAL AND LOANS

6.1 Capital Contributions.

(a) Limited Partners. Subject to Section 6.1(C) hereof, immediately after the Effective Time each Limited Partner shall make a Capital Contribution to the Partnership in the dollar amount, in cash, set forth opposite such Limited Partner's name in Exhibit A attached hereto.

(b) General Partners. Subject to Section 6.1(c) hereof, immediately after the Effective Time each General Partner shall make a Capital Contribution to the Partnership in the dollar amount, in cash, set forth opposite such General Partner's name in Exhibit A attached hereto.

(c) Financing Agreement. Notwithstanding the provisions of Sections 6.1(a) and (b) hereof, any part or all of the Capital Contribution of any or all Partners may be made by payment of cash, in an amount equal to such part or all of such Capital Contribution, directly to the Agent or into the "Construction Account" (as defined in the Financing Agreement) in accordance with the provisions of Section 5.19 of the Financing Agreement,

whether such payment to the Agent or the Construction Account is made by such Partner or is made on behalf of such Partner by North Canadian Oils Limited, a Canadian corporation ("NCO"). To the extent that any amount is so paid to the Agent or the Construction Account by a Partner, or by NCO on behalf of such Partner, such Partner shall be deemed to have made a Capital Contribution in cash to the Partnership in such amount for all purposes under this Agreement. To the extent that any such payment is made by NCO on behalf of a Partner, such Partner shall immediately reimburse NCO in full for such payment.

6.2 Additional Capital Contributions. No Partner shall be required to make any contributions to the capital of the Partnership in excess of the Capital Contribution of such Partner referred to in Section 6.1(a) or 6.1(b) hereof.

6.3 Withdrawal of Capital. Except as expressly provided in Article XV hereof, no Partner shall have the right to withdraw its Capital Contribution or to receive any return of a portion of its Capital Contribution.

6.4 Interest. Interest earned on funds of the Partnership shall constitute Partnership Property and no Partner shall be entitled to interest on any Capital Contribution, on any Capital

Account balance or on any undistributed or reinvested Partnership Property.

6.5 No Liability for Return of Capital. No General Partner shall be personally liable for the return of any portion of the Capital Contribution of any Partner; the return of such Capital Contribution shall be made solely from Partnership assets. Under the circumstances requiring a return of any Capital Contribution, no Partner shall have the right to demand or receive property other than cash except as may be specifically provided for in this Agreement.

6.6 No Third Party Rights. Except as each Partner may otherwise consent with respect to such Partner's obligations or rights, the obligations or rights of the Partnership or of Partners to make or require any Capital Contribution under this Agreement shall not grant any rights to or confer any benefits upon any Person who is not a Partner.

6.7 Loans.

(a) General Rule. No Partner shall be required to lend or advance any money to or for the benefit of the Partnership.

(b) Permitted Loans. If (i) the Partnership's funds are insufficient to meet its operating costs, expenses, obligations or liabilities, or to fund amounts the Partnership has determined to contribute or lend to the Project Partnership, and (ii) the Partnership has been unsuccessful in obtaining necessary financing from third parties on terms which are reasonably satisfactory to NCP Syracuse, or if NCP Syracuse has otherwise reasonably determined that it is both desirable and appropriate to obtain such financing from the Partners without offering such opportunity to any third parties, any Partner or Affiliate thereof may (but shall not be required to) lend all or a portion of the amount of needed funds to the Partnership. In the event more than one Partner or Affiliate thereof desires to loan or advance funds to the Partnership pursuant to this Section 6.7(b), each such Partner or Affiliate thereof shall be entitled to provide to the Partnership such proportion of the necessary funds as such Partner's Sharing Ratio bears to the Sharing Ratios of the other Partners (or their Affiliates) who desire to participate. Any such loans shall be unsecured, shall provide for repayment solely out of funds available for distribution pursuant to the terms of this Agreement and prior to any distributions to the Partners (except to the extent such loan is made to fund expenditures which create or fund an asset (tangible or intangible) which would make it appropriate to amortize such loan) and shall otherwise have terms which are no less favorable to the Partnership than could be obtained on an arms'-length basis from an independent third party. All such loans made at substantially the same time shall be on the same terms and conditions.

ARTICLE VII
DISTRIBUTIONS AND ALLOCATIONS

7.1 Distributions. The Partnership shall make distributions of Cash Available for Distribution from time to time (each such distribution a "Distribution"), within five (5)

business days of receipt of distributions from the Project Partnership, provided that a Distribution shall be made within fifteen (15) business days of receipt of such Distribution from the Project Partnership if such Distribution will result (or NCP Syracuse reasonably believes that such Distribution may result) in portions of such Distribution being distributable pursuant to more than one distribution tier of this Section 7.1. No Distributions shall be made under this Section 7.1 that would render the Partnership insolvent or jeopardize the business activities of the Partnership. Subject to the foregoing and to Article XV whereof, Cash Available for Distribution, if any, shall be distributed to the Partners in the following order and priority:

(a) First, 56.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 24.91% to Syracuse Investment (in its Limited Partner capacity), 1.00% to Syracuse Investment (in its General Partner capacity), and 10.00% to NCP Syracuse, in each case until the MetLife Parties have achieved an IRR equal to 10.00%;

(b) Second, 19.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 61.91% to Syracuse Investment (in its Limited Partner capacity), 1.00% to Syracuse Investment (in its General Partner capacity), and 10.00% to NCP Syracuse, in each case until the MetLife Parties have achieved an IRR equal to 15.00%; and

(c) Third, the balance of all Distributions, 13.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart and Stevenson, 67.91% to Syracuse Investment (in its Limited Partner capacity), 1.00% to Syracuse Investment (in its General Partner capacity), and 10.00% to NCP Syracuse.

7.2 Form of Distribution. No Partner shall have any right to receive any Partnership Property other than cash upon a Distribution, except as specifically provided in this Agreement. A Partner shall not be compelled to accept a distribution of Partnership Property other than cash in lieu of a proportionate Distribution being made to other Partners.

7.3 Allocations. The Profits, Losses and other items of the Partnership shall be allocated among the Partners as set forth in Exhibit C attached hereto.

ARTICLE VIII
TAX MATTERS

8.1 Considered a Partnership. The Partners intend that, as defined in Section 7701(a)(2) of the Code, the Partnership will be treated as a partnership for United States, state, and local income tax purposes. Specifically, each Partner agrees not to make the election described in Section 761(a) of the Code to be excluded from the application of the provisions of Subchapter K. Moreover, each Partner further agrees not to make an election to be excluded from the application of the partnership provisions of any applicable state taxation code or statute.

8.2 Tax Matters Partner. NCP Syracuse is designated the tax matters partner ("Tax Matters Partner") as provided in Section 6231(a)(7)(A) of the Code and any comparable provision of state or local law. Except as otherwise provided herein, this designation is effective only for the purpose of activities performed under the Agreement pursuant to the provisions of the Code and any comparable provision of state or local law and shall be subject to the following terms and conditions:

(a) The Tax Matters Partner, as an authorized representative of the Partnership, shall direct the defense of any claims made by federal, state or local tax authorities ("Tax Authorities") to the extent that such claims relate to the adjustment of Partnership items at the Partnership level. The Tax Matters Partner shall promptly (and in any event within ten (10) days after receipt) deliver to each Partner a copy of all notices, communications, reports or writings of any kind (including, without limitation, any notice of beginning of administrative proceedings or any report explaining the reasons for a proposed adjustment) received from the Tax Authorities relating to or potentially resulting in an adjustment of Partnership items. The Tax Matters Partner shall consider in good faith any suggestions made by any Partner or its counsel regarding the conduct of any related administrative or judicial proceedings.

The Tax Matters Partner shall keep each Partner advised of all material developments with respect to any proposed adjustment which come to its attention, including, without limitation, the scheduling of all conferences with the Tax Authorities. Each Partner shall be entitled, at its own expense, to attend all meetings with the Tax Authorities and to review in advance (subject to giving comments in response thereto to the Tax Matters Partner within such period as the Tax Matters Partner may reasonably designate (but in no event less than five (5) business days)), any material written information (including, without

limitation, any pleadings, memoranda or similar items) to be submitted to the Tax Authorities. In addition to the right of a Partner to attend any such meetings, a partner may participate in such meeting subject to such control and direction of the Tax Matters Partner as may be reasonable under the circumstances taking into account, without limitation, the tax implications to each Partner.

Without first obtaining the written consent of a Majority in Interest of the Limited Partners, the Tax Matters Partner shall not, with respect to any proposed adjustment of a Partnership item which materially and adversely affects the Partners, (A) enter into a settlement agreement which purports to bind Partners other than the Tax Matters Partner (including, without limitation, any stipulation consenting to an entry of decision by the Tax Court), or (B) enter into an agreement or stipulation extending the statute of limitations.

(b) The Tax Matters Partner shall deliver to each Partner promptly (and in any event within ten (10) days after receipt) a copy of all reports, notices or other items relating to tax audits at the Project Partnership level which are delivered to the Partnership. In addition, the Tax Matters Partner shall, and shall cause its Affiliates to, use good faith and diligent efforts to make available to each Partner similar rights with respect to tax audits and contests involving the Project Partnership as are set forth above with respect to audits involving the Partnership, to the extent the exercise of such rights does not unduly interfere with the conduct of such proceedings and to the extent the furnishing of such rights to such Partner does not conflict with the Tax Matters Partner's duties and obligations to the Project Partnership, taking into account that such Partner has an indirect beneficial interest in the Project Partnership by reason of its interest in the Partnership.

(c) If notice of an administrative proceeding under Section 6223 of the Code (or any comparable provision of state or local law) is received by a Partner, such Partner shall notify the Tax Matters Partner of the treatment of any Partnership item on the Partner's income tax return which is or may be inconsistent with the treatment of that item on the Partnership return.

(d) No Partner shall enter into any settlement agreement with any taxing authority with respect to any Partnership item unless and until such Partner shall have first notified the Tax Matters Partner in writing of the proposed agreement and its terms at least thirty (30) days prior to entering into such settlement.

(e) The Tax Matters Partner or any Partner shall notify all Partners of any intention to file a petition with the Tax Court for a redetermination of any Partnership item within ten (10) days from the date of the Notice of Final Partnership Administrative Adjustments.

8.3 Preparation of Tax Returns. The Tax Matters Partner shall cause the preparation and timely filing of United States, state and local income tax returns on behalf of the Partnership. A copy of all such returns shall be delivered to each Partner as set forth in Section 9.4 hereof. Each Partner agrees to furnish the Tax Matters Partner such information as each Partner may have which is required for the proper and timely preparation of such

returns. The Tax Matters Partner shall provide drafts of the United States, state and local income tax returns of the Partnership and the Project Partnership to all Partners for their review at least twenty (20) days before filing.

8.4 Elections by Tax Matters Partner. The Tax Matters Partner shall make the following elections under the Code and regulations and any similar state and local statutes and regulations:

(a) To adopt the calendar year as the annual accounting period, unless otherwise required by law;

(b) To adopt the accrual method of accounting;

(c) To amortize organizational expenditures, if any, over a sixty (60) month period in accordance with Section 709(b) of the Code and any similar state statutes; and

(d) To make such other elections as the Tax Matters Partner may deem advisable to reduce Partnership taxable income to the maximum extent possible and to take deductions in the earliest

taxable year possible in accordance with the Code and the Regulations.

8.5 Special Basis Adjustment. In connection with Distributions or any assignment or transfer of a Partnership interest permitted by the terms of this Agreement, the General Partners shall cause the Partnership, at the written request of the transferor or the transferee with respect to a transfer of a Partnership interest, on behalf of the Partnership and at the time and in the manner provided in the Regulations, to make an election to adjust the basis of Partnership Property in the manner provided in Sections 734(b), 743(b) and 754 of the Code. If such election is made with respect to a transfer of a Partnership interest, (a) the transferee shall pay all reasonable costs incurred by the partnership in connection therewith, including, without limitation, reasonable attorneys' and accountants' fees, and (b) the Partnership shall timely notify the Managing General Partner of the Project Partnership to make such election with respect to the Project Partnership as provided in Section 6.1(d) of the Project Partnership Agreement.

8.6 Survival of Tax provisions. The provisions of this Agreement relating to tax matters shall survive the termination of the partnership and this Agreement and the termination of any Partner's interest in the Partnership and shall remain binding on that Partner for the period of time necessary to resolve with any Federal, state or local tax authority any tax matters regarding the partnership.

ARTICLE IX
BOOKS, RECORDS, ACCOUNTING AND REPORTS

9.1 Books and Records. The Partnership's books and records, together with copies of all of the documents and papers pertaining to the business of the Partnership, shall be kept at the principal place of business of the Partnership and at all reasonable times upon reasonable notice shall be open to the inspection of and may be copied and excerpts taken therefrom by any Partner, or such Partner's duly authorized representative, provided that such inspection is made in good faith and without any intent to damage the Partnership or any of the Partners. The books and records of the Partnership shall be kept in accordance

with GAAP, and shall reflect the Partnership transactions and be appropriate and adequate for the Partnership's business.

9.2 Delivery of Documents. The Partnership shall provide to each Limited Partner not affiliated with a General Partner each of the following Partnership documents:

(a) Within thirty (30) days after the end of each fiscal year during which such list has changed, a current list of the full name and last known business or residence address of each Partner, specifying separately the General Partners and Limited Partners; and

(b) As soon as practicable, a copy of the Certificate, and all certificates of amendment thereto and other certificates filed pursuant to the Act, promptly after the filing thereof, together with executed copies of any powers of attorney pursuant to which any such certificate has been executed.

9.3 Reports; Fiscal Year.

(a) Information From the Project Partnership. The General Partners shall promptly (and in any event within five (5) days after receipt) furnish to each Partner a copy of each report, record, financial statement, notice or other document provided to the Partnership, or a General Partner (in its capacity as such), by the Project Partnership or any other participant (including lenders) pursuant to the Project Partnership Agreement. In addition, upon the request of any Partner, the General Partners shall promptly obtain from the Project Partnership and provide to such Partner any information or a copy of any document the partnership is entitled to obtain from the Project Partnership pursuant to the Project Partnership Agreement or applicable law.

(b) Quarterly Reports. The General Partners shall deliver or cause to be delivered to each Partner for each fiscal quarter, within fifteen (15) days (thirty (30) days if Distributions during such fiscal quarters were made pursuant to more than one Distribution tier under Section 7.1 hereof) after the Partnership receives the relevant information from the Project Partnership for such fiscal quarter, the following:

(i) a management-prepared balance sheet, income statement and statement of Partners' capital for the Partnership with

respect to such calendar quarter just ending and the year to date; and

(ii) a management-prepared statement of income for the Partnership comparing the actual results for the quarter and the year to date with budgeted amounts as well as a narrative explanation of the material variances.

(c) Annual Report. The General Partners shall deliver or cause to be delivered to each Partner for each year, within thirty (30) days after the Partnership receives the relevant information from the Project Partnership for such year, the following:

(i) A balance sheet as of the end of such year, and statements of income, Partners' capital and statement of cash flows for such year;

(ii) A general description of the activities of the Partnership during the period covered by the report; and

(iii) A report of any transactions between the Partnership and any General Partner or any Affiliate thereof, including fees or compensation paid by the Partnership and the services performed by any General Partner or any Affiliate thereof for such fees or compensation.

The annual financial statements of the partnership shall be audited and certified by the Partnership Accountants.

(d) Other Information. Upon obtaining knowledge thereof, the General Partners shall furnish to each Partner prompt written notice of any events or occurrences not otherwise provided for in this Section 9.3 which the General Partners believe may reasonably be expected to materially and adversely affect the Partnership, provided that no General Partner shall be required to disclose information which such General Partner has a legal duty not to disclose and which becomes known by the General Partner after the legal duty not to disclose arises.

9.4 Tax Returns. The General Partners shall deliver or cause to be delivered to each partner for each tax year, as soon as practicable (but in no event later than thirty (30) days) after the Partnership receives the information necessary from the Project Partnership for the Partnership to complete its Federal, state and local income tax or information returns), (i) the information necessary for such Partner to complete its Federal, state and local income tax or information returns with respect to its investment in the Partnership, and (ii) complete copies of

the Partnership's Federal, state, and local income tax or information returns for the year.

9.5 Bank Accounts. All funds of the Partnership shall be deposited in the name of the Partnership in such bank accounts or other accounts, including, in the sole discretion of NCP

Syracuse, money market funds or other short term investments, as shall be determined by NCP Syracuse. All withdrawals therefrom shall be made upon checks signed on behalf of the Partnership by any officer of a General Partner or by any Person or Persons authorized by a General Partner to sign checks on behalf of the Partnership.

9.6 Annual Audit. The partnership accountants ("Partnership Accountants") shall be Deloitte & Touche or another firm of independent certified public accountants of recognized national standing selected by NCP Syracuse. The Partnership Accountantsshall auditthe Partnership'sbooks andrecords eachyear.

ARTICLE X
COMPENSATION AND REIMBURSEMENT OF GENERAL PARTNERS

10.1 Compensation. No General Partner shall be paid any management fee or other compensation for the discharge of its duties as a General Partner; provided, however, that a General Partner may be compensated, in its individual capacity, pursuant to any contract, agreement or other arrangement entered into pursuant Section 4.1 hereof.

10.2 Reimbursement of Expenses. Subject to Section 12.3(o) hereof, all reasonable business expenses, costs (including appropriate corporate overhead), fees, and other outlays advanced, paid or otherwise incurred by a General Partner in connection with the formation of the Partnership, the conduct of the Partnership's business and operations (including the Partnership's investment in the Project Partnership) or its dissolution and liquidation shall be reimbursed by the Partnership. Any requested reimbursement shall be paid to such General Partner at all times upon demand before any Distributions to the Partners shall be made pursuant to Section 7.1 hereof.

ARTICLE XI
RIGHTS AND OBLIGATIONS OF THE GENERAL PARTNERS

11.1 Management of the Partnership.

(a) Control in General Partners. The General Partners shall have full and exclusive control of the management and operation of the business of the Partnership and shall make all business judgments, determinations and decisions affecting the affairs of the Partnership except as otherwise specifically provided herein. The General Partners shall have, subject to any limitations imposed elsewhere in this Agreement, the power and authority on behalf of the Partnership to do or cause to be done any and all acts deemed by the General Partners to be necessary or appropriate in connection with the management and operation of the business of the Partnership, including, without limitation, the power and authority on behalf of the Partnership to: (i) cause the Partnership to take the actions set forth in Section 12.3 hereof; (ii) cause the Partnership to act as guarantor of the obligations of, or otherwise for the benefit of, the Project

Partnership; (iii) cause the Partnership to carry such insurance as the General Partners deem to be appropriate and adequate to protect the General Partners as provided in Section 11.5 hereof; (iv) submit any Partnership claim or liability to arbitration or reference; (v) change the Partnership Accountants; (vi) execute, acknowledge (if appropriate) and deliver any and all instruments to effect any and all of the foregoing; and (vii) execute, acknowledge (if appropriate) and file or record such applications, notices, certifications and other documents with such Federal, state or local governmental agencies as may be necessary or appropriate in connection with the Partnership's investment in the Project Partnership. In connection with the foregoing, it is agreed that any instrument, agreement or other document executed by any General Partner while acting in the name and on behalf of the Partnership shall be deemed to be an action of the Partnership as to any third parties (including each Limited Partner as a third party for such purposes).

(b) Actions of General Partners. The General Partners shall take or cause to be taken (subject to the limitations expressly set forth in this Agreement) all actions that the General Partners reasonably and in good faith deem to be necessary or appropriate for carrying out the purposes of the Partnership in accordance with the terms and provisions of this Agreement and the requirements of applicable laws and regulations

and for continuing the Partnership's valid existence as a limited partnership under the laws of the State of Delaware. Except as expressly set forth herein, nothing in this Agreement shall preclude the engagement, at the expense of the Partnership, of any agent or Person, to manage or provide other services in respect of the Partnership, subject to the control of the General Partners.

(c) Managing General Partner. The rights and powers of the General Partners pursuant to this Agreement shall be exercised solely by NCP Syracuse as the Managing General Partner except as may otherwise be expressly set forth herein.

11.2 Devotion of Time and Other Business. The General Partners shall devote to the Partnership's affairs such time, on a nonexclusive basis, as is necessary to perform their duties as General Partners hereunder. The General Partners shall cause their officers and employees diligently to pursue and to apply their general skills, time and effort to the General Partners' duties to the extent reasonably necessary to manage the Partnership in the best interests of all of the Partners. Nevertheless, the officers and employees of the General Partners shall not be required to devote their full time to Partnership affairs, except to the extent necessary from time to time for the proper performance of their duties hereunder, and may engage in other businesses, including businesses identical or similar to the Partnership's business. Without limiting the foregoing, NCP Syracuse shall be permitted to serve as the managing general partner of the Project Partnership. Neither the General Partners nor any of their shareholders, officers or directors shall be

obligated to present any particular investment opportunity to the Partnership, even if the opportunity is of a character which, if presented to the Partnership, could be taken by the Partnership. The General Partners and their shareholders, officers or directors shall have the right to take for their own account, or to recommend to others, any investment opportunity.

11.3 Liability for Certain Obligations of General Partners. The Partnership shall be jointly and severally liable with the General Partners for any liability of the General Partners to any other partner of the Project Partnership pursuant to section 4.4 of the Project Partnership Agreement; provided, however, that the liability of the Partnership for actions of the General Partner

under section 4.4 of the Project Partnership Agreement shall be limited to such portion, if any, of the Partnership's interest in the Project Partnership (including but not limited to its interest in distributions by the Project Partnership) as is equal to the excess, if any, of (a) the greater of (i) the aggregate percentage of distributions in the Project Partnership beneficially held, NCP Syracuse and its Affiliates (other than the Partnership) or (ii) the amount of the "Keep Requirement" (as such term is defined in the Project Partnership Agreement) over (b) the portion of the amount of such "Keep Requirement" inuring to NCP Syracuse either directly as the managing general partner of the Project Partnership or through its direct interest in the Partnership.

Notwithstanding any other provision of this Agreement, but without in any manner limiting any liability the Partnership may otherwise have to a Person under the Project Partnership Agreement, the Partners shall enter into such amendment to this Agreement as shall be necessary so that the effect on the Partnership and the Partners of the liability referred to in the foregoing provisions of this Section 11.3 shall be borne entirely by NCP Syracuse and its Affiliates (other than the Partnership), and NCP Syracuse hereby indemnifies the Limited Partners against such liability, with the result that the effective after-tax economic interest of the other Partners in the Project Partnership's capital, distributions, profits and losses shall remain unchanged. If the interests in the Partnership of NCP Syracuse and Syracuse Investment are anticipated to fall below the guidelines (as may be modified from time to time) established by the IRS for ruling purposes that the Partnership lacks the corporate characteristic of "centralization of management" pursuant to Regulations Section 301.7701-2(c), then each General Partner shall take such action on or before such reduction in interest as may be necessary in the opinion of counsel to the Partnership reasonably satisfactory to a Majority in Interest of the Limited Partners to allow such counsel to render an opinion (including reasonable assumptions made therein) that the tax classification of the Partnership shall not be adversely affected thereby. Counsel to the Partnership shall render such opinion before the effective date of any such reduction.

11.4 Exculpation. Neither the General Partners nor any of

their shareholders, officers, directors, representatives or agents shall be liable, responsible or accountable in damages or otherwise to the Partnership or any Limited Partner, individually or collectively, for any loss, liability, damage or expense incurred by reason of any act or omission performed or omitted by any General Partner either on behalf of the Partnership or in furtherance of the interests of the Partnership, and in a manner believed in good faith by such Person to be within the scope of the authority granted to the General Partners by this Agreement or by law, so long as such Person is not determined by a final adjudication of a court of competent jurisdiction or by final binding arbitration to be guilty of gross negligence, gross misconduct, fraud, breach of fiduciary duty or a willful breach of this Agreement with respect to such act or omission.

11.5 Indemnification. Each General Partner and its direct and indirect shareholders, officers, directors, representatives and agents shall be held harmless and be indemnified by the Partnership for any liability, loss (including amounts paid in settlement), damages or expenses (including reasonable attorneys fees) suffered by virtue of such General Partners status as a General Partner of the Partnership or any acts or omissions or alleged acts or omissions arising out of such Person's activities either on behalf of the Partnership or in furtherance of the interests of the Partnership, and in a manner believed in good faith by such Person to be within the scope of authority conferred on such General Partner by this Agreement or law, so long as such Person is not determined by a final adjudication of a court of competent jurisdiction or by final binding arbitration to be guilty of gross negligence, gross misconduct, fraud, breach of fiduciary duty or a willful breach of this Agreement with respect to such acts or omissions. Such indemnification or agreement to hold harmless shall only be recoverable out of the assets of the partnership, including insurance proceeds, if any, and not of any Partner. Each General Partner and each director of such General Partner shall have the right (and no other Person shall have the right) to select its own attorney, if it makes a reasonable showing that the Partnership attorney cannot adequately represent its interest. The Partnership shall pay the expenses incurred by an indemnified Person before the final disposition of any suit or proceeding only after (a) the indemnified Person delivers to the Partnership an undertaking promising to repay amounts so expended by the Partnership if it is later adjudicated or determined that the Person is not entitled to indemnification under this Agreement, and (b) a Majority in Interest of the Limited Partners reasonably determines that the indemnified Person has the resources to repay such amount.

11.6 Miscellaneous Management Matters. A General Partner may rely on any resolution, certificate, statement, instrument,

opinion, report, notice, request, consent, order, bond, debenture, or other document it believes to be genuine and to have been signed or presented by the proper party or parties. A

General Partner may consult with any attorneys, accountants, appraisers, management consultants, investment bankers, and other consultants it selects (who may also serve as consultants for the Partnership). An opinion by any consultant on a matter which a General Partner believes to be within the consultant's professional competence shall be complete protection as to any action or omission by the General Partner reasonably based in good faith on the opinion. No General Partner shall be responsible for the misconduct, negligence, acts, or omissions of any consultant, agent, or employee of the Partnership and no General Partner assumes any obligations as to these consultants, agents, or employees except to use due care in selecting them.

11.7 Execution of partnership Investments. NCP Syracuse shall execute all deeds, leases, notes, mortgages, joint venture or partnership agreements, contracts, certificates, correspondence and any and all other instruments executed on the Partnership's behalf, and for which the General Partners have authority, in substantially the following form:

Syracuse Orange Partners, L.P.

By: NCP Syracuse, Inc., General Partner

By:_____
(Name of authorized representative)

Its:_____
(Title)

ARTICLE XII
RIGHTS AND OBLIGATIONS OF THE LIMITED PARTNERS

12.1 No Right to Participate in Management. The Limited Partners shall not, and shall have no right to, participate in the control, conduct, or operation of the Partnership or the Partnership's business, and shall have no right or authority to act for or bind the Partnership; provided, however, that the

Limited Partners may select a Person to act for and bind the Partnership during the winding up period following dissolution of the Partnership pursuant to Section 15.3(a) hereof in the event that there is no General Partner of the Partnership. A Limited Partner shall not be deemed to participate in the management or control of the Partnership solely by virtue of consulting with and advising a General Partner with respect to the business of the Partnership or exercising any rights or powers which the Limited Partners are permitted to exercise pursuant to this Agreement and Section 17-803 of the Act.

Notwithstanding any other provision of this Agreement, the Limited Partners shall have the sole right to the exclusion of the General Partners, acting in a manner directed by a Majority in Interest of the Limited Partners, to cause the Partnership to

take all actions which the Partnership is entitled to take pursuant to Article IV of the Project Partnership Agreement and Sections 3.1 (b), 3.2 (b), 7.1 (c), 7.3 (a), 7.4 (a), 7.4 (b), 8.1(a) (i), 10.3 or 10.5 of the Project Partnership Agreement. The General Partners will take all actions within their control (including, without limitation, providing copies of all notices and other written information to the Limited Partners) necessary or desirable in order to allow the full and timely exercise by the Limited Partners of the rights set forth in the preceding sentence. The provisions of this paragraph shall expire and shall have no further effect on and after the Final Flip Point.

12.2 Limited Liability.

(a) Limited Liability. No Limited Partner shall have any liability whatsoever for any debts, liabilities or other obligations of the Partnership, beyond the amount of such Limited Partner's Capital Contribution pursuant to Section 6.1 (a) hereof; provided, however, that each Limited Partner may be required to return any Distributions made to such Limited Partner (with interest thereon) in violation of Section 17-607 of the Act. A Limited Partner, as such, shall not be personally liable for any obligations of the Partnership, and shall not be obligated to make loans to the Partnership. As specified in Section 11.5 hereof, the Limited Partners shall not be required to indemnify the General Partners except out of Partnership assets.

(b) Indemnification. Each Limited Partner and its direct and indirect shareholders, officers, directors, representatives and agents shall be held harmless and be indemnified by the Partnership for any liability, loss (including amounts paid in settlement), damages or expenses (including reasonable attorneys' fees) suffered by virtue of such Limited Partner's status as a Limited Partner of the Partnership or any acts or omissions or alleged acts or omissions arising out of such Person's activities either on behalf of the Partnership or in furtherance of the interests of the Partnership, and in a manner believed in good faith by such Person to be within the scope of authority conferred on such Limited Partner by this Agreement or law, so long as such Person is not determined by a final adjudication of a court of competent jurisdiction to be guilty of gross negligence, gross misconduct, fraud, breach of fiduciary duty or a willful breach of this Agreement with respect to such acts or omissions. Such indemnification or agreement to hold harmless shall only be recoverable out of the assets of the Partnership, including insurance proceeds, if any, and not of any Partner. Each Limited Partner and each director of such Limited Partner shall have the right (and no other Person shall have the right) to select its own attorney, if it makes a reasonable showing that the Partnership attorney cannot adequately represent its interest. The Partnership shall pay the expenses incurred by an indemnified Person before the final disposition of any suit or proceeding only after the indemnified Person delivers to the Partnership an undertaking promising to repay amounts so expended

by the Partnership if it is later adjudicated or determined that the Person is not entitled to indemnification under this Agreement.

12.3 Matters Subject to Vote. The General Partners shall not take any action set forth in subsections (a)-(t) of this Section 12.3 unless such action has been approved by the written consent or affirmative vote of a Majority in Interest of the Limited Partners or otherwise has received the approval set forth below. The Limited Partners shall have the right to vote upon the following matters and no others:

(a) The dissolution and winding up of the Partnership as provided in Section 15.1 hereof, or an election to continue the Partnership and the business of the Partnership as set forth in Section 15.2 hereof;

(b) The sale, exchange, lease, mortgage, assignment, pledge or other transfer of, or granting of a security interest in, all or any material portion of the assets of the Partnership except in accordance with the Financing Agreement;

(c) The incurrence, renewal, refinancing or payment of indebtedness by the Partnership except pursuant to or in connection with the financing of the Partnership's business and operations or of the project, and except in the ordinary course of its business;

(d) A change in the nature of the business of the Partnership;

(e) Removal or withdrawal of a General Partner as provided in Section 14.2 or Section 14.4 hereof;

(f) Admission of a Substitute General Partner;

(g) Admission of an additional general partner;

(h) Amendment of this Agreement, as provided in Section 16.1 hereof;

(i) The merger or consolidation of the Partnership;

(j) The execution or performance of any contract, agreement or other arrangement by the Partnership with a General Partner in its individual capacity or with any Affiliate of a General Partner, except as provided in Section 6.7(b) hereof;

(k) Any matter required by this Agreement to be submitted by the Tax Matters Partner to the Limited Partners for the consent or approval of the Limited Partners;

(1) The making of loans, guarantees or other extensions of credit, or making capital contributions to the Project

Partnership, in each case except as set forth in Section 6.1 or 6.7 hereof;

(m) The material modification of (A) any material financial

reporting method used by the Partnership, unless such change is in accordance with GAAP and noted in the financial statements of the Partnership prepared in accordance with Article 6 hereof or is otherwise required by a change in applicable financial reporting rules, or (B) any material tax reporting method or position, unless such change is required by a change in applicable tax law;

(n) The borrowing of money, or entering into any loan agreement, deferred purchase agreement, lease or other financing arrangement, except for trade payables incurred and loans made pursuant to Section 6.7 hereof;

(o) The incurrence of expenses on behalf of the Partnership in excess of $10,000 per year, except under extraordinary circumstances, provided that amounts payable to the Partnership Accountants for services as contemplated in this Agreement and amounts payable to counsel to the Partnership with respect to tax audits or proceedings involving the Partnership shall not be included in, or subject to, such limitation;

(p) The exercise by the Partnership of any right or option under the Project Partnership Agreement to transfer the Partnership's interest in the Project Partnership or to withdraw from the Project Partnership;

(q) The exercise by the Partnership of any voting or consent rights pursuant to the Project Partnership Agreement;

(r) The election of the Partnership to be subject to any modifications of, or revisions to, the Act to the extent any such successor provisions of the Act would be applicable to the Partnership only if the Partnership so elects;

(s) Any matter for which a vote or consent required by another provision of this Agreement; and

(t) Such other matters as the General Partners may submit in their sole and absolute discretion to the Limited Partners for a vote or for their consent.

12.4 Call of Meetings and Written Consents. The General Partners may call a meeting of the Limited Partners for a vote, or may call for a vote or consent without a meeting. The General Partners shall call a meeting of the Limited Partners for a vote, or shall call for a vote or consent without a meeting, within twenty (20) days after receiving a written request from Limited Partners holding twenty percent (20%) or more of the Sharing Ratios for a vote or consent with respect to any matter as to which any or all of the Limited partners may vote or consent pursuant to Section 12.3 hereof; provided, however, that the

foregoing right of the Limited Partners to request that the General Partners call a meeting or call for a vote or consent shall not give the Limited Partners the right or power to compel the General Partners or the Partnership to take any action with respect to any matter set forth in Section 12.3 hereof, except for any action by the Limited Partners pursuant to Section 12.1, 12.3(e) or 14.2 hereof. The General Partners notice of a meeting shall state the time and place of the meeting, and the general nature of the business to be transacted; if no meeting is called, the General Partners' notice shall state the matter or matters as to which a vote or consent is being sought and the date on which such votes or consents shall be counted. The date of the meeting, or the date on which votes or consents shall be counted, shall be no less than ten (10) nor more than sixty (60) days after the mailing of the General Partners' notice. The meeting, if any, shall be held at the Partnership's principal place of business or at such other location as the General Partners shall state in the notice. The Partnership shall bear all expenses of the notification and meeting or vote or consent.

12.5 Manner of Voting. Each Limited Partner shall be entitled to cast votes (a) at a meeting, in person, by written proxy, or by a signed writing directing the manner in which the vote is to be cast, which writing must be received by the General Partners before the meeting, or (b) without a meeting, by a signed writing indicating the matter as to which the vote or consent is effective and, if a vote, whether it is in support of or opposition to such matter, which writing must be received by the General Partners at or before the time and date on which the votes or consents are to be counted. Only the votes or consents of Limited Partners of record on the date on which the General Partners send their notice, whether at a meeting or otherwise, shall be counted. The General Partners shall be entitled to vote their Limited Partnership Interests, if any, for all matters in the same fashion as other Limited Partners. If a proposal is approved by an action of the Limited Partners taken without a meeting, the written vote or consent shall set forth the action to be taken and shall be signed by Limited Partners owning, in the aggregate, not less than the minimum percentage of the aggregate Sharing Ratios that would be necessary to authorize or take such action at a meeting at which all the Limited Partners were present and voted.

12.6 Limitations. Except as otherwise required by law or provided in this Agreement, no Limited Partner shall have the power to: (a) withdraw or reduce such Limited Partner's contribution to the capital of the Partnership except as a result of the dissolution of the Partnership; (b) cause the dissolution and termination of the Partnership by court decree or otherwise; or (c) demand or receive property other than cash in return for such Limited Partner's Capital Contribution. No specific time has been agreed upon for the repayment of the Limited Partners' Capital Contributions.

12.7 Compensation and Reimbursement. No salary or other compensation shall be paid to any Limited Partner.

12.8 Investment Opportunities. No Partner shall be obligated to present any investment opportunity to the Partnership, even if the opportunity is of a character that could be taken by the Partnership if presented to it. Each Partner shall have the right to take for its own account, or to recommend to others, any investment opportunity presented to it.

ARTICLE XIII
ASSIGNMENT OF LIMITED PARTNERSHIP INTERESTS

13.1 Restrictions on Transfers. No Limited Partner shall directly or indirectly, voluntarily, involuntarily or by operation of law, convey, exchange, assign, mortgage, encumber, hypothecate, pledge, sell or otherwise transfer (each a "Transfer") all or any portion of its Limited Partnership Interest, or enter into any agreement to do so, except in accordance with the provisions of this Article XIII. Any such attempted Transfer in violation of the terms of this Article XIII or of the Financing Agreement shall be void and of no force or effect.

No Limited Partner may Transfer any portion of its Limited Partnership Interest (a) if the General Partners shall not have received the Required Opinion from counsel selected by, or reasonably acceptable to, the General Partners, or (b) if such Transfer would result in the Partnership being treated as an association taxable as a corporation under the Code, or (c) if such Transfer would cause the Project to cease to be a

"qualifying cogeneration facility" as defined in the Public Utility Regulatory Policies Act of 1978, or (d) if such Transfer would cause the Partnership to be considered to be terminated under the Code unless such Transfer has received the unanimous consent of the Partners, or (e) if such Transfer would constitute a violation of or default under the Financing Agreement, or (f) if, as a result of such Transfer, there would be more than ten (10) holders of beneficial interests in the Partnership other than NCP Syracuse, or (g) if such Transfer is to a "Prohibited Transferee" (as that term is defined in the project Partnership Agreement), unless such transfer is consented to in accordance with the provisions of the Project Partnership Agreement. For purposes of clause (f) above, no Partner or Affiliate shall make any Transfer which would have the effect of causing a violation of clause (f) above if there were three (3) MetLife Parties holding interests in the Partnership.

13.2 Rights of Assignee. An assignee of a Limited Partner's Limited Partnership Interest or a portion thereof (an "Assignee") who does not become a Substitute Limited Partner in accordance with the provisions of Section 13.3 hereof shall be subject to all of the restrictions upon a Limited Partner provided in this Agreement, but such Assignee shall not have the right to vote on any of the matters on which a Limited Partner

would be entitled to vote and shall not have any other rights of a Partner other than the right to the Assignee's share of Profits, Losses and Distributions. If the General Partners receive a notice of Transfer pursuant to Section 13.3 hereof, and if such Transfer is effected in compliance with this Article XIII, the Assignee shall become entitled to receive the transferring Limited Partner's share of Distributions and allocations with respect to the Limited Partnership Interest so transferred and shall succeed to the transferring Limited Partner's Capital Account with respect to the Limited Partnership Interest so transferred as of the end of the day on which the General Partners receive such notice; provided, however, that an Assignee shall become a Substitute Limited Partner only upon the satisfaction of the conditions for substitution set forth in Section 13.3 hereof.

13.3 Substitution of Assignee. An Assignee of all or any part of a Limited Partner's Limited Partnership Interest shall become a Substitute Limited Partner only if each of the following

conditions are met:

(a) Each General Partner consents thereto, which consent shall be in the sole and absolute discretion of each General Partner; provided that the provisions of this Section 13.3(a) shall not apply with respect to any portion of a Limited Partnership Interest of a MetLife Party;

(b) If Syracuse Investment is the assigning Limited Partner and such Transfer is with respect to all or a portion of the remaining five (5) percentage points or less of Syracuse Investment's Sharing Ratio at any time (in its capacity as a Limited Partner), MetLife (if it is a Limited Partner at the time of Transfer or, if it is not such a Limited Partner, the successor in interest to MetLife with the largest Sharing Ratio) shall consent thereto, which consent shall be in the sole and absolute discretion of such Person;

(c) The Assignee shall consent in writing, in a form reasonably satisfactory to the General Partners, to be bound by the terms and conditions of this Agreement with respect to the Limited Partnership Interest transferred;

(d) The assigning Limited Partner or Assignee shall pay any expenses of the Partnership in connection with the substitution of such Assignee as a Limited Partner;

(e) The assigning Limited Partner or Assignee shall submit an instrument of assignment, duly executed by the assigning Limited Partner, in a form reasonably satisfactory to the General Partners, which instrument of assignment shall specify the portion of the Limited Partnership Interest assigned to such Assignee and shall set forth the transferring Limited Partner's intention that the Assignee become a Substitute Limited Partner; and

(f) All requirements of the Act, including any amendment of the Certificate required by the Act, shall have been completed by the Assignee, the transferring Limited Partner and the Partnership, as the case may be.

The admission of a Substitute Limited Partner shall be effective as of the close of the day on which all of the

conditions specified in this Section 13.3 have been satisfied.

13.4 Confirmation of Transfer of Limited Partnership Interest. If a Limited Partner Transfers all or any part of its Limited Partnership Interest as permitted by this Article XIII, such Limited Partner shall provide written confirmation of such Transfer to the General Partners, signed by both the transferring Limited Partner and its transferee, within thirty (30) days after the Transfer or, if earlier, by the fifteenth (15) day of the month following the fiscal year of the Partnership in which the Transfer occurred. This written confirmation shall include (a) the names and addresses of the transferring Limited Partner and the transferee, (b) the taxpayer identification numbers of the transferring Limited Partner and of the transferee, (c) the date of the Transfer, and (d) the terms and conditions of the Transfer to the extent such information is necessary to (if applicable) make the special basis adjustments pursuant to Section 8.5 hereof.

13.5 Indemnification. Each Limited Partner hereby agrees that it shall indemnify and hold harmless the General Partners and the Partnership from and against any and all losses, costs, liabilities or economic disadvantages which result, directly or indirectly, from any attempt by such Limited Partner to make a Transfer which does not comply with the requirements of this Article XIII.

13.6 Bankruptcy of a Limited Partner. In the event of the bankruptcy of a Limited Partner, the trustee, conservator, administrator, receiver or other successor in interest of such Limited Partner shall have all the rights of such Limited Partner for the purpose of settling or managing its affairs and such power as such Limited Partner possessed to assign all or a part of its Limited Partnership Interest and to join with the Assignee in satisfying the conditions precedent to such Assignee becoming a Substitute Limited Partner. The bankruptcy of a Limited Partner shall not dissolve the Partnership. A Limited Partner's successor in interest shall be liable for all obligations of the Limited Partner. In no event, however, shall such successor in interest become a Substitute Limited Partner, except in accordance with Section 13.3 hereof.

13.7 Further Assignments. An Assignee of all or any portion of a Limited Partner's Limited Partnership Interest pursuant to the terms hereof, who desires to make a further assignment of such interest, shall be subject to all of the provisions of this Article XIII to the same extent and in the

same manner as the Limited Partner making the initial Transfer of its Limited Partnership Interest.

13.8 Additional Limited Partner. Except as provided in this Agreement, no additional limited partner shall be admitted to the Partnership without the approval of the General Partners and a Majority in Interest of the Limited Partners.

ARTICLE XIV
REMOVAL AND REPLACEMENT OF A GENERAL PARTNER

14.1 Removal for Good Cause Only. A General Partner may be removed as general partner of the Partnership only for "Good Cause" upon the affirmative vote or consent of a Majority in Interest of the Limited Partners required under Section 14.2 hereof or for "Insolvency" as defined in Section 15.1 hereof. For purposes of this Section, the term "Good Cause" shall mean either (a) willful and continued neglect by such General Partner of its duties under this Agreement, which neglect has a material adverse effect on the Partnership, or (b) a willful breach by such General Partner of its fiduciary duties to the Partnership or the Limited Partners including without limitation misappropriation of Partnership assets, fraud, dishonesty or bad faith exercise of management authority; provided, however, that with respect to any neglect or breach under clause (a) or (b) above, the effects of such neglect or breach has not been cured by such General Partner within forty-five (45) days after receipt of written notice from a Majority in Interest of the Limited Partners specifying such neglect or breach (the "Removal Notice") or, if the effects of such neglect or breach cannot be cured within such forty-five (45) day period, the failure by such General Partner to take good faith reasonable efforts within such period to commence a cure of the effects of such neglect or breach and to diligently continue such efforts until such effects are fully cured. In the event such General Partner disputes any attempted removal pursuant to the provisions of this Section 14.1, such dispute shall be submitted to binding arbitration in accordance with the provisions of Section 16.5 hereof.

For purposes of this Section 14.1 and Sections 14.2 and 14.3 hereof, NCP Syracuse and Syracuse Investment shall be treated as a single General Partner, such that the removal of either of them for Good Cause automatically, without further action, shall result in the removal of both of them for Good Cause.

14.2 Vote. Subject to the provisions of Section 14.1

hereof, the vote of a Majority in Interest of the Limited Partners, without the necessity for concurrence by any General Partner, may remove a General Partner for "Good Cause" as a General Partner of the Partnership. The Removal Notice delivered to the General Partner shall specify, in addition to the actions deemed to constitute "Good Cause" for removal, the effective date for removal (the "Removal Date"), which effective date may not be prior to the date upon which a Person has agreed to become a Substitute General Partner.

14.3 Dispute Regarding Removal.

(a) In the event that a Majority in Interest of the Limited Partners cause delivery of a Removal Notice to remove a General Partner for "Good Cause" pursuant to Section 14.1 hereof, the General Partner to be removed shall have a period of thirty (30) days to provide notice to all of the Limited Partners of its intention to dispute the removal and to submit such removal to arbitration. If such General Partner disputes the removal and submits such removal to arbitration, the Removal Date shall be tolled pending the outcome of arbitration. If, upon arbitration, the removal is overturned, such General Partner shall remain as a General Partner of the Partnership.

(b) If the General Partner to be removed does not dispute removal or, upon submitting the removal to arbitration, such removal is upheld, such General Partner shall cease to be a General Partner effective on the Removal Date (as may be extended by arbitration), provided, however, that a Majority in Interest of the Limited Partners may comply with the provisions of Section 14.5 and 14.6 hereof to select a Substitute General Partner, and the Removal Date shall be tolled pending the selection of a Substitute General Partner and acceptance by such Substitute General Partner. The Partnership shall cause an accounting to be prepared at the expense of the Partnership from the end of the preceding fiscal year to the Removal Date. After receiving the Removal Notice, and prior to the Removal Date, such General Partner shall not transact any business on behalf of the Partnership other than in the ordinary course of business unless pursuant to a contract entered into and binding upon the Partnership prior to the date of receipt of the Removal Notice by such General Partner.

14.4 Voluntary Withdrawal. A General Partner may

voluntarily withdraw from the Partnership as a General Partner without the prior written consent of all of the Partners. Any such withdrawal with such Consent shall be effective ninety (90) days after written notice (the "Withdrawal Notice") to the Partners (the "Withdrawal Date"), provided that such effective date may not be prior to the date upon which a Person has agreed to become a Substitute General Partner. Notwithstanding the foregoing, Syracuse Investment may voluntarily withdraw as a General Partner and convert its interest as a General Partner into a Limited Partnership Interest effective ninety (90) days after giving a Withdrawal Notice to the Partners, provided that counsel to the Partnership renders an opinion (including reasonable assumptions made therein) reasonably satisfactory to a Majority in Interest of the Limited Partners that such withdrawal will not affect the tax classification of the Partnership.

14.5 Selection of a Substitute General Partner. Subject to Section 15.2 hereof, after either voting to remove a General Partner, as provided in Section 14.2 hereof, or receipt of the Withdrawal Notice from NCP Syracuse as provided for in the first

sentence of Section 14.4 hereof, a Majority in Interest of the Limited Partners may select a Substitute General Partner.

14.6 Substitution.

(a) An assignee of all or a portion of a General Partner's interest in the Partnership shall not become a Substitute General Partner without the approval of a Majority in Interest of the Limited Partners, which consent may be withheld in their sole discretion, and compliance with the provisions of Section 14.6(b) hereof.

(b) A Person proposed to become a Substitute General Partner shall assume the rights, powers and responsibilities of a General Partner as provided in this Agreement upon the effective date of removal or withdrawal of a General Partner pursuant to Section 14.5 hereof, or upon the approval of such Person as a Substitute General Partner by a Majority in Interest of Limited Partners pursuant to Section 14.6(a) hereof, provided that such Person delivers to the Partners a written agreement (the "Substitute General Partner Agreement") executed by such Person within ten (10) days after such Person's selection as a proposed

Substitute General Partner, which Substitute General Partner Agreement shall set forth the following agreements by such Person: (i) to be bound by this Agreement; (ii) to assume the rights, powers and responsibilities of a General Partner pursuant to the terms of this Agreement accruing after such selection, (iii) to amend this Agreement to reflect the removal or withdrawal of the removed or withdrawn General Partner and the appointment of such Substitute General Partner, (iv) to perform the duties and the responsibilities of a General Partner (which shall automatically relieve the removed or withdrawn General Partner of all obligations arising after the Removal Date or Withdrawal Date pursuant to the terms of this Agreement, except as specifically provided in this Agreement); and (v) to record, file and publish any certificates or documents as may be appropriate to evidence or effect such removal or withdrawal, substitution and release, including a Certificate of Amendment. Upon effective substitution of a new general partner, this Agreement shall remain in effect and the business of the Partnership shall be continued.

14.7 Indemnification. Upon the selection of a Substitute General Partner, the Partnership shall indemnify and defend and hold the removed General Partner harmless from and against all liabilities of the Partnership arising after the Removal Date or Withdrawal Date, except to the extent arising primarily from acts or events occurring prior thereto, to the extent caused by the events giving rise to the removal or any prohibited withdrawal, or to the extent inconsistent with the General Partner's exculpation or indemnification provided in Sections 11.4 and 11.5 hereof. The Substitute General Partner shall provide or cause the Partnership to provide satisfactory evidence of such indemnification to the removed or withdrawn General Partner.

14.8 Conversion of a General Partner's Interest.

(a) Within thirty (30) days after the Removal Date, the interest of the removed General Partner in the Partnership as of the Removal Date shall be converted into an interest as an Assignee of a Limited Partner who does not become a Substitute Limited Partner pursuant to Section 13.2 hereof equal to the interest so converted, and the removed General Partner shall become such an Assignee provided that:

(i) Such Assignee shall become a Substitute Limited Partner when, if at all, the cause of the removal of such Assignee as a General Partner has been fully cured; and

(ii) If such Assignee does not become a Substitute Limited Partner pursuant to Section 14(a)(i) hereof, such Assignee nevertheless shall be considered to be a Limited Partner for purposes of Section 16.1(c) hereof. If such Assignee ("First Assignee") further assigns all or a portion of its interest in the Partnership pursuant to the provisions of Section 13.1 hereof to an Assignee ("Second Assignee") who is not an Affiliate of the First Assignee, the Second Assignee shall become a Substitute Limited Partner if the conditions set forth in Section 13.3 are met.

(b) Within thirty (30) days after the Withdrawal Date, the interest of the withdrawn General Partner in the Partnership as of the Withdrawal Date shall be converted into an interest as a Limited Partner equal to the interest so converted and the withdrawn General Partner shall become a Substitute Limited Partner of the Partnership.

ARTICLE XV
DISSOLUTION, LIQUIDATION AND TERMINATION OF THE PARTNERSHIP

15.1 Events Of Dissolution. The Partnership shall dissolve and commence winding up and liquidating upon the first to occur of any of the following:

(a) The date specified in Section 5.1 hereof;

(b) The consent of each General Partner and a Majority in Interest of the Limited Partners to dissolve;

(c) The sale or other distribution of all or substantially all of the property of the Partnership and the collection and distribution of the proceeds thereof;

(d) The continued conduct of the business of the Partnership becoming illegal;

(e) The "Insolvency" of a General Partner, as defined below, unless the Partnership is continued pursuant to Section 15.2 hereof;

(f) An event of withdrawal of a General Partner pursuant to Section 17-801(3) of the Act, unless the Partnership is continued pursuant to Section 15.2 hereof; or

(g) The entry of a judicial decree of dissolution.

For purposes of this Agreement, "Insolvency" of a General Partner shall mean: (a) an adjudication that such General Partner is bankrupt or insolvent, or the entry of an order for relief against it under Chapter 7 of the Federal Bankruptcy Code, 11 U.S.C. 101-1330, as amended (the "Bankruptcy Code") or any other applicable bankruptcy or insolvency statute or law; (b) the making by it of an assignment for the benefit of creditors; (c) the filing by it of a voluntary petition in bankruptcy or a petition for relief under any Section of the Bankruptcy Code or any other applicable bankruptcy or insolvency statute or law; (d) the filing by it of a petition or answer seeking for it any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation; (e) the filing by it of any answer or other pleading admitting or failing to contest the material allegations of any such petition; (f) its seeking, consenting to or acquiescence in the appointment of a trustee, conservator, receiver or liquidator for it or for all or any substantial part of its assets; (g) the commencement of any proceeding against such General Partner seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation (unless such proceeding is dismissed within ninety (90) days from the date of commencement thereof); or (h) the appointment without its consent or acquiescence of a trustee, conservator, receiver or liquidator for it or for all or any substantial part of its assets (unless such appointment is vacated or stayed no later than ninety (90) days from its effective date; provided, however, that if the appointment is stayed, such appointment shall be vacated within ninety (90) days after the expiration of any such stay); and provided, however, that if such General Partner continues to operate its business as a debtor in possession, then an event of Insolvency shall not be deemed to have occurred, and such General Partner shall remain as a General Partner of the Partnership.

15.2 Right to Continue the Partnership's Business. In the event of the Insolvency or withdrawal of a General Partner pursuant to Section 15.1(e) or 15.1(f) hereof, respectively, the Partnership shall dissolve as provided in Section 15.1 hereof unless:

(a) If there is at least one other General Partner, that General Partner elects to continue the business of the

Partnership; or

(b) If there is no other General Partner, or there is a General Partner but such General Partner does not elect to continue the business of the Partnership, then, within ninety (90) days after such Insolvency or withdrawal, all Partners agree

in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Insolvency or withdrawal, of a successor General Partner.

15.3 Liquidation.

(a) Except as otherwise set forth in Section 15.2 hereof, upon dissolution of the Partnership, the General Partners shall take (or cause to be taken) a full accounting of the Partnership's assets and liabilities as of the date of such dissolution and, subject to the rights of the General Partners or their successors to continue the business of the Partnership for the purpose of winding up its affairs, the General Partners shall proceed with reasonable promptness to liquidate the Partnership's assets (including, without limitation, by way of the sale, assignment, exchange, lease, sublease or other disposition of any or all of the assets of the Partnership) and to terminate its business; provided, however, that the Partnership's interest in the Project Partnership may, with the consent of a Majority in Interest of the Limited Partners, be distributed in kind to the extent that the liquidation thereof is not necessary to satisfy the requirements of clauses (i), (ii) and (iii) below. In the event that there is no remaining General Partner, the winding up of the affairs of the Partnership and the liquidation of its assets shall be conducted by such Person as may be selected by a Majority in Interest of the Limited Partners, which Person is hereby authorized to do any and all acts and things authorized by law for these purposes and is entitled to the compensation approved by a court of competent jurisdiction.

The cash proceeds from such liquidation shall be applied in the following order:

(i) First, to the payment of all taxes, debts and other obligations and liabilities of the Partnership, and all necessary expenses of liquidation thereof; provided, however, that all debts, obligations and other liabilities of the Partnership as to

which personal liability exists with respect to any Partner shall, to the extent permitted by applicable law, be satisfied, or a reserve established therefor, prior to the satisfaction of any debt, obligation or other liability of the Partnership as to which no such personal liability exists;

(ii) Second, to the establishing of reserves deemed reasonably necessary to satisfy contingent liabilities or obligations of the Partnership;

(iii) Third, to the reduction, prorata, among all such then outstanding loans, of first principal and then, to the extent available, interest on all loans made by the Partners to the Partnership; and

(iv) Fourth, to the Partners, in accordance with the relative amounts of the positive balances (if any) in their

respective Capital Accounts, after giving effect to all contributions, distributions and allocations for all periods.

(b) Except as provided above in the event there is no remaining General Partner, the General Partners shall administer the liquidation of the Partnership and the termination of its business but shall receive no compensation. The General Partners shall be allowed a reasonable time for the orderly liquidation of the Partnership's assets and the discharge of liabilities to creditors so as to minimize losses resulting from the liquidation of the Partnership's assets.

15.4 Termination. Upon compliance with the foregoing, the General Partners or their successors in interest, as the case may be, shall file or cause to be filed a Certificate of Cancellation of the Partnership and the Partnership thereupon shall be terminated.

15.5 Compliance With Timing Requirements of Regulations. In the event the Partnership is "liquidated" within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g), distributions shall be made pursuant to this Article XV to the Partners who have positive Capital Accounts in compliance with Regulations Section 1.704-1(b)(2)(ii)(b)(2). If any Partner has a deficit balance in his Capital Account after giving effect to all contributions,

distributions and allocations for all taxable years, including the year during which such liquidation occurs), such Partner shall have no obligation to make any contribution to the capital of the partnership with respect to such deficit, and such deficit shall not be considered a debt owed to the Partnership or to any other Person for any purpose whatsoever. In the discretion of the General Partners, a prorata portion of the distributions that would otherwise be made to the Partners and pursuant to this Article XV may be:

(a) distributed to a trust established for the benefit of the Partners for the purposes of liquidating Partnership assets, collecting amounts owed to the Partnership, and paying any contingent or unforeseen liabilities or obligations of the Partnership or of the General Partners arising out of or in connection with the Partnership. The assets of any such trust shall be distributed to the Partners and from time to time, in the reasonable discretion of the General Partners, in the same proportions as the amount distributed to such trust by the Partnership would otherwise have been distributed to the Partners pursuant to this Agreement; or

(b) withheld to provide a reasonable reserve for Partnership liabilities (contingent or otherwise) and to reflect the unrealized portion of any installment obligations owed to the Partnership, provided that such withheld amounts shall be distributed to the Partners as soon as practicable.

ARTICLE XVI
MISCELLANEOUS PROVISIONS

16.1 Amendments.

(a) Except for amendments made in accordance with Section 16.1(b) hereof, this Agreement may be amended only with the written consent of the General Partners and a Majority in Interest of the Limited Partners.

(b) In addition to any amendments otherwise authorized herein, amendments may be made to this Agreement by the General Partners, acting without the consent of any Limited Partner, to substitute or admit any additional Limited Partners to the extent allowed by this Agreement.

(c) Notwithstanding Sections 16.1(a) and 16.1(b) hereof, no amendment may be made pursuant to this Section 16.1 without the unanimous written consent of all Partners unless such amendment (i) is not adverse to the interests of the Limited Partners, (ii) is consistent with Article XI and Article XII hereof, (iii) does not affect the method of Distributions set forth in Article VII hereof, and (iv) does not affect the limited liability of the Limited Partners contemplated by Section 12.2 hereof.

16.2 Notices. Any notice, payment, demand or communication required or permitted to be given by a Partner pursuant to any provision of this Agreement shall be deemed to have been sufficiently given or served for all purposes if delivered personally to the party to whom the same is directed or five (5) business days after deposit in the United States mail, registered or certified, postage and charges prepaid, addressed to the other Partner, as applicable, at the applicable address specified on Exhibit A attached hereto. A Partner may change his or her address for purposes of notice by a writing sent in accordance with this Section 16.2 to the General Partners.

16.3 Power of Attorney. Each Limited Partner hereby makes, constitutes and appoints each General Partner, with full power of substitution, such Limited Partner's true and lawful attorney, for it and in its name, place, stead and benefit, to sign, execute, swear, file and record the Certificate, and, subject to any applicable consent requirements contained in this Agreement, to sign, execute, certify, swear, acknowledge, file and record amendments to or cancellation and termination of the Certificate and fictitious business name statements. The foregoing grant of authority is hereby declared to be irrevocable and a power coupled with an interest and shall survive the bankruptcy or dissolution of any Person hereby giving such power and the transfer or assignment of the whole or any portion of the Limited Partnership Interest of such Person; provided, however, that in the event of a Transfer by such Limited Partner of all of such Limited Partner's Limited Partnership Interest, the foregoing power of attorney of the transferor Limited Partner shall survive such transfer until such time, if any, as the transferee shall have been duly admitted to the Partnership as a Substitute Limited Partner.

Each Limited Partner agrees to execute and deliver all

documents, instruments and conveyances which may be required of the Partnership by law in Delaware, or any other applicable jurisdiction, or by Federal or state securities laws or other applicable laws, to the extent that the signature of such Limited Partner is required thereon.

16.4 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable in any applicable jurisdiction, the validity, legality and enforceability of the remaining provisions, or of such provision in any other jurisdiction, shall not in any way be affected or impaired thereby.

16.5 Application of Delaware Law. This Agreement, and the application or interpretation hereof, shall be governed, construed and enforced in accordance with the laws of the State of Delaware.

16.6 Arbitration. In the event of a dispute with respect to any issue under this Agreement, the matter involved in the disagreement shall, upon demand of any party hereto involved in such dispute (herein a "disputing party") be submitted to arbitration in the manner hereinafter provided in these procedures (the "Procedures"). Submission to arbitration, as hereinafter provided, shall be a condition precedent to any right to institute proceedings at law. Notwithstanding the foregoing, arbitration pursuant to this Section 16.6 shall not apply to the mere act (or failure to act) by a Partner in the giving or withholding of consent, approval or disapproval with respect to any matter pursuant to this Agreement, except as to the issue of reasonableness, where such Partner's consent, approval or disapproval is subject to a reasonableness standard.

The Procedures are as follows:

(a) Submission of Dispute. The disputing parties will make every reasonable effort to resolve disputes, claims and controversies prior to any such dispute, claim or controversy reaching a state that requires arbitration. However, should any controversy arise between the disputing parties as to which the disputing parties are unable to effect a satisfactory resolution and which, under the terms and provisions of this Agreement, may be submitted to arbitration, such controversy shall be submitted to arbitration in Los Angeles County, California in accordance with the terms and provisions of these Procedures and in accordance with the rules then prevailing of the American Arbitration Association (or any successor organization) to the extent that such rules are not inconsistent with the provisions of these Procedures.

(b) Selection of Arbitrator. A disputing party desiring to

submit to arbitration any such controversy shall furnish its demand for arbitration in writing to each other disputing party, which demand shall contain a brief statement of the matter in

controversy, as well as a list containing the names of three (3) suggested arbitrators from which list, or from other sources, the disputing parties shall choose one (1) mutually acceptable arbitrator. If the disputing parties are unable to agree upon the identity of a single arbitrator within ten (10) days from the receipt of such demand, then any disputing party, on behalf of and upon notice to each other disputing party, may request appointment of a single arbitrator by the American Arbitration Association (or any organization successor thereto) in accordance with its rules then prevailing. If the American Arbitration Association (or such organization successor thereto) should fail to appoint the arbitrator within fifteen (15) days after such request is made, then any disputing party may apply, upon notice to the other disputing party, to the court as provided in California Code of Civil Procedure Section 1281.6 or any successor provision for the appointment of such arbitrator. The arbitrator chosen or appointed pursuant to these Procedures shall not be a past or present officer, director or employee of any party to the dispute or any of its affiliates.

(c) Procedural Rules.

(i) Each disputing party shall furnish the arbitrator and each other disputing party with a written statement of matters it deems to be in controversy for purposes of the arbitration procedures. Such statement shall also include all arguments, contentions and authorities which it contends substantiate its position. Each disputing party shall also submit a proposed award to the arbitrator and each other disputing party.

(ii) Such arbitrator shall render his decision as soon as possible but not later than thirty (30) days after conclusion of hearings before such arbitrator. The decision shall be in writing and counterpart copies thereof shall be delivered to each of the disputing parties. The decision shall adopt, unchanged and in its entirety, the award proposed by one of the disputing parties.

(d) Atorney's Fees. The prevailing party in the arbitration shall be entitled to recover reasonable attorneys'

fees and other costs incurred in the arbitration, in addition to any other relief to which it may be entitled. The non-prevailing party shall also bear the expense of the arbitrator and all other expenses of the arbitration. The arbitrator shall determine which is the "prevailing party" whether or not the dispute proceeds to a final award.

16.7 Confidential Information. Each of the Partners shall treat and maintain as confidential any and all confidential and/or proprietary information, including without limitation financial information, technical information and know-how and development plans and strategies, received from or pertaining to the other Partner or any Affiliate thereof, the Partnership or the Project; provided, however, that the foregoing obligation shall not apply to information which (a) was or becomes known or

generally available to the public through no breach of this Agreement by any Partner, (b) was or is disclosed to the public by a third party having the right to do so, or (c) is required to be disclosed by law or legal process. A Partner may disclose confidential information to its advisors to the extent reasonably necessary for business purposes or to a proposed transferee of all or a portion of such Partner"s interest in the Partnership to the extent reasonably necessary for the proposed transferee to evaluate the proposed acquisition of the Partnership interest, provided that the Person to whom such confidential information is proposed to be disclosed enters into a confidentiality agreement with such Partner (with the Partnership need as a third-party beneficiary of such confidentiality agreement) obligating such Person to confidentiality in the same manner as such Person would be obligated under this Section 16.7 if such Person were a Partner.

16.8 Headings. Headings at the beginning of each Article and Section of this Agreement are solely for the convenience of the Partners and are not a part of this Agreement.

16.9 Entire Agreement. This Agreement contains the entire agreement of the parties relating to the subject matter hereof.

16.10 Gender and Number. With respect to words used in this Agreement, the singular form shall include the plural form, the masculine gender shall include the feminine or neuter gender, and vice versa, as the context requires.

16.11 Successors. This Agreement shall be binding on and inure to the benefit of the respective successors, assigns and personal representatives of the parties hereto, except to the extent of any contrary provision of this Agreement.

16.12 Consents and Agreements. Any and all consents and agreements provided for or permitted by this Agreement shall be in writing and a signed copy thereof shall be filed and kept with the books of the Partnership.

16.13 Attorneys' Fees. If any legal action or arbitration or other proceeding is brought by any party hereto for the enforcement of this Agreement or as a result of a breach, default or misrepresentation in connection with any of the provisions of this Agreement', any successful or prevailing party shall be entitled to recover from the party that does not prevail reasonable attorneys" fees and other costs incurred by the prevailing party in such action or proceeding, in addition to any other relief to which that party may be entitled.

16.14 No Injunction. The parties hereto agree and acknowledge that in the event of a breach by any party hereto of any obligation hereunder (other than the obligations set forth in Section 16.7 hereof), the damage caused any other party shall not be irreparable and the remedy of damages shall not be so insufficient as to give rise to a right of injunctive or other

equitable relief, and the parties hereto acknowledge that their rights and remedies in the event of any such breach shall be limited to the right, if any, to recover damages in an action at law.

16.15 Counterparts. This Agreement may be executed in counterparts by each of the Partners, all of which taken together shall be deemed one original.

16.16 Covenant to Sign Documents. Each Partner shall execute, with acknowledgment or affidavit if required, all documents and writings reasonably necessary or expedient in the creation of the Partnership and the achievement of its purpose and the implementation of the provisions of this Agreement. Each Partner hereby represents and warrants that the individual signing this Agreement on its behalf is duly authorized to

execute and deliver this Agreement on behalf of such Partner.

16.17 Time of Essence. All times and dates in this Agreement shall be of the essence.

16.18 Force Majeure. The respective obligations of each Partner set forth in this Agreement, other than the obligation to pay money, shall be suspended while it is prevented from complying therewith, in whole or in part, by weather conditions, labor accidents or incidents, rules and regulations of any Federal, state, or other governmental agency, delays in transportation, inability to obtain necessary materials in the open market, or other cause of the same or other character beyond the reasonable control of such Partner. Any Partner asserting a force majeure condition shall immediately notify the other Partners in writing of the occurrence of such condition, and the estimated duration thereof. In addition, the Partner affected by force majeure shall immediately notify the other partners upon cessation thereof. Each Partner shall cooperate so as to remedy any force majeure condition as expeditiously as reasonably possible.

16.19 No Partition. No Partner nor any legal representative, successor, heir or assignee of any Partner shall have the right to partition the Partnership Property or any part thereof or interest therein, or to file a complaint or institute any proceeding at law or in equity to partition the Partnership Property or any part thereof or interest therein. Each Partner, for itself and its legal representatives, heirs, successors and assigns, hereby waives any such rights. The Partners intend that during the term of this Agreement, the rights of the Partners and their successors in interest, as among themselves, shall be governed solely by the terms of this Agreement and, to the extent consistent with this Agreement, by the Act.

16.20 Not for Benefit of Creditors. The provisions of this Agreement are intended only for the regulation of relations among Partners, putative Partners and the Partnership; provided that NCO is the intended beneficiary of, and shall have the power to

enforce, the provision for the reimbursement of NCO set forth in Section 6.1(c) hereof. Subject to such exception, this Agreement is not intended for the benefit of non-Partner creditors and does not grant any rights to non-Partner creditors.

16.21 Withholding. The General Partners shall comply with any income tax withholding obligations that may be imposed from time to time by the Code with respect to distributions or income allocations to Partners.

16.22 Representations of Limited Partners. Each Limited Partner represents to the Partnership and the General Partners that: (a) it is acquiring its Limited Partnership Interest for its own account for investment and not with a view to or for sale in connection with any distribution of such Limited Partnership Interest (but subject, nevertheless, to any requirement of law that the disposition of its property remain within its control at all times); (b) it understands that the interests in the Partnership have not been registered under the Securities Act or the applicable securities laws of Delaware or any other state, and must be held indefinitely unless the interests are so registered or an exemption from such registration is available; (c) it has such knowledge and experience in business matters that it is capable of evaluating the risks and merits of its investment in the Partnership; and (d) it has been afforded adequate opportunity to question the management of NCP Syracuse and its Affiliates, the Partnership and the Project Partnership concerning the Partnership and the Project Partnership and the business conducted or to be conducted by each.

16.23 Waiver. No waiver of any provision of this Agreement shall be deemed effective unless contained in awaiting signed by the party against whom the waiver is sought to be enforced. No failure or delay by any party in exercising any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy, and no waiver of any breach or failure to perform shall be deemed a waiver of any subsequent breach or failure to perform or of any other right arising under this Agreement.

16.24 Construction. Every covenant, term and provision of this Agreement shall be construed simply according to its fair meaning and not strictly for or against any Partner.

16.25 Incorporation by Reference. Every exhibit, schedule and other appendix attached to this Agreement and referred to herein is hereby incorporated in this Agreement by reference.

16.26 Further Action. Each Partner, upon the reasonable request of a General Partner, agrees to execute, acknowledge and deliver any documents which may be reasonably necessary, appropriate or desirable to carry out the provisions of this Agreement.

16.27 Variation of Pronouns. All pronouns and any variations thereof shall be deemed to refer to masculine, feminine or neuter, singular or plural, as the identity of the Person or Persons may require.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Time.

"GENERAL PARTNERS"

NCP SYRACUSE, INC.,
a Delaware corporation

By:_____

SYRACUSE INVESTMENT, INC.,
a Delaware corporation

By:_____

"LIMITED PARTNERS"

STEWART & STEVENSON SERVICES, INC.,
a Texas corporation,

By:_____

SYRACUSE INVESTMENT, INC.,
a Delaware corporation

By:_____

METLIFE CAPITAL CORPORATION,
a Delaware corporation

By:_____

EXHIBIT A

FIRST
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS. L.P.

Contributions by Partners
Pursuant to Section 6.1

Name	Cash Contribution
General Partners	
NCP Syracuse, Inc. 1100 Town & Country Road, Suite 800 Orange, California 92668	$ 1,797,000

Syracuse Investment, Inc. 1100 Town & Country Road, Suite 800 Orange, California 92668	$ 180,000
Limited Partners	
MetLife Capital Corporation 10900 NE 8th Street, Suite 1300 Bellevue, Washington 98004	$12,500,000
Stewart & Stevenson Services, Inc. 2707 North Coop West Houston, Texas 77008	$ 3,000,000
Syracuse Investment, Inc. 1100 Town & Country Road, Suite 800 Orange, California 92668	$12,190,000
TOTAL:	$29,667,000

EXHIBIT B

FIRST
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS, L.P.

Definitions

Certain capitalized terms used in the Agreement have the

following meanings:

Act shall mean the Delaware Revised Uniform, Limited Partnership Act, as amended from time to time, subject to the provisions of Section 12.3(r) hereof.

Adjusted Capital Account Deficit shall mean, with respect to any Limited Partner, the deficit balance, if any, in such Limited Partner's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Limited Partner is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Sections 1.704-l(b)(2)(ii)(d)(4), (5) and (6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.704l(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

Affiliate shall mean a Person (including a Subsidiary) which directly or indirectly controls, or is controlled by, or is under common control with, another Partner, including any limited partnership of which such other Partner or any Subsidiary or Affiliate of such other Partner is the general partner.

Agent shall have the meaning set forth in the Financing Agreement.

Agreement or Partnership Agreement shall mean this First Amended and Restated Limited Partnership Agreement, as amended from time to time. Words such as "herein," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

Assignee shall mean a person who has acquired from a Partner a beneficial interest in Profits, Losses, other allocations and

Distributions, but who is not a Substitute Limited Partner or Substitute General Partner.

Bankruptcy Code shall have the meaning set forth in Section 15.1 hereof.

Capital Account shall mean, with respect to any Partner, the Capital Account maintained for such Partner in accordance with the following provisions:

(i) The Capital Accounts of the Partners who were parties to the Prior Agreement shall, immediately prior to the Effective Time, be equal to their Capital Accounts as determined pursuant to the provisions of the Prior Agreement. Thereafter, the Capital Accounts of such Partners shall be adjusted in accordance with the following provisions, and the Capital Accounts of MetLife and any other Persons who become Partners shall be determined in accordance with the following provisions.

(ii) To each Partner's Capital Account there shall be credited such Partner's Capital Contributions (including such Partner's Capital Contributions made pursuant to Section 6.1 hereof), such Partner's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Section 4 or Section 5 of Exhibit C hereof, and the amount of any Partnership liabilities assumed by such Partner or which are secured by any Partnership Property distributed to such Partner.

(iii) To each Partner's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Partnership Property distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 4 or Section 5 of Exhibit C hereof, and the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(iv) In the event all or a portion of an interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(v) In determining the amount of any liability for purposes of clauses (ii) and (iii) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other Provisions of this

Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the General Partners shall determine

that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are secured by contributed or distributed property or which are assumed by the Partnership or Partners), are computed in order to comply with such Regulations, the General Partners may, with the prior written consent of each Partner, which consent shall not be unreasonably withheld, make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Partner pursuant to Article XV hereof upon the dissolution of the Partnership. The General Partners also shall, with the prior written consent of each Partner, which consent shall not be unreasonably withheld, (i) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Partners and the amount of Partnership capital reflected on the Partnership's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-l(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b).

Capital Contributions shall mean, with respect to any Partner, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Partnership with respect to the interest in the Partnership held by such Partner. The principal amount of a promissory note which is not readily traded on an established securities market and which is contributed to the Partnership by the maker of the note shall not be included in the Capital Account of any Partner until the Partnership makes a taxable disposition of the note or until (and to the extent) principal payments are made on the note, all in accordance with Regulations Section l.704-l(b)(2)(iv)(d)(2).

Cash Available for Distribution shall mean, at any time shall mean such cash on hand and in financial institutions as in the General Partners' reasonable discretion is then available for distribution to the Partners after (i) all costs and expenses incurred by or on behalf of the Partnership have been paid or

reimbursed and all current debts and obligations of the Partnership have been paid or provisions therefor have been made, (ii) reserves have been set aside by the General Partners (which reserves shall be determined by the General Partners in their reasonable discretion), and (iii) adequate provision has been made for the satisfaction of debt service requirements (if any).

Certificate shall mean the Certificate of Limited Partnership.

Code shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

Cogeneration Facility shall have the meaning set forth in the Recitals to this Agreement.

Depreciation shall mean, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

Distribution shall mean any distribution by the Partnership to the Partners, as provided in Section 7.1 hereof.

Effective Time shall mean the moment on December 24, 1992 immediately after the execution of the Investment Agreement by all parties thereto.

FARALP shall have the meaning set forth in the Recitals to this Agreement.

Financing Agreement shall mean that certain Financing

Agreement, dated as of April 5, 1991 by and among the Project Partnership, each of the Banks (as defined in the Financing Agreement) party thereto, and Algemene Bank Nederland N.V., Cayman Islands Branch, as agent for such Banks, related to the Project, as amended, supplemented or otherwise modified or replaced and in effect from time to time.

Final Flip Point shall occur on the first day on which the MetLife Parties have achieved a 15% IRR.

GAAP shall mean generally accepted accounting principles in effect from time to time in the United States, consistently applied.

General Partner and General Partners have the meanings set forth in the introduction to this Agreement.

Good Cause shall have the meaning set forth in Section 14.1 hereof.

Gross Asset Value shall mean, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset, as determined by the contributing Partner and the Partnership;

(ii) The Gross Asset Values of all Partnership assets shall be adjusted to equal their respective gross fair market values, as determined by all Partners, as of the following times: (A) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis Capital Contribution (provided that the Partners agree that (1) the gross fair market value of each Partnership asset immediately after the Effective Time is equal to the existing Gross Asset Value of such asset immediately prior to the Effective Time, increased, in the case of the Partnership's interest in the Project Partnership, by the amount of the Capital Contributions of the Partners pursuant to Section 6.1 hereof, and (2) accordingly, the Gross Asset Values of Partnership assets shall not be otherwise adjusted as of the Effective Time by reason of the admission of MetLife as a Partner); (B) the

distribution by the Partnership to a Partner of more than a de minimis amount of Partnership Property as consideration for an interest in the Partnership; and (C) the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); provided, however that adjustments pursuant to clauses (A) and (B) above shall be made only if the General Partners reasonably determine that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iii) The Gross Asset Value of any Partnership asset distributed to any Partner shall be the gross fair market value of such asset on the date of distribution; and

(iv) The Gross Asset Values of Partnership assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Section 1.704-1(b)(2)(iv)(m) and Section 4(g) of Exhibit C hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this clause (iv) to the extent the General Partners reasonably determine that an adjustment pursuant to clause (ii) above is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this clause (iv). If the Gross Asset Value of an asset has been determined or adjusted pursuant to clause (i), (ii), or (iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

Insolvency shall have the meaning set forth in Section 15.1 hereof.

Investment Agreement shall have the meaning set forth in the Recitals to this Agreement.

IRR means, as of any date, the discount rate at which the present value (discounted on a quarterly basis) as of such date

of all distributions to the MetLife Parties pursuant to this Agreement and all income tax benefits accruing to the MetLife Parties with respect to allocations to the MetLife Parties

pursuant to Exhibit C hereto is equal to the present value (discounted on a quarterly basis) as of such date of all Capital Contributions by MetLife and all applicable income taxes borne by the MetLife Parties with respect to allocations to the MetLife Parties pursuant to Exhibit C.

For purposes of the definition of IRR:

(a) Income tax benefits accruing to the MetLife Parties and income taxes borne by the MetLife Parties with respect to allocations to the MetLife Parties pursuant to Exhibit C shall be based on a federal income tax rate of 34% (regardless of what the actual maximum tax rate is and regardless of the actual federal income tax rate to which any MetLife Party is subject);

(b) All tax allocations to the MetLife Parties with respect to a taxable year of the Partnership shall be deemed to occur ratably on the last day of each calendar quarter (subject to reasonable estimates by the General Partners of the annual tax allocations to the MetLife Parties for a particular year);

(c) Distributions to the MetLife Parties during a calendar quarter shall be deemed to occur on the last day of such calendar quarter; and

(d) The receipt by any MetLife Party of payment by the Partnership of interest on and principal of any loans made by such MetLife Party shall not be taken into account in calculating the IRR.

IRS means the Internal Revenue Service.

Keep Requirement shall have the meaning set forth in Section 11.3 hereof.

Limited Partner and Limited Partners shall have the meanings set forth in the introduction to this Agreement. The terms "Limited Partner" and "Limited Partners" also shall mean, for purposes of Exhibit C, the maintenance of Capital Accounts, and the distribution provisions of this Agreement, an Assignee or Assignees of a Limited Partnership Interest or Limited Partnership Interests, as the context requires.

Limited Partnership Interest means a Limited Partners right, title and interest in the Partnership, including without limitations such Limited Partner's rights and obligations with respect thereto under this Agreement.

Liquidating Event shall mean (i) a sale, transfer, conveyance, distribution, exchange, lease, taking or other disposition of Partnership assets, or related series of such

events, which results in or arises from the dissolution and

liquidation of the Partnership, or (ii) any such event occurring with respect to the Project Partnership.

Majority in Interest of the Limited Partners shall mean the following:

(a) Except as provided in clause (c) below, all times prior to the Final Flip Point, those MetLife Parties who hold of record more than fifty percent (50%) of the aggregate Sharing Ratios of the MetLife Parties;

(b) At all times on or after the Final Flip Point, those Limited Partners who hold of record more than fifty percent (50%) of the aggregate Sharing Ratios of the Limited Partners; and

(c) At all times prior to, on or after the Final Flip Point, with respect to the references in Section 12.1 of this Agreement to Sections 3.1(b) and 3.2(b) of the Project Partnership Agreement (other than a Partner Loan pursuant to such Section 3.2(b) to expand the capacity of the Project in excess of the capacity set forth in Recital A of this Agreement), those Limited Partners who hold of record more than fifty percent (50%) of the aggregate Sharing Ratios of the Limited Partners.

MetLife shall mean MetLife Capital Corporation, a Delaware corporation.

MetLife Parties shall mean MetLife (so long as it is a partner) and each of its successors in interest as a Partner (so long as such successor in interest is a Partner).

NCP Syracuse shall mean NCP Syracuse, Inc., a Delaware corporation.

Nonrecourse Deductions shall have the meaning given such term in Section 1.704-2(b)(1) of the Regulations.

Nonrecourse Liability shall have the meaning given to such term in Section 1.704-2(b)(3) of the Regulations.

Partner shall mean each General Partner, each Limited Partner and any other Person who becomes a Substitute General

Partner or Limited Partner pursuant to the terms of this Agreement. The term "Partner" also shall mean, for purposes of Exhibit C, the maintenance of Capital Accounts, and the distribution provisions of this Agreement, an Assignee of a Partner.

Partner Nonrecourse Debt Minimum Gain shall mean an amount, with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

Partner Nonrecourse Debt shall have the meaning given to such term in Section 1.704-2(b)(4) of the Regulations.

Partner Nonrecourse Deductions shall have the meaning given to such term in Sections 1.704-2(i)(1) and 1.7042(i)(2) of the Regulations.

Partnership shall mean Syracuse Orange Partners, L.P., a Delaware limited partnership, as such partnership may from time to time be constituted.

Partnership Accountants shall have the meaning set forth in Section 9.6 hereof.

Partnership Minimum Gain shall have the meaning given to such term in Sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

Partnership Property shall mean the Partnership's right, title and interest as a limited partner of the Project Partnership and any other property of the Partnership, real, personal or mixed, whether tangible or intangible.

Person shall mean any natural person, firm, partnership, trust estate, association, corporation or other entity.

Procedures shall have the meaning set forth in Section 16.6 hereof.

Prior Agreement shall have the meaning set forth in the

Recitals to this Agreement.

Profits and Losses shall mean, for each fiscal year or other period beginning on or after the Effective Time, an amount equal to the Partnership's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Partnership that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to such taxable income or loss;

(ii) Any expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to clause (ii) or (iii) of the

definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(iv) Gain or loss resulting from any disposition of Partnership Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with the definition of Depreciation; and

(vi) Notwithstanding any other provision of the definition

of Profits and Losses, any items which are specially allocated pursuant to Section 4 or Section 5 of Exhibit C hereof shall not be taken into account in computing Profits or Losses.

Prohibited Transferee shall have the meaning set forth in Section 13.1 hereof.

Project has the meaning set forth in the Recitals to this Agreement.

Project Partnership shall have the meaning set forth in the Recitals to this Agreement.

Project Partnership Agreement shall have the meaning forth in the Recitals to this Agreement.

Regulations shall mean the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Removal Date shall have the meaning set forth in Section 14.2 hereof.

Removal Notice shall have the meaning set forth in Section 14.1 hereof.

Required Opinion shall mean an opinion of counsel, the form of which, including reasonable assumptions made therein, shall be reasonably acceptable to the General Partners, that a specified Transfer (i) may be effected without registration or qualification by the Partnership under the Securities Act and any applicable state securities laws, (ii) will not result in a termination of the Partnership or the Project Partnership under the Code, (iii) will not result in the Partnership or the Project Partnership being treated as an association taxable as a corporation under the Code, (iv) will not result in the

Partnership or the Project Partnership or any Affiliate of a Partner or a partner of the Project Partnership becoming subject to regulation under the Public Utility Holding Company Act of 1935 (or the rules and regulations promulgated thereunder) or becoming otherwise subject to increased regulatory burdens, (v) will not result in the Project ceasing to be exempt from

regulation as a result of changing its status as a "qualifying facility" under the Public Utilities Regulatory Policies Act of 1978 (or the rules and regulations promulgated thereunder), (vi) will not constitute a violation of or default under the Financing Agreement, (vii) will not result in the transferee being a "Prohibited Transferee" under the Project Partnership Agreement, and (viii) such other matters relating to corporate authorization and the like as are reasonably required by the General Partners.

Securities Act shall mean the Securities Act of 1933, as amended.

Security shall have the meaning set forth in Section 2(1) of the Securities Act.

Sharing Ratio shall mean, with respect to each Partner at any particular time, the percentage share of Distributions that such Partner would be entitled to receive pursuant to Section 7.1 hereof if $1.00 were distributed to the Partners pursuant Section 7.1 hereof at such time.

Specially Adjusted Capital Account shall mean, with respect to each Partner, such Partner's Capital Account as of the end of the relevant period after crediting to such Capital Account any amounts which such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

Stewart & Stevenson means Stewart & Stevenson Services, Inc., a Texas corporation.

Subsidiary shall mean, with respect to a Person, a corporation in which such Person owns, directly or indirectly, more than 50% of the Voting Stock.

Substitute General Partner shall mean a Person who has assumed the rights, powers and responsibilities of a General Partner pursuant to Article XIV hereof.

Substitute General Partner Agreement shall have the meaning set forth in Section 14.6 hereof.

Substitute Limited Partner shall mean an Assignee who has become a Limited Partner pursuant to Article XIII hereof, having all of the rights of the transferring Limited Partner, including without limitation, the right to vote on any of the matters on which a Limited Partner is entitled to vote pursuant to this Agreement.

Syracuse Investment means Syracuse Investment, Inc., a Delaware corporation.

Tax Matters Partner shall have the meaning set forth in Section 8.2 hereof.

Transfer shall have the meaning set forth in Section 13.1 hereof.

Voting Stock shall mean securities, the holders of which are ordinarily, in the absence of contingencies, entitled to elect the corporate directors (or Persons performing a similar function).

Withdrawal Date shall have the meaning set forth in Section 14.4 hereof.

Withdrawal Notice shall have the meaning set forth in Section 14.4 hereof.

EXHIBIT C

FIRST
AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS, L.P.

Allocations of Profits and Losses

1. Allocations Under Prior Agreement. All allocations for the period commencing with the formation of the Partnership through the day immediately preceding the date on which the Effective Time occurs shall be pursuant to the provisions of the Prior Agreement. All allocations for periods beginning on or after such date shall be pursuant to the provisions of this Exhibit C.

2. Profits.

(a) Allocations Not Arising From a Liquidation Event. After giving effect to the special allocations set forth in Sections 4 and 5 of this Exhibit C, Profits for any fiscal year or other period other than those arising from a Liquidating Event shall be allocated to the Partners as follows:

(i) For all periods ending prior to the Final Flip Point, Profits shall be allocated (A) 8.09% to Stewart & Stevenson, and (B) 91.91% among the MetLife Parties, Syracuse Investment and NCP Syracuse in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts for such Partners are in the ratios of (with 91.91 percentage points as the base) 13.00 percentage points for the MetLife Parties (in

proportion to their Sharing Ratios), 1.00 percentage point for Syracuse Investment (in its capacity as a General Partner), 67.91 percentage points for Syracuse Investment (in its capacity as a Limited Partner), and 10.00 percentage points for NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Profits shall be allocated among the Partners in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts of the Partners are in the ratios of 13.00% for the MetLife Parties (in proportion to their Sharing Ratios), 8.09% for Stewart & Stevenson, 1.00% for Syracuse Investment (in its capacity as a General Partner), 67.91% for Syracuse Investment (in its capacity as a Limited Partner), and 10.00% for NCP Syracuse.

(b) Allocations Arising From a Liquidating Event. After giving effect to the special allocations set forth in Sections 4 and 5 of this Exhibit C, Profits arising from a Liquidating Event shall be allocated to the Partners as follows:

(i) First, to the Partners having negative Capital Account balances, to the extent available, in proportion to such negative balances until all such negative Capital Accounts are increased to zero, such Capital Account balances to be determined in each case after giving effect to all contributions, distributions and allocations for all periods other than those occurring pursuant to this Section 2(b) and clause (iv) of Section 15.3(a) of the Partnership Agreement; and

(ii) Second, to the Partners, the remainder of such Profits in the proportions and in the amounts that result in the positive balance in each Partner's Capital Account (after giving effect to all contributions, distributions and allocations for all periods other than those occurring pursuant to this Section 2(b) and clause (iv) of Section 15.3(a) of the Partnership Agreement) being equal to an amount which such Partner would be entitled to receive if such positive balance constituted an amount of Cash Available for Distribution under Section 7.1 of the Partnership Agreement with such Profits being allocated in the same manner under clause (a), then clause (b) and finally clause (c), successively, of such Section 7.1 as such Cash Available for Distribution would have been distributed thereunder.

3. Losses. After giving effect to the special allocations set forth in Sections 4 and 5 of this Exhibit C, Losses for any fiscal year or other period shall be allocated as follows:

(a) Except as provided in Section 3(b) of this Exhibit C, Losses shall be allocated to the Partners as follows:

(i) For all periods ending prior to the Final Flip Point, Losses shall be allocated 8.09% to Stewart & Stevenson and 91.91% as follows:

(A) First, entirely to the MetLife Parties (in proportion to their Sharing Ratios) until the aggregate of the MetLife Parties~ Specially Adjusted Capital Accounts are zero; and

(B) The balance, if any, 1.00% to Syracuse Investment (in its capacity as a General Partner), 89.00% to Syracuse Investment (in its capacity as a Limited Partner), and 10.00% to NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Losses shall be allocated among the Partners in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts of the Partners are in ratios of 13.00% for the MetLife Parties (in proportion to their Sharing Ratios), 8.09% for Stewart & Stevenson, 1.00% for Syracuse Investment (in its capacity as a General Partner), 67.91% for Syracuse Investment (in its capacity as a Limited Partner) and 10.00% for NCP Syracuse.

(b) The Losses allocated pursuant to Section 3(a) of this Exhibit C shall not exceed the maximum amount of Losses that can

be so allocated without causing any Limited Partner to have an Adjusted Capital Account Deficit at the end of any fiscal year. All Losses in excess of the limitation set forth in this Section 3(b) shall be allocated to NCP Syracuse.

4. Special Allocations. The following special allocations shall be made in the following order:

(a) Partnership Minimum Gain Chargeback. Except as provided in Section 1.704-2(f) of the Regulations,

notwithstanding any other provision of this Exhibit C, if there is a net decrease in Partnership Minimum Gain during any Partnership fiscal year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Partner's share of the net decrease in Partnership Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.7042(f)(6) and 1.704-2(j)(2) of the Regulations. This Section 4(a) is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(b) Partner Nonrecourse Debt Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Exhibit C except Section 4(a) of this Exhibit C, if there is a net decrease in Partner Nonrecourse Debt Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership fiscal year, each Partner who has a share of the Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Regulations, shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to the portion of such Partner's share of the net decrease in Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.7042(i)(4) and 1.704-2(j)(2) of the Regulations. This Section 4(b) is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Partner unexpectedly receives any adjustments, allocations or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6) of the Regulations, items of Partnership income and gain shall be specially allocated to each such Partner in an amount

and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Partner as quickly as possible, provided that an allocation pursuant to this Section 4 (c) shall be made only if and to the ex~cent that such Partner would have an Adjusted Capital Account Deficit after all other allocations provided for in this Exhibit C have been tentatively made as if this Section 4 (c) were not in the Agreement.

(d) Gross Income Allocation. In the event any Partner has a deficit Capital Account at the end of any Partnership fiscal year which is in excess of the sum of (i) the amount such Partner is obligated to restore pursuant to any provision of this Agreement and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4(d) shall be made only if and to the extent that such Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Exhibit C have been tentatively made as if this Section 4(d) and Section 4(c) of this Exhibit C were not in the Agreement.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Partners as follows:

(i) For all periods prior to the Final Flip Point, Nonrecourse Deductions shall be allocated 56.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 1.00% to Syracuse Investment (in its capacity as a General Partner), 24.91% to Syracuse Investment (in its capacity as a Limited Partner), and 10.00% to NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Nonrecourse Deductions shall be allocated 10.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 1.00% to Syracuse Investment (in its capacity as a General Partner), 70.91% to Syracuse Investment (in its capacity as a Limited Partner), and 10.00% to NCP Syracuse.

(f) Partner Nonrecourse Deductions. Any Partner Nonrecourse Deductions for any fiscal year or other period shall be allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-l(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such

adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are requiredto be adjusted pursuantto such Sectionof the Regulations.

(h) Gross Income Allocations to Match Pre-Flip Distributions. All or a portion of the items of Partnership income or gain, if any, remaining after taking into account the special allocations in Sections 4(a) through 4(g) of this Exhibit C, shall be specially allocated to the Partners in proportion to the cumulative distributions each has received pursuant to Sections 7.1(a) and 7.l(b) of the Agreement until the aggregate amounts allocated to each Partner pursuant to this Section 4(h) for all periods are equal to such cumulative distributions to such Partner.

5. Curative Allocations. The allocations set forth in Sections 3 (b), 4(a), 4(b), 4(c), 4(d), 4(e), 4(f) and 4(g) of this Exhibit (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Partners that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Partnership income, gain, loss or deduction pursuant to this Section 5. Therefore, notwithstanding any other provision of this Exhibit C (other than the Regulatory Allocations), the General Partners shall make (subject to the approval of a Majority in Interest of the Limited Partners, which approval may not be unreasonably withheld or delayed) such offsetting special allocations of Partnership income, gain, loss or deduction in whatever manner they determine appropriate so that, after such offsetting allocations are made, each Partner's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Partner would have had if the Regulatory Allocations were not part of the Agreement and all Partnership items were

allocated pursuant to Sections 2 and 3 of this Exhibit C. In exercising their discretion under this Section 5, the General Partners shall take into account future Regulatory Allocations under Sections 4(a) and 4(b) that, although not yet made, are likely to offset other Regulatory Allocations previously made under Sections 4(e) and 4(f) of this Exhibit C.

6. Other Allocation Rules.

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, and for purposes of determining the varying interests of Partners for any taxable year of the Partnership for which any Partner was not a Partner for all of such year, Profits, Losses, and any such other items and the varying interests of the Partners shall be determined by the General Partners, subject to the approval of a Majority in Interest of the Limited Partners, which approval may not be unreasonably withheld or delayed, using any permissible method

under Code Section 706 and the Regulations thereunder. For the taxable year during which MetLife is admitted to the Partnership, the General Partners shall select a clearly permissible method under Code Section 706 and the Regulations thereunder which results in the greatest allocation to the MetLife Parties of Losses.

(b) Except as otherwise provided in this Agreement, all items of Partnership income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Partners in the same proportions as they share Profits or Losses, as the case may be, for the year.

(c) The Partners are aware of the income tax consequences of the allocations made by this Exhibit C and hereby agree to be bound by the provisions of this Exhibit C in reporting their shares of Partnership income and loss for income tax purposes.

(d) Solely for the purpose of determining a Partner,s proportionate share of the "excess nonrecourse liabilities" of the Partnership within the meaning of Regulations Section 1.752-3(a)(3), the Partners' interests in Partnership profits shall be as set forth in Section 2(a)(ii) of this Exhibit C.

(e) To the extent permitted by Section 1.704-2(h)(3) of the

Regulations, the General Partners shall endeavor to treat Distributions as having been made from proceeds of Nonrecourse Liabilities or Partner Nonrecourse Debt only to the extent that such Distributions would cause or increase an Adjusted Capital Account Deficit for any Limited Partner.

(f) The MetLife Parties' shares of Distributions pursuant to Sections 7.1(a), 7.1(b) and 7.1(c) of the Agreement vary depending on the achievement of designated IRRs. The achievement of the designated IRRs depends on numerous factors including the operating results of the Project Partnership and the Partnership, the realization by the Partnership of certain income tax consequences and the allocation of those consequences to the Partners including the MetLife Parties, as set forth in this Exhibit C. If the actual allocations of the Partnership originally reported to the MetLife Parties for one or more years are subsequently adjusted in any manner, a possible consequence may be that, after taking into account such adjustments, the MetLife Parties' shares of Distributions were shifted from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), earlier or later than such shares would have shifted if the allocations as finally adjusted had been the allocations originally the MetLife Parties. In such event, the following provisions shall apply:

(i) If any such shift occurred earlier than the date on which it would have occurred had the allocations as adjusted been the allocations originally reported to the MetLife Parties, then (A) the allocations to the MetLife Parties shall be adjusted in such manner as may be necessary to place the MetLife Parties in

the same position for federal income tax reporting purposes as they would have been in if such adjusted allocations had been the allocations originally reported to the MetLife Parties, and (B) the MetLife Parties' shares of Distributions shall be adjusted in such manner as may be necessary to place the MetLife Parties in the same position for purposes of Distributions as they would have been in if the MetLife Parties' shares of Distributions had shifted from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), at the proper times after taking into account such adjustments.

(ii) If any such shift occurred later than the date on which it would have occurred had the allocations as adjusted been the

allocations originally reported to the MetLife Parties, then (A) the allocations to NCP Syracuse and Syracuse Investment shall be adjusted in such manner as may be necessary to place such Partners in the same position for federal income tax reporting purposes as they would have been in if such adjusted allocations had been the allocations originally reported to them, and (B) their shares of Distributions shall be adjusted in such manner as may be necessary to place them in the same position for purposes of Distributions as they would have been in if their shares of Distributions had shifted from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), at the proper times after taking into account such adjustments, provided that adjustments pursuant to this paragraph (ii) shall be made only with respect to adjustments for which the statute of limitations under the Code has not expired (as of the date of such adjustments) for the MetLife Parties to file amended federal income tax returns reflecting such adjustments (regardless of whether the MetLife Parties actually file amended returns and regardless of the actual tax consequences of such adjustments).

(iii) For purposes of this Section 6(f): (A) any adjustments to the allocations and Distributions to the MetLife Parties, or to NCP Syracuse and Syracuse Investment, as the case may be, pursuant to Section 6(f)(i) or 6(f)(ii) shall be made, (1) with respect to any shift described in Section 6(f)(i), first, by adjusting the allocations and Distributions to NCP Syracuse, and second, if necessary, by adjusting the allocations and Distributions to Syracuse Investment (but not to Stewart & Stevenson), with such adjustments reallocated among the MetLife Parties in proportion to their relative shares of allocations and Distributions, and (2) with respect to any shift described in Section 6(f)(ii), by adjusting the allocations and Distributions to the MetLife Parties, with such adjustments reallocated between NCP Syracuse and Syracuse Investment in proportion to their relative shares of allocations and Distributions, (B) no adjustments shall be made to the allocations and Distributions to the MetLife Parties or to NCP Syracuse and Syracuse Investment, as the case may be, unless the allocations originally reported to the MetLife Parties caused the MetLife Parties' shares of Distributions to shift from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), earlier or later than such shares would have shifted based on the adjusted allocations; and

(C) under no circumstances shall the MetLife Parties' shares of

Distributions pursuant to Section 7.1 of the Agreement for any period exceed 56.00%.

(iv) Nothing contained herein shall be construed as a guarantee of the operating results of the Project Partnership or the Partnership or the tax consequences of an investment in the Partnership, and no adjustment shall be made hereunder due to any change in the tax characteristics applicable or relating to any of the MetLife Parties.

7. Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial Gross Asset Value (computed in accordance with clause (i) of the definition of Gross Asset Value).

In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to clause (ii) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the General Partners in a manner consistent with the purpose and intention of this Agreement. Allocations pursuant to this Exhibit C are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Partner~s Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the Effective Time.

"GENERAL PARTNERS"

NCP SYRACUSE, INC.,
a Delaware corporation

By:_____

SYRACUSE INVESTMENT, INC.,
a Delaware corporation

By:_____

"LIMITED PARTNERS"

STEWART & STEVENSON SERVICES, INC.,
a Texas corporation

By: _____

SYRACUSE INVESTMENT, INC.,
a Delaware corporation

By:_____

METLIFE CAPITAL CORPORATION,
a Delaware corporation

By:_____

FIRST AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT

SYRACUSE ORANGE PARTNERS, L.P.

Contributions by Partners
Pursuant to Section 6.1

Name	Cash Contribution
General Partners	
NCP Syracuse, Inc. 1100 Town & Country Road, Suite 800 Orange, California 92668	$ 1,797,000
Syracuse Investment, Inc. 1100 Town & Country Road, Suite 800 Orange, California 92668	$ 180,000
Limited Partners	
MetLife Capital Corporation 10900 NE 8th Street, Suite 1300 Bellerue, Washington 98004	$12,500,000
Stewart & Stevenson Services, Inc.	$ 3,000,000

2707 North Coop West
Houston, Texas 77008

Syracuse Investment. Inc. 1100 Town & Country Road, Suite 800 Orange, California 92668	$12,190,000
TOTAL:	$29,667,000

EXHIBIT B

FIRST AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS. L.P.

Definitions

Certain capitalized terms used in the Agreement have the following meanings:

Act shall mean the Delaware Revised Uniform Limited Partnership Act, as amended from time to time, subject to the provisions of Section 12.3(r) hereof.

Adjusted Capital Tax Account Deficit shall mean, with respect to any Limited Partner, the deficit balance, if any, in such Limited Partner's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(i) Credit to such Capital Account any amounts which such Limited Partner is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(ii) Debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Regulations.

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Section 1.7041(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

Affiliate shall mean a Person (including a Subsidiary) which directly or indirectly controls, or is controlled by, or is under common control with, another Partner, including any limited partnership of which such other Partner or any Subsidiary or Affiliate of such other Partner is the general partner.

Agent shall have the meaning set forth in the Financing Agreement.

Agreement or Partnership Agreement shall mean this First Amended and Restated Limited Partnership Agreement, as amended from time to time. Words such as "herein," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

Assignee shall mean a Person who has acquired from a Partner a beneficial interest in Profits, Losses, other allocations and Distributions, but who is not a Substitute Limited Partner or Substitute General Partner.

Bankruptcy Code shall have the meaning set forth in Section 15.1 hereof.

Capital Account shall mean, with respect to any Partner, the

Capital Account maintained for such Partner in accordance with the following provisions:

(i) The Capital Accounts of the Partners who were parties to the Prior Agreement shall, immediately prior to the Effective Time, be equal to their Capital Accounts as determined pursuant to the provisions of the Prior Agreement. Thereafter, the Capital Accounts of such Partners shall be adjusted in accordance with the following provisions, and the Capital Accounts of MetLife and any other Persons who become Partners shall be determined in accordance with the following Provisions.

(ii) To each Partner's Capital Account there shall be credited such Partner's Capital Contributions (including such Partner's Capital Contributions made pursuant to Section 6.1 hereof), such Partner's distributive share of Profits and any items in the nature of income or gain which are specially allocated pursuant to Section 4 or Section 5 of Exhibit C hereof, and the amount of any Partnership liabilities assumed by such Partner or which are secured by any Partnership Property distributed to such Partner.

(iii) To each Partner's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Partnership Property distributed to such Partner pursuant to any provision of this Agreement, such Partner's distributive share of Losses and any items in the nature of expenses or losses which are specially allocated pursuant to Section 4 or Section 5 of Exhibit C hereof, and the amount of any liabilities of such Partner assumed by the Partnership or which are secured by any property contributed by such Partner to the Partnership.

(iv) In the event all or a portion of an interest in the Partnership is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred interest.

(v) In determining the amount of any liability for purposes of clauses (ii) and (iii) above, there shall be taken into account Code Section 752(c) and any other applicable provisions of the Code and Regulations.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations Section 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations. In the event the General Partners shall determine that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to liabilities which are

secured by contributed or distributed property or which are assumed by the Partnership or Partners), are computed in order to comply with such Regulations, the General Partners may, with the Prior written consent of each Partner, which consent shall not be unreasonably withheld, make such modification, provided that it is not likely to have a material effect on the amounts distributable to any Partner pursuant to Article XV; hereof upon the dissolution of the Partnership. The General Partners also shall, with the prior written consent of each Partner, which consent shall not be unreasonably withheld, (i) make any adjustments that are necessary to maintain equality between the Capital Accounts of the Partners and the amount of Partnership capital reflected on the Partnership's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704-1(b)(2)(iv)(g), and (ii) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704-1(b).

Capital Contributions shall mean, with respect to any Partner, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Partnership with respect to the interest in the Partnership held by such Partner. The principal amount of a Promissory note which is not readily traded on an established securities market and which is contributed to the Partnership by the maker of the note shall not be included in the Capital Account of any Partner until the Partnership makes a taxable disposition of the note or until (and to the extent) Principal payments are made on the note, all in accordance with Regulations Section 1-704-1(b)(2)(iv)(d)(2).

Cash Available for Distribution shall mean, at any time shall mean such cash on hand and in financial institutions as in the General Partners, reasonable discretion is then available for distribution to the Partners after (i) all costs and expenses incurred by or on behalf of the Partnership have been paid or reimbursed and all current debts and obligations of the Partnership have been paid or Provisions therefor have been made, (ii) reserves have been set aside by the General Partners (which reserves shall be determined by the General Partners in their reasonable discretion), and (iii) adequate Provision has been made for the satisfaction of debt service requirements (if any).

Certificate shall mean the Certificate of Limited

Partnership.

Code shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of succeeding law).

Cogeneration Facility shall have the meaning set forth in the Recitals to this Agreement.

Depreciation shall mean, for each fiscal year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset

for such year or other period, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such year or other period, Depreciation shall be an amount which bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such year or other period bears to such beginning adjusted tax basis; provided, however, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the General Partner.

Distribution shall mean any distribution by the Partnership to the Partners, as provided in Section 7.1 hereof.

Effective Time shall mean the moment on December 24, 1992 immediately after the execution of the Investment Agreement by all parties thereto.

FARALP shall have the meaning set forth in the Recitals to this Agreement.

Financing Agreement shall mean that certain Financing Agreement, dated as of April 5, 1991 by and among the Project Partnership, each of the Banks (as defined in the Financing Agreement) party thereto, and Algemene Bank Nederland N.V., Cayman Islands Branch, as agent for such Banks, related to the Project, as amended, supplemented or otherwise modified or replaced and in effect from time to time.

Final Flip Point shall occur on the first day on which the MetLife Parties have achieved a 15% IRR.

GAAP shall mean generally accepted accounting principles in effect from time to time in the United States, consistently applied.

General Partner and General Partners have the meanings set forth in the introduction to this Agreement.

Good Cause shall have the meaning set forth in Section 14.1 hereof.

Gross Asset Value shall mean, with respect to any asset, the asserts adjusted basis for federal income tax purposes, except as follows:

(i) The initial Gross Asset Value of any asset contributed by a Partner to the Partnership shall be the gross fair market value of such asset, as determined by the contributing Partner and the Partnership;

(ii) The Gross Asset Values of all Partnership assets shall be adjusted to equal their respective gross fair market values,

as determined by all Partners, as of the following times: (A) the acquisition of an additional interest in the Partnership by any new or existing Partner in exchange for more than a de minimis Capital Contribution (provided that the Partners agree that (1) the gross fair market value of each Partnership asset immediately after the Effective Time is equal to the existing Gross Asset Value of such asset immediately prior to the Effective Time, increased, in the case of the Partnership's interest in the Project Partnership, by the amount of me Capital Contributions of the Partners pursuant to Section 6.1 hereof, and (2) accordingly, the Gross Asset Values of Partnership assets shall not be otherwise adjusted as of the Effective Time by reason of the admission of MetLife as a Partner); (B) the distribution by the Partnership to a Partner of more than a de minimis amount of Partnership Property as consideration for an interest in the Partnership; and (C) the liquidation of the Partnership within the meaning of Regulations Section 1.704-1(b)(2)(ii)(g); provided, however that adjustments pursuant to clauses (A) and (B) above shall be made only if the General

Partners reasonably determine that such adjustments are necessary or appropriate to reflect the relative economic interests of the Partners in the Partnership;

(iii) The Gross Asset Value of any Partnership asset distributed to any Partner shall be the gross fair market value of such asset on the date of distribution; and

(iv) The Gross Asset Values of Partnership assets shall be increased (or decreased) to reflect any adjustments the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Regulation Section 1-704-1(b)(2)(iv)(m) and Section 4(g) of Exhibit C hereof; provided, however, that Gross Asset Values shall not be adjusted pursuant to this clause (iv) to the extent General Partners reasonably determine that an adjustment clause (ii) above is necessary or appropriate in connection with a transaction that would otherwise result in an this clause (iv).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to clause (i), (ii), or (iv) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

Insolvency shall have the meaning set forth in Section 15.1 hereof.

Investment Agreement shall have the meaning set forth in the Recitals to this Agreement.

IRR means, as of any date, the discount rate at which the present value (discounted on a quarterly basis) as of such date of all distributions to the MetLife Parties pursuant to this Agreement and all income tax benefits accruing to the MetLife

Parties with respect to allocations to the MetLife Parties pursuant to Exhibit C hereto is equal to the present value (discounted on a quarterly basis) as of such date of all Capital Contributions by MetLife and all applicable income taxes borne by the MetLife Parties with respect to allocations to the MetLife Parties pursuant to Exhibit C.

For purposes of the definition of IRR:

(a) Income tax benefits accruing to the MetLife Parties and income taxes borne by the MetLife Parties with respect to allocations to the MetLife Parties pursuant to Exhibit C shall be based on a federal income tax rate of 34% (regardless of what the actual maximum tax rate is and regardless of the actual federal income tax rate to which any MetLife Party is subject);

(b) All tax allocations to the MetLife parties with respect to a taxable year of the Partnership shall be deemed to occur ratably on the last day of each calendar quarter (subject to reasonable estimates by the General Partners of the annual tax allocations to the MetLife Parties for a particular year);

(c) Distributions to the MetLife Parties during a calendar quarter shall be deemed to occur on the last day of such calendar quarter; and

(d) The receipt by any MetLife Party of payment by the Partnership of interest on and principal of any loans made by such MetLife Party shall not be taken into account in calculating the IRR.

IRS means the Internal Revenue Service.

Keep Requirement shall have the meaning set forth in Section 11.3 hereof.

Limited Partner and Limited Partners shall have the meanings set forth in the introduction to this Agreement. The terms "Limited Partner" and "Limited Partners" also shall mean, for purposes of Exhibit C, the maintenance of Capital Accounts, and the distribution provisions of this Agreement, an Assignee or Assignees of a Limited Partnership Interest or Limited Partnership Interests, as the context requires.

Limited Partnership Interest, means a Limited Partner's right, title and interest in the Partnership, including without limitations such Limited Partner's rights with respect thereto under this Agreement and obligations with respect thereto under this Agreement.

Liquidating Event shall mean (i) a sale, transfer, conveyance, distribution, exchange, lease, taking or other disposition of Partnership assets, or related series of such events, which results in or arises from the dissolution and

liquidation of the Partnership, or (ii) any such event occurring with respect to the Project Partnership.

Majority in Interest of the Limited Partners shall mean the following:

(a) Except as provided in clause (c) below, at all times prior to the Final Flip Point, those MetLife Parties who hold of record more than fifty percent (50%) of the aggregate Sharing Ratios of the MetLife Parties;

(b) At all times on or after the Final Flip Point, those Limited Partners who hold of record more than fifty percent (50%) of the aggregate Sharing Ratios of the Limited Partners; and

(c) At all times prior to, on or after the Final Flip Point, with respect to the references in Section 12.1 of this Agreement to Sections 3.1(b) and 3.2(b) of the Project Partnership Agreement (other than a Partner Loan pursuant to such Section 3.2(b) to expand the capacity of the Project in excess of the capacity set forth in Recital A of this Agreement), those Limited Partners who hold of record more than fifty percent (505) of the aggregate Sharing Ratios of the Limited Partners.

MetLife shall mean MetLife Capital Corporation, a Delaware corporation.

MetLife Parties shall mean MetLife (so long as it is a Partner) and each of its successors in interest as a Partner (so long as such successor in interest is a Partner).

NCP Syracuse shall mean NCP Syracuse, Inc., a Delaware corporation.

Nonrecourse Deductions shall have the meaning given to such term in Section 1.704-2(b)(3) of the Regulations.

Partner shall mean each General Partner, each Limited Partner and any other Person who becomes a Substitute General Partner or Limited Partner pursuant to the terms of this Agreement. The term Partner also shall mean, for purposes of Exhibit C, the maintenance of Capital Accounts, and the distribution provisions of this Agreement, an Assignee of a Partner.

Partner Nonrecourse Debt Minimum Gain shall mean an amount,

with respect to each Partner Nonrecourse Debt, equal to the Partnership Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with Section 1.704-2(i)(3) of the Regulations.

Partner Nonrecourse Debt shall have the meaning given to such term in Section 1.704-2(b)(4) of the Regulations.

Partner Nonrecourse Deductions shall have the meaning given to such term in Sections 1.704-2(i)(2) of the Regulations.

Partnership shall mean Syracuse Orange Partners, L.P., a Delaware limited partnership, as such partnership may from time to time be constituted.

Partnership Accountants shall have the meaning set forth in Section 9.6 hereof.

Partnership Minimum Gain shall have the meaning given to such term in Sections 1.704-2(b)(2) and 1.704-2(d) of the Regulations.

Partnership Property shall mean the Partnership's right, title and interest as a limited partner of the Project Partnership and any other property of the Partnership, real, personal or mixed, whether tangible or intangible.

Person shall mean any natural person, firm, partnership, trust estate, association, corporation or other entity.

Procedures shall have the meaning set forth in Section 16.6 hereof.

Prior Agreement shall have the meaning set forth in the Recitals to this Agreement.

Profits and Losses shall mean, for each fiscal year or other period beginning on or after the Effective Time, an amount equal to the Partnership's taxable income or loss for such year or period, determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section

703(a)(1) shall be included in taxable income or loss), with the following adjustments:

(i) Any income of the Partnership that is exempt from federal income tax and not otherwise taken into in computing Profits or Losses shall be added to such taxable income or loss;

(ii) An expenditures of the Partnership described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulations Section 1.704-1(b)(2)(iv)(i), and not otherwise taken into account in computing Profits or Losses shall be subtracted from such taxable income or loss;

(iii) In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to clause (ii) or (iii) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such assets for purposes of computing Profits and Losses;

(iv) Gain or loss resulting from any disposition of Partnership Property with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(v) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with the definition of Depreciation; and

(vi) Notwithstanding any other provision of the definition of Profits and Losses, any items which are specially allocated pursuant to Section 4 or Section 5 of Exhibit C hereof shall not be taken into account in computing Profits and Losses.

Prohibited Transferee shall have the meaning set forth in Section 13.1 hereof.

Project has the meaning set forth in the Recitals to this

Agreement.

Project Partnership shall have the meaning set forth in the Recitals to this Agreement.

Regulations shall mean the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

Removal Date, shall have the meaning set forth in Section 14.2 hereof.

Removal Notice shall have the meaning set forth in Section 14.1 hereof.

Required Opinion shall mean an opinion of counsel, the form of which, including reasonable assumptions made therein, shall be reasonably acceptable to the General Partners, that a specified Transfer (i) may be effected without registration or the Partnership under the Securities Act and any applicable state securities laws, (ii) will not result in a termination of the Partnership or the Project Partnership under the Code, (iii) will not result in the Partnership or the Project Partnership being treated as an association taxable as a corporation under the Code, (iv) will not result in the Partnership or the Project Partnership or any Affiliate of a Partner or a partner of the Project Partnership becoming subject to regulation under the Public Utility Holding Company Act of 1935 (or the rules and regulations promulgated thereunder) or becoming otherwise subject to increased regulatory burdens, (v) will not result in the Project ceasing to be exempt from regulation as a result of changing its status as a "qualifying facility" under the Public

Utilities Regulatory Policies Act of 1978 (or the rules and regulations promulgated thereunder), (vi) will not constitute a violation of or default under the Financing Agreement, (vii) will not result in the transferee being a "Prohibited Transferee" under the Project Partnership Agreement, and (viii) such other matters relating to corporate authorization and the like as are reasonably required by the General Partners.

Securities Act shall mean the Securities Act of 1933, as amended.

Security shall have the meaning set forth in Section 2(1) of the Securities Act.

Sharing Ratio shall mean, with respect to each Partner at any particular time, the percentage share of Distributions that such Partner would be entitled to receive pursuant to Section 7.1 hereof if $1.00 were distributed to the Partners pursuant to Section 7.1 hereof at such time.

Specially Adjusted Capital Account shall mean, with respect to each Partner, such Partner's Capital Account as of the end of the relevant period after crediting to such Capital Account any amounts which such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

Stewart & Stevenson means Stewart & Stevenson Services, Inc., a Texas corporation.

Subsidiary shall mean, with respect to a Person, a corporation in which such Person owns, directly or indirectly, more than 50% of the Voting Stock.

Substitute General Partner shall mean a Person who has assumed the rights, powers and responsibilities of a General Partner pursuant to Article XIV hereof.

Substitute General Partner Agreement shall have the meaning set forth in Section 14.6 hereof.

Substitute Limited Partner shall mean an Assignee who has become a Limited Partner pursuant to Article XIII hereof, having all of the rights of the transferring Limited Partner, including without limitation, the right to vote on any of the matters on which a Limited Partner is entitled to vote pursuant to this Agreement.

Syracuse Investment means Syracuse Investment, Inc., a Delaware corporation.

Tax Matters Partner shall have the meaning set forth in Section 8.2 hereof.

Transfer shall have the meaning set forth in Section 13.1 hereof.

Voting Stock shall mean securities, the holders of which are ordinarily, in the absence of contingencies, entitled to elect the corporate directors (or Persons performing a similar function).

Withdrawal Date shall have the meaning set forth in Section 14.4 hereof.

Withdrawal Notice shall have the meaning set forth Section 14.4 hereof.

EXHIBIT C

FIRST AMENDED AND RESTATED
LIMITED PARTNERSHIP AGREEMENT
OF
SYRACUSE ORANGE PARTNERS. L.P.

Allocations of Profits and Losses

1. Allocations Under Prior Agreement. All allocations for the period commencing with the formation of the Partnership through the day immediately preceding the date on which the Effective Time occurs shall be pursuant to the provisions of the Prior Agreement. All allocations for periods beginning on or after such date shall be pursuant to the provisions of this Exhibit C.

2. Profits.

(a) Allocations Not Arising From a Liquidating Event. After giving effect to the special allocations set forth in Sections 4 and 5 of this Exhibit C, Profits for any fiscal year or other period other than those arising from a Liquidating Event shall be allocated to the Partners as follows:

(i) For all periods ending prior to the Final Flip Point, Profits shall be allocated (A) 8.09% to Stewart & Stevenson, and (B) 91.91% among the MetLife Parties, Syracuse Investment and NCP Syracuse in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts for such Partners are in the ratios of (with 91.91 percentage points as the base) 13.00 percentage points for the MetLife Parties (in proportion to their Sharing Ratios), 1.00 percentage point for Syracuse Investment (in its capacity as a General Partner), 67.91 percentage points for Syracuse Investment (in its capacity as a Limited Partner), and 10.00 percentage points for NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Profits shall be allocated among the Partners in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts of the Partners are in the ratios of 13.00% for the MetLife Parties (in proportion to their Sharing Ratios), 8.09% for Stewart & Stevenson, 1.00% for Syracuse Investment (in its capacity as a General Partner), 67.91% for Syracuse Investment (in its capacity as a Limited Partner), and 10.00% for NCP Syracuse.

(b) Allocations Arising From a Liquidation Event. After giving effect to the special allocations set forth in Sections 4 and 5 of this Exhibit C, Profits arising from a Liquidating Event shall be allocated to the Partners as follows:

(i) First, to the Partners having negative Capital Account balances, to the extent available, in proportion to such negative balances until all such negative Capital Accounts are increased

to zero, such Capital Account balances to be determined in each case after giving effect to all contributions, distributions and allocations for all periods other than those occurring pursuant to this Section 2(b) and clause (iv) of Section 15.3(a) of the Partnership Agreement; and

(ii) Second, to the Partners, the remainder of such Profits in the proportions and in the amounts that result in the positive balance in each Partner's Capital Account (after giving effect to all contributions, distributions and allocations for all periods other than those occurring pursuant to this Section 2(b) and clause (iv) of Section 15.3(a) of the Partnership Agreement) being equal to an amount which such Partner would be entitled to receive if such positive balance constituted an amount of Cash Available for Distribution under Section 7.1 of the Partnership Agreement with such Profits being allocated in the same manner under clause (a), then clause (b) and finally clause (c), successively, of such Section 7.1 as such Cash Available for Distribution would have been distributed thereunder.

3. Losses. After giving effect to the special allocations set forth in Sections 4 and 5 of this Exhibit C, Losses for any fiscal year or other period shall be allocated as follows:

(a) Except as provided in Section 3(b) of this Exhibit C,

Losses shall be allocated to the Partners as follows:

(i) For all periods ending prior to the Final Flip Point, Losses shall be allocated 8.09% to Stewart & Stevenson and 91.91% as follows:

(A) First, entirely to the MetLife Parties (in proportion to their Sharing Ratios) until the aggregate of the MetLife Parties' Specially Adjusted Capital Accounts are zero; and

(B) The balance, if any, 1.00% to Syracuse Investment (in its capacity as a General Partner), 89.00% to Syracuse Investment (in its capacity as a Limited Partner), and 10.00% to NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Losses shall be allocated among the Partners in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts of the Partners are in ratios of 13.00% for the MetLife Parties (in proportion to their Sharing Ratios), 8.09% for Stewart & Stevenson, 1.00% for Syracuse Investment (in its capacity as a General Partner), 67.91% for Syracuse Investment (in its capacity as a Limited Partner) and 10.00% for NCP Syracuse.

(b) The Losses allocated pursuant to Section 3(a) of this Exhibit C shall not exceed the maximum amount of Losses that can be so allocated without causing any Limited Partner to have an Adjusted Capital Account Deficit at the end of any fiscal year.

All Losses in excess of the limitation set forth in this Section 3(b) shall be allocated to NCP Syracuse.

4. Special Allocations. The following special allocations shall be made in the following order:

(a) Partnership Minimum Gain Chargeback. Except as provided in Section 1.704-2(f) of the Regulations, notwithstanding any other provision of this Exhibit C, if there is a net decrease in Partnership Minimum Gain during any Partnership fiscal year, each Partner shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to such

Partner's share of the net decrease in Partnership Minimum Gain, determined in accordance with Regulations Section 1.704-2(g). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.7042(f)(6) and 1.704-2(j)(2) of the Regulation. This Section 4(a) is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(b) Partner Nonrecourse Debt Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Regulations, notwithstanding any other provision of this Exhibit C except Section 4(a) of this Exhibit C, if there is a net decrease in Partner Nonrecourse Debt Minimum Gain attributable to a Partner Nonrecourse Debt during any Partnership fiscal year, each Partner who has a share of the Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Regulations, shall be specially allocated items of Partnership income and gain for such year (and, if necessary, subsequent years) in an amount equal to the portion of such Partner's share of the net decrease in Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Regulations Section 1.704-2(i)(4). Allocations pursuant to the previous sentence shall be made in proportion to the respective amounts required to be allocated to each Partner pursuant thereto. The items to be so allocated shall be determined in accordance with Sections 1.7042(i) (4) and 1.704-2(j) (2) of the Regulations. This Section 4(b) is intended to comply with the minimum gain chargeback requirement in such Section of the Regulations and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Partner unexpectedly receives any adjustments, allocations or distributions described in Section 1.704-l(b)(2)(ii)(d)(4), (5) or (6) of the Regulations, items of Partnership income and gain shall be specially allocated to each such Partner in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Partner

as quickly as possible, provided that an allocation pursuant to

this Section 4(c) shall be made only if and to the extent that such Partner would have an Adjusted Capital Account Deficit after all other allocations provided for in this Exhibit C have been tentatively made as if thisSection 4(c) were not in theAgreement.

(d) Gross Income Allocation. In the event any Partner has a deficit Capital Account at the end of any Partnership fiscal year which is in excess of the sum of (i) the amount such Partner is obligated to restore pursuant to any provision of this Agreement and (ii) the amount such Partner is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations Sections 1.704-2(g) and 1.704-2(i)(5), each such Partner shall be specially allocated items of Partnership income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 4(d) shall be made only if and to the extent that such Partner would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Exhibit C have been tentatively made as if this Section 4(d) and Section 4(c) of this Exhibit C were not in the Agreement.

(e) Nonrecourse Deductions. Nonrecourse Deductions for any fiscal year or other period shall be specially allocated to the Partners as follows:

(i) For all periods prior to the Final Flip Point, Nonrecourse Deductions shall be allocated 56.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 1.00% to Syracuse Investment (in its capacity as a General Partner), 24.91% to Syracuse Investment (in its capacity as a Limited Partner), and 10.00% to NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Nonrecourse Deductions shall be allocated 10.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 1.00% to Syracuse Investment (in its capacity as a General Partner), 70.91% to Syracuse Investment (in its capacity as a Limited Partner), and 10.00% to NCP Syracuse.

(f) Partner Nonrecourse Deduction. Any Partner Nonrecourse Deductions for any fiscal year or other period shall be allocated to the Partner who bears the economic risk of loss with respect to the Partner Nonrecourse Debt to which such Partner Nonrecourse Deductions are attributable in accordance with Regulations Section 1.704-2(i)(1).

(g) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Partnership asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such the

Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be

specially allocated to the Partners in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

(h) Gross Income Allegations to Match Pre-Flip Distributions. All or a portion of the items of Partnership income or gain, if any, remaining after taking into account the special allocations in Sections 4(a) through 4(g) of this Exhibit C, shall be specially allocated to the Partners in proportion to the cumulative distributions each has received pursuant to Sections 7.1(a) and 7.1(b) of the Agreement until the aggregate amounts allocated to each Partner pursuant to this Section 4(h) for all periods are equal to such cumulative distributions to such Partner.

5. Curative Allocations. The allocations set forth in Sections 3(b), 4(a), 4(b), 4(c), 4(d), 4(e), 4(f) and 4(g) of this Exhibit C (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Partners that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of Partnership income, gain, loss or deduction pursuant to this Section 5. Therefore, notwithstanding any other provision of this Exhibit C (other than the Regulatory Allocations), the General Partners shall make (subject to the approval of a Majority in Interest of the Limited Partners, which approval may not be unreasonably withheld or delayed) such offsetting special allocations of Partnership income, gain, loss or deduction in whatever manner they determine appropriate so that, after such offsetting allocations are made, each Partner's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Partner would have had if the Regulatory Allocations were not part of the Agreement and all Partnership items were allocated pursuant to Sections 2 and 3 of this Exhibit C. In exercising their discretion under this Section 5, the General Partners shall take into account future Regulatory Allocations under Sections 4(a) and 4(b) that, although not yet made, are likely to offset other Regulatory Allocations previously made under Sections 4(e) and 4(f) of this Exhibit C.

6. Other Allocation Rules.

(a) For purposes of determining the Profits, Losses, or any other items allocable to any period, and for purposes of determining the varying interests of Partners for any taxable year of the Partnership for which any Partner was not a Partner for all of such year, Profits, Losses, and any such other items and the varying interests of the Partners shall be determined by the General Partners, subject to the approval of a Majority in Interest of the Limited Partners, which approval may not be unreasonably withheld or delayed, using any permissible method under Code Section 706 and the Regulations thereunder. For the taxable year during which MetLife is admitted to the Partnership, the General Partners shall select a clearly permissible method

under Code Section 706 and the Regulations thereunder which results in the greatest allocation to the MetLife Parties of Losses.

(b) Except as otherwise provided in this Agreement, all items of Partnership income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Partners in the same proportions as they share Profits or Losses, as the case may be, for the year.

(c) The Partners are aware of the income tax consequences of the allocations made by this Exhibit C and hereby agree to be bound by the provisions of this Exhibit C in reporting their shares of Partnership income and loss for inc
ome tax purposes.

(d) Solely for the purpose of determining a Partner's proportionate share of the "excess nonrecourse liabilities" of the Partnership within the meaning of Regulations Section 1.752-3(a)(3), the Partners' interests in Partnership profits shall be as set forth in Section 2(a)(ii) of this Exhibit C.

(e) To the extent permitted by Section 1.704-2(h)(3) of the Regulations, the General Partners shall endeavor to treat Distributions as having been made from proceeds of Nonrecourse Liabilities or Partner Nonrecourse Debt only to the extent that such Distributions would cause or increase an Adjusted Capital Account Deficit for any Limited Partner.

(f) The MetLife Parties' shares of Distributions pursuant to Sections 7.1(a), 7.1(b) and 7.1(c) of the Agreement vary depending on the achievement of designated IRRs. The achievement of the designated IRRs depends on numerous factors including the operating results of the Project Partnership and the Partnership, the realization by the Partnership of certain income tax consequences and the allocation of those consequences to the Partners including the MetLife Parties, as set forth in this Exhibit C. If the actual allocations of the Partnership originally reported to the MetLife Parties for one or more years are subsequently adjusted in any manner, a possible consequence may be after taking into account such adjustments, the MetLife Parties' shares of Distributions were shifted from Section 7.1(a) Section 7.1(b) or from Section 7.1(b) to Section 7.1(c), earlier or later than such shares would have shifted if the allocations as finally adjusted had been the allocations originally the MetLife Parties. In such event, the following provisions shall apply:

(i) If any such shift occurred earlier than the date on which it would have occurred had the allocations as adjusted been the allocations originally reported to the MetLife Parties, then (A) the allocations to the MetLife Parties shall be adjusted in such manner as may be necessary to place the MetLife Parties in the same position for federal income tax reporting purposes as they would have been in if such adjusted allocations had been the

allocations originally reported to the MetLife Parties, and (B) the MetLife Parties' shares of Distributions shall be adjusted in such manner as may be necessary to place the MetLife Parties in the same position for purposes of Distributions as they would have been in if the MetLife Parties' shares of Distributions had shifted from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), at the proper times after taking into account such adjustments.

(ii) If any such shift occurred later than the date on which it would have occurred had the allocations as adjusted been the allocations originally reported to the MetLife Parties, then (A) the allocations to NCP Syracuse and Syracuse Investment shall be adjusted in such manner as may be necessary to place such Partners in the same position for federal income tax reporting purposes as they would have been in if such adjusted allocations

had been the allocations originally reported to them, and (B) their shares of Distributions shall be adjusted in such manner as may be necessary to place them in the same position for purposes of Distributions as they would have been in if their shares of Distributions had shifted from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), at the proper times after taking into account such adjustments, provided that adjustments pursuant to this paragraph (ii) shall be made only with respect to adjustments for which the statute of limitations under the Code has not expired (as of the date of such adjustments) for the MetLife Parties to file amended federal income tax returns reflecting such adjustments (regardless of whether the MetLife Parties actually file amended returns and regardless of the actual tax consequences of such adjustments).

(iii) For purposes of this Section 6(f): (A) any adjustments to the allocations and Distributions to the MetLife Parties, or to NCP Syracuse and Syracuse Investment, as the case may be, pursuant to Section 6(f)(i) or 6(f)(ii) shall be made, (1) with respect to any shift described in Section 6(f)(i), first, by adjusting the allocations and Distributions to NCP Syracuse, and second, if necessary, by adjusting the allocations and Distributions to Syracuse Investment (but not to Stewart & Stevenson), with such adjustments reallocated among the MetLife Parties in proportion to their relative shares of allocations and Distributions, and (2) with respect to any shift described in Section 6(f)(ii), by adjusting the allocations and Distributions to the MetLife Parties, with such adjustments reallocated between NCP Syracuse and Syracuse Investment in proportion to their relative shares of allocations and Distributions; (B) no adjustments shall be made to the allocations and Distributions to the MetLife Parties or to NCP Syracuse and Syracuse Investment, as the case may be, unless the allocations originally reported to the MetLife Parties caused the MetLife Parties' shares of Distributions to shift from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), earlier or later than such shares would have shifted based on the adjusted allocations; and (C) under no circumstances shall the MetLife Parties' shares of

Distributions pursuant to Section 7.1 of the Agreement for any period exceed 56.00%.

(iv) Nothing contained herein shall be construed as a

guarantee of the operating results of the Project Partnership or the Partnership or the tax consequences of an investment in the Partnership, and no adjustment shall be made hereunder due to any change in the tax characteristics applicable or relating to any of the MetLife Parties.

7. Tax Allocations: Code Section 704(c). In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss and deduction with respect to any property contributed to the capital of the Partnership shall, solely for tax purposes, be allocated among the Partners so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial Gross Asset Value (computed in accordance with clause (i) of the definition of Gross Asset Value).

In the event the Gross Asset Value of any Partnership asset is adjusted pursuant to clause (ii) of the definition of Gross Asset Value, subsequent allocations of income, gain, loss and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner under Code Section 704(c) and the Regulations thereunder.

Any elections or other decisions relating to such allocations shall be made by the General Partners in a manner consistent with the purpose and intention of this Agreement. Allocations pursuant to this Exhibit C are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Partner's Capital Account or share of Profits, Losses, other items or distributions pursuant to any provision of this Agreement.

Exhibit B-5(a)(ii)

FIRST AMENDMENT TO FIRST AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT OF SYRACUSE ORANGE PARTNERS, L.P.

This First Amendment to First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P. (the "First Amendment") dated as of January 1, 1995 is made by NCP Syracuse, Inc., a Delaware corporation ("NCP Syracuse"), and Syracuse Investment, Inc., a Delaware corporation ("Syracuse Investment").

WHEREAS, NCP Syracuse and Syracuse Investment (collectively, the "General Partners") are the general partners of Syracuse Orange Partners, L.P. (the "Partnership") and Syracuse Investment is also a limited partner of the Partnership; and

WHEREAS, Syracuse Investment has transferred to NCP Energy, Inc., a California corporation ("NCP Energy"), a 4.9% limited partner interest (the "4.9% Interest") in the Partnership (the "Transfer"); and

WHEREAS, pursuant to that certain Consent to Assignment dated as of even date herewith, the General Partners have consented to the Transfer and admitted NCP Energy as a "Substitute Limited Partner" (as defined in that certain First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P., dated as of December 16, 1992, by and among NCP Syracuse, Syracuse Investment, MetLife Capital Corporation, a Delaware corporation, and Stewart & Stevenson Services, Inc., a Texas corporation ("Partnership Agreement")) with respect to the 4.9% Interest; and

WHEREAS, Section 16.1(b) of the Partnership Agreement authorizes the General Partners to amend the Partnership Agreement to substitute or admit any additional Limited Partners to the extent allowed therein without the consent of any Limited Partner of the Partnership.

NOW, THEREFORE, for good and valuable consideration, the

parties hereto, intending to be legally bound hereby, agree as follows:

1. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Partnership Agreement.

2. Sections 7.1(a)-(c) of the Partnership Agreement are hereby amended and restated in their entirety to read as follows:

(a) First, 56.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart &

Stevenson, 20.01% to Syracuse Investment (in its Limited Partner capacity), 4.9% to NCP Energy, 1.00% to Syracuse Investment (in its General partner capacity), and 10.00% to NCP Syracuse, in each case until the MetLife Parties have achieved an IRR equal to 10.00%; and

(b) Second, 19.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 57.01% to Syracuse Investment (in its Limited Partner capacity), 4.9% to NCP Energy, 1.00% to Syracuse Investment (in its General Partner capacity), and 10.00% to NCP Syracuse, in each case until the MetLife Parties have achieved an IRR equal to 15.00%; and

(c) Third, the balance of all Distributions, 13.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 63.01% to Syracuse Investment (in its Limited Partner capacity), 4.9% to NCP Energy, 1.00% to Syracuse Investment (in its General Partner capacity), and 10.00% to NCP Syracuse.

3. The definition of "Limited Partner and Limited Partners" in Exhibit B of the Partnership Agreement is hereby amended and restated in its entirety to read as follows:

Limited Partner and Limited Partners shall mean MetLife, Stewart & Stevenson, Syracuse Investment, NCP Energy and any other Person admitted to the Partnership as a limited partner in accordance with the terms of this Agreement. The terms "Limited Partner" and "Limited Partners" also shall mean, for purposes of Exhibit C, the

maintenance of Capital Accounts, and the distribution provisions of this Agreement, an Assignee or Assignees of a Limited Partnership Interest or Limited Partnership Interests, as the context requires.

4. Exhibit B of the Partnership Agreement is hereby amended by adding the following definition following the definition of MetLife Parties:

NCP Energy shall mean NCP Energy, Inc., a California corporation.

5. Sections 2(a)(i)-(ii) of Exhibit C of the Partnership Agreement are hereby amended and restated in their entirety to read as follows:

(i) For all periods ending prior to the Final Flip Point, Profits shall be allocated (A) 8.09% to Stewart & Stevenson, and (B) 91.91% among the MetLife Parties, Syracuse Investment, NCP Energy and NCP Syracuse in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts for such Partners are in the ratios of (with 91.91 percentage points as the base) 13.00 percentage points for the MetLife

Parties (in proportion to their Sharing Ratios), 1.00 percentage point for Syracuse Investment (in its capacity as General Partner), 63.01 percentage points for Syracuse Investment (in its capacity as a Limited Partner), 4.9 percentage points for NCP Energy, and 10.00 percentage points for NCP Syracuse.

(ii) For all periods beginning on or after the Final Flip Point, Profits shall be allocated among the Partners in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts for such Partners are in the ratios of 13.00% for the MetLife Parties (in proportion to their Sharing Ratios), 8.09% for Stewart & Stevenson, 1.00% for Syracuse Investment (in its capacity as General Partner), 63.01% for Syracuse Investment (in its capacity as a Limited Partner), 4.9% for NCP Energy, and 10.00% for NCP Syracuse.

6. Section 3(a)(i)(B) of Exhibit C of the Partnership Agreement

is hereby amended and restated in its entirety to read as follows:

(B) The balance, if any, 1.00% to Syracuse Investment (in its capacity as a General Partner), 84.10% to Syracuse Investment (in its capacity as a Limited Partner), 4.9% to NCP Energy, and 10.00% to NCP Syracuse.

7. Section 3(a)(ii) of Exhibit C of the Partnership Agreement is hereby amended and restated in its entirety to read as follows:

(ii) For all periods beginning on or after the Final Flip Point, Losses shall be allocated among the Partners in such proportions as may be necessary so that, as quickly as possible, the Specially Adjusted Capital Accounts for such Partners are in the ratios of 13.00% for the MetLife Parties (in proportion to their Sharing Ratios), 8.09% for Stewart & Stevenson, 1.00% for Syracuse Investment (in its capacity as General Partner), 63.01% for Syracuse Investment (in its capacity as a Limited Partner), 4.9% for NCP Energy, and 10.00% for NCP Syracuse.

8. Sections 4(e)(i)-(ii) of Exhibit C of the Partnership Agreement are hereby amended and restated in their entirety to read as follows:

(i) For all periods ending prior to the Final Flip Point, Nonrecourse Deductions shall be allocated 56.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 1.00% to Syracuse Investment (in its capacity as a General Partner), 20.01% to Syracuse Investment (in its capacity as a Limited Partner), 4.9% to NCP Energy, and 10.00% to NCP Syracuse.

(ii) For all periods beginning on or after to the Final Flip Point, Nonrecourse Deductions shall be allocated 10.00% to the MetLife Parties (in proportion to their Sharing Ratios), 8.09% to Stewart & Stevenson, 1.00% to Syracuse Investment (in its capacity as a General Partner), 66.01% to Syracuse Investment (in its capacity as a Limited Partner), 4.9% to NCP Energy, and 10.00% to NCP Syracuse.

9. Section 6(f)(ii)(A) of Exhibit C of the Partnership Agreement is hereby amended by adding a comma and the words "NCP Energy" after the words "NCP Syracuse."

10. Section 6(f)(iii) of Exhibit C of the Partnership Agreement is hereby amended and restated in its entirety to read as follows:

> (iii) For purposes of this Section 6(f): (A) any adjustments to the allocations and Distributions to the MetLife Parties, or to NCP Syracuse, Syracuse Investment and NCP Energy, as the case may be, pursuant to Section 6(f)(i) or 6(f)(ii) shall be made, (1) with respect to any shift described in Section 6(f)(i), first, by adjusting the allocations and Distributions to NCP Syracuse, and second, if necessary, by adjusting the allocations and Distributions to Syracuse Investment and NCP Energy (but not Stewart & Stevenson) in proportion to their relative shares of allocations and Distributions, with such adjustments reallocated among the MetLife Parties in proportion to their relative shares of allocations and Distributions, and (2) with respect to any shift described in Section 6(f)(ii), by adjusting the allocations and Distributions to the MetLife Parties, with such adjustments reallocated between NCP Syracuse, Syracuse Investment and NCP Energy in proportion to their relative shares of allocations and Distributions; (B) no adjustments shall be made to the allocations and Distributions to the MetLife Parties or to NCP Syracuse, Syracuse Investment and NCP Energy, as the case may be, unless the allocations originally reported to the MetLife Parties caused the MetLife Parties' shares of Distributions to shift from Section 7.1(a) to Section 7.1(b), or from Section 7.1(b) to Section 7.1(c), earlier or later than such shares would have shifted based on the adjusted allocations; and (C) under no circumstances shall the MetLife Parties' shares of Distributions pursuant to Section 7.1 of the Agreement for any period exceed 56.00%.

11. Except as modified by this Amendment, the Partnership Agreement shall continue in full force and effect.

12. This Amendment may be executed in any number of counterparts, each of which shall be an original but such counterparts shalltogether constitute one andthe same instrument.

IN WITNESS WHEREOF, each of the General Partners have executed this First Amendment as of the date first written above.

NCP SYRACUSE, INC.

By:

Name:

Title:

SYRACUSE INVESTMENT, INC.

By:

Name:

Title:

ACKNOWLEDGED AND AGREED:

NCP ENERGY, INC.

By:

Name:

Title:

Exhibit B-5(a)(iii)

ASSIGNMENT OF PARTNERSHIP INTEREST

Syracuse Investment, Inc. ("Syracuse Investment"), in accordance with the terms of the Second Amendment to Stock Purchase and Sale Agreement, dated as of January 1, 1995 by and among North Canadian Oils Limited, North Canadian Resources, Inc., Energy Initiatives, Inc. and NCP Energy, Inc. (formerly North Canadian Power Incorporated; "NCP Energy"), hereby sells, transfers and assigns to NCP Energy, all of its right, title and interest in and to a 4.9% Limited Partnership Interest in Syracuse Orange Partners, L.P. (the "4.9% Interest") entitling NCP Energy, during the term of the Partnership Agreement, to, among other things, receive 4.9% of all Distributions and all allocations with respect to such 4.9% Limited Partnership Interest. NCP Energy shall succeed to Syracuse Investment's Capital Account with respect to such 4.9% Limited Partnership Interest as of the date hereof. The Capital Account of NCP Energy with respect to the 4.9% Interest shall be equal to the product of (a) 4.9% and (b) the aggregate sum of the Capital Accounts of all Partners as of January 1, 1995. The Capital Account of Syracuse Investment shall be correspondingly decreased or increased to reflect the allocation of capital to NCP Energy. All capitalized terms not otherwise defined herein shall have the respective meanings assigned to those terms in the First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P., dated as of December 16, 1992 by and among NCP Syracuse, Inc., Syracuse Investment, MetLife Capital Corporation and Stewart & Stevenson Services, Inc.

IN WITNESS WHEREOF, the undersigned has executed this Assignment of Partnership Interest as of this 1st day of January, 1995.

SYRACUSE INVESTMENT, INC.

By:

Name:

Title:

ACKNOWLEDGED:

NCP ENERGY, INC.

By:

Name:

Title:

Exhibit B-5(a)(iv)

PROMISSORY NOTE

$2,722,500.00 Dated: January 1, 1995

FOR VALUE RECEIVED, the undersigned, North Canadian Resources, Inc., a Delaware corporation ("NCRI"), hereby promises to pay to the order of NCP Energy, Inc. ("NCP"), the principal sum of $2,722,500, payable in installments as described in the next succeeding paragraph, provided, however, that such principal shall be payable only if and to the extent that Syracuse Investment, Inc., a Delaware corporation and wholly-owned subsidiary of NCRI ("Investment"), receives Distributions (as defined below).

The principal installment due and payable for each year through maturity of this Note shall be calculated by multiplying (x) the Annual Rate for such year set forth in Schedule A attached hereto by (y) $2,722,500.

NCRI hereby promises to pay interest on the principal balance of this Note at the rate of 10.6% per annum, which

interest shall (i) compound monthly to the extent not paid, and (ii) be prepaid to the extent required by clause "fourth" of the succeeding paragraph, provided, however, that such interest shall be payable only if and to the extent that Investment receives Distributions.

Payments under this Note shall be due and payable on the first business day after Investment receives a Distribution, and shall be applied first, to all theretofore scheduled and unpaid principal installments including for the year in which the Distribution was received; second, to all accrued but unpaid compound interest; third, to all currently due and payable interest; fourth, to prepay future interest in inverse order computed after giving effect to all principal paid to date and assuming (i) all future scheduled principal installments are paid on the December 31 of each year when due and (ii) any unpaid scheduled payments of principal are paid at maturity; and fifth, to prepay future scheduled principal installments in inverse order of maturity.

As used herein, the term "Distributions" means all payments, proceeds and other distributions, whether in cash or in kind, and

whether constituting "Cash Available for Distribution", as defined in the First Amended and Restated Limited Partnership Agreement of Syracuse Orange Partners, L.P. ("SOP"), dated as of December 16, 1992, as hereafter amended or modified from time to time ("SOP Partnership Agreement"), or otherwise (including upon liquidation or dissolution), which Investment receives on or after the date hereof in respect of its entire limited partner interest owned by it in SOP (the "Interest"). On the date hereof the Interest consists of a 20.01% limited partner interest in SOP. The Interest is subject to increases in the future in accordance with Section 7.1 of the SOP Partnership Agreement, which increases shall consist of both (i) the increases directly

applicable to such 20.01% interest and (ii) the increases applicable to the 4.9% interest sold to NCP on the date hereof pursuant to that certain Assignment of Partnership Interest between Investment and NCP.

In the event that Investment receives a Distribution in kind, NCRI may satisfy its obligations under this Note in an amount equal to the fair market value of such Distribution either (x) by paying to NCP an amount in cash equal to such fair market value or (y) by delivering such Distribution to NCP (duly

endorsed, if necessary).

NCRI hereby waives presentment, demand, protest and notice of any kind. No failure to exercise and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

For Federal income tax purposes, NCRI hereby agrees with the holder of this Note as follows:

(i) The Note will be treated as a debt obligation.

(ii) No interest (or original issue discount) will be reported by either the holder or NCRI except to the extent that payments are made under the Note (including for this purpose Distributions which are paid to the holder).

(iii) Payments made under the Note will be considered to be interest to the extent of the interest earned but unpaid pursuant to the terms of said Note, and thereafter as principal.

(iv) Notwithstanding the foregoing clauses (i) through (iii), either NCRI or the holder may report the Note in a different manner if required to do so either (A) on audit by the Internal Revenue Service, after contesting the matter in good faith, or (B) under regulations promulgated by the Internal Revenue Service after the date hereof, which regulations are obligatory with respect to the Note. In either of these circumstances, at the holder's request, the parties will negotiate in good faith to restructure the Note and related Assignment Agreement in a manner that minimizes the resulting adverse tax effect to the holder, without a substantial tax cost to NCRI (compared with the tax effect contemplated in clauses (i) through (iii)).

This Note is subject to the restrictions on transferability contained in and may be transferred only in accordance with that certain Purchase Options Agreement, dated as of January 1, 1995, among NCRI, NCP, NCP Syracuse, Inc. and Syracuse Investment, Inc.

This promissory note shall be governed by, and construed in accordance with, the laws of the State of New York.

NORTH CANADIAN RESOURCES, INC.

By: _____
Name:
Title:

Exhibit B-5(a)(v)

ASSIGNMENT AGREEMENT

ASSIGNMENT AGREEMENT, dated as of January 1, 1995, between SYRACUSE INVESTMENT, INC., a Delaware corporation ("Investment"), and NCP ENERGY, INC. (formerly North Canadian Power Incorporated), a California corporation ("NCP").

WHEREAS, Investment owns a 24.91% limited partner interest in Syracuse Orange Partners, L.P., a Delaware limited partnership ("SOP"), and a 1% general partner interest in SOP (the "GP Interest");

WHEREAS, pursuant to that certain Partnership Interest Assignment Agreement, dated as of the date hereof, Investment is selling to NCP a 4.9% limited partner interest in SOP (the "4.9% Sale"); and

WHEREAS, Investment desires to enter into certain additional transactions relating to the balance of Investment's limited partner interest in SOP.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto

agree as follows:

1. Assignment and Payment.

(a) Investment hereby irrevocably assigns and transfers to NCP the Distributions (as defined in the Note referred to below), provided, however, that the aggregate amount of Distributions so assigned and transferred to NCP shall be

limited to an amount equal to the aggregate amount of unpaid principal and accrued and unpaid interest determined pursuant to the Note. In consideration therefor, NCP hereby pays to Investment, by wire transfer of immediately available funds, $2,722,500, receipt of which is hereby acknowledged by Investment.

(b) Investment is hereby delivering to Berlack, Israels & Liberman, as escrow agent ("BIL"), a promissory note of NCRI, in the form of Exhibit A hereto, which evidences NCP's right to receive the Distributions (the "Note"). In the event that NCP determines that an appropriate order of the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935 ("SEC Order") is required for NCP to acquire the Note, BIL shall hold the Note in escrow pending receipt of the SEC Order. Nothing herein contained shall, however, in any way effect or detract from Investment's obligations to pay

Distributions to NCP or NCP's right to receive and collect the same as herein provided, pending release of the Note from escrow.

(c) As used herein, the term "Distributions" shall have the meaning set forth in the Note. The parties understand and agree that amounts paid by NCRI pursuant to the Note shall discharge Investment's obligation to pay the related Distributions to NCP hereunder.

2. Representations and Warranties.

(a) Investment hereby represents and warrants to NCP as follows:

(i) This Agreement and the Note have each been duly authorized, executed and delivered by Investment

and NCRI, as applicable, and constitute valid and legally binding obligations of Investment and NCRI, as applicable, enforceable in accordance with their respective terms.

(ii) The execution, delivery and performance of this Agreement and the Note by Investment and NCRI, as applicable, are not prohibited by, do not violate or conflict with any provision of, or result in a default (or constitute an event which with notice or lapse of time or both, would become a default) under:

(A) Investment's or NCRI's Certificate of Incorporation or by-laws;

(B) Any order, decree or judgment of any court, governmental authority or arbitration body to which Investment or NCRI or their respective assets is bound or subject;

(C) Any law or regulation applicable to Investment or NCRI; or

(D) Any contract, agreement or other instrument to which Investment or NCRI is a party or by which their respective assets are bound or subject.

(iii) No consent, approval or authorization of, or filing of any certificate, notice, application, report or other document with any governmental authority, is required on the part of Investment in connection with the valid execution and delivery of this Agreement by Investment or the performance by

Investment of any of its obligations hereunder or on the part of NCRI in connection with the valid execution and delivery of the Note by NCRI or the performance by NCRI of any of its obligations

thereunder.

(iv) Investment is the sole record and beneficial owner of the Interest, free and clear of all liens, security interests, claims, pledges, charges or other encumbrances whatsoever ("Encumbrances"), and has the absolute right, power and capacity to assign and transfer, and is hereby assigning and transferring, the Distributions to NCP pursuant to the terms hereof free and clear of any Encumbrances whatsoever.

(b) NCP hereby represents and warrants to Investment as follows:

(i) This Agreement has been duly authorized, executed and delivered by NCP and constitutes a valid and legally binding obligation of NCP, enforceable in accordance with its terms.

(ii) The execution, delivery and performance of this Agreement by NCP are not prohibited by, do not violate or conflict with any provision of, or result in a default (or constitute an event which with notice or lapse of time or both, would become a default) under:

(A) NCP's Certificate of Incorporation or by-laws;

(B) Any order, decree or judgment of any court, governmental authority or arbitrative body

issued after June 13, 1994 to which NCP or its assets is bound or subject;

(C) Any law or regulation applicable to NCP (subject to the authorizations referred to in clause (iii) below); or

(D) Any contract, agreement or other instrument entered into after June 13, 1994 to which NCP is a party or by which its assets are bound or subject.

(iii) No consent, approval or authorization of or filing of any certificate, notice, application, report or other document with, any governmental authority is required on the part of NCP in connection with the valid execution and delivery of this Agreement by NCP or the performance by NCP of its obligations hereunder (other than those which have been obtained or made, the SEC Order and filing of Certificates pursuant to Rule 24 under the Public Utility Holding Company Act of 1935).

3. Security.

(a) In order to secure Investment's obligations hereunder and NCRI's obligations under the Note, Investment is hereby executing and delivering to NCP a security agreement in

the form of Exhibit B hereto pursuant to which Investment is granting to NCP a security interest in the Interest.

4. Covenants of NCP. NCP agrees that if and to the extent that it receives any payments hereunder or on the Note which relate to a Distribution from SOP to Investment that is

subsequently required to be returned by Investment to SOP as having been made in violation of the SOP partnership agreement or Section 17-607 of the Delaware Limited Partnership Act, NCP will, promptly upon request, pay to NCRI an amount equal to such Distribution. In the event NCP pays any such amount to NCRI, the principal and interest balances payable under the Note to which such payment originally was applied against shall be restored.

5. Notices.

All notices, requests, demands and other communications hereunder shall be in writing and shall be personally delivered or sent by facsimile transmission with confirming copy sent by overnight courier (such as Express mail, Federal Express, etc.) and a delivery receipt obtained and addressed to the intended recipient as follows:

(a) If to Investment:

c/o Norcen Energy Resources Limited
715 Fifth Avenue, S.W.
Calgary, Alberta T2P 2X7
Telecopy: (403) 231-0111

Attn: Vice President - Legal

with a copy to:

McDermott, Will & Emery
227 West Monroe
Chicago, IL 60606
Telecopy: (312) 984-7700
Attn: William J. McGrath

(b) If to NCP:

c/o Energy Initiatives, Inc.
One Upper Pond Road
Parsippany, New Jersey 07054
Telecopy: (201) 263-6977
Attn: Bruce L. Levy

with a copy to:

Berlack, Israels & Liberman
120 West 45th Street
New York, New York 10036
Telecopy: (212) 704-0196
Attn: Douglas E. Davidson, Esq.

Any party may change its address for receiving notice by giving written notice to the others named above. All such notices shall be given as provided above, and shall be effective immediately upon confirmation of facsimile or completion of personal delivery.

6. Relationship of Parties; Conversion Agreement.

(a) The parties expressly acknowledge and agree that

neither this Agreement nor the assignment of the Distributions hereunder is intended to, and shall in no way, constitute a sale, assignment or transfer to NCP of the Interest (as defined in the Note) or any portion thereof. Accordingly, Investment shall for all purposes remain the record and beneficial owner of the Interest, the limited partner in SOP in respect thereof and entitled to exercise in its sole and absolute discretion all rights, including without limitation voting rights, in respect thereof.

(b) In the event that all necessary governmental approvals (including of the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935) and third party consents (including of project lenders and partners in SOP) required to effect the transfer of the Interest to NCP have been received, granted or obtained, at either party's request both parties hereto shall use all reasonable efforts (including by delivering such legal opinions, certificates and other documents

as may be reasonably requested) to effect such transfer, upon consummation of which this Agreement shall be terminated and the Note cancelled.

7. Miscellaneous.

(a) Counterparts. This Agreement may be executed in

two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

(b) Applicable Law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New York. Should any provision of this Agreement be determined to be invalid, void or unenforceable by a court of competent jurisdiction for any reason, the remaining provisions shall remain in full force and effect. The parties consent to the non-exclusive jurisdiction of the New York federal and state courts with respect to disputes arising under this Agreement or the Note.

(c) Headings. The section and other headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(d) Construction. This Agreement has been negotiated by Investment and by NCP, and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision hereof against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

(e) Currency. All references herein to dollars are to United States dollars.

(f) Further Assurances. At the request of NCP, Investment shall promptly execute and deliver all such documents and instruments, and take such other action, as NCP may reasonably request in order to effect the transfer of the Distributions to NCP and otherwise to carry out the terms and provisions of this Agreement.

(g) Amendment and Waiver. No amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the parties hereto, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(h) Survival. The representations and warranties of the parties hereto shall survive the issuance of the Note.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed on the date first written above.

SYRACUSE INVESTMENT, INC.	NCP ENERGY, INC.
By: _____	By:
Name:	Name:
Title:	Title:

Exhibit B-5(a)(vi)

PURCHASE OPTIONS AGREEMENT

PURCHASE OPTIONS AGREEMENT, dated as of January 1, 1995, among NORTH CANADIAN RESOURCES, INC., a Delaware corporation ("NCRI"), NCP SYRACUSE, INC., a Delaware corporation ("Syracuse"), SYRACUSE INVESTMENT, INC., a Delaware corporation ("Investment"), and NCP ENERGY, INC. (formerly North Canadian Power Incorporated), a California corporation ("NCP").

WHEREAS, Syracuse is the managing general partner of Project Orange Associates, L.P. ("POA") and Syracuse Orange Partners, L.P. ("SOP");

WHEREAS, pursuant to certain Management Agreements dated as of the date hereof (the "Management Agreements"), between Syracuse and NCP, NCP has, among other things, agreed to manage and operate the Syracuse Cogeneration Project, which is owned by POA and SOP;

WHEREAS, pursuant to a certain Assignment of Partnership Interest dated as of the date hereof, Investment has sold to NCP a 4.9% limited partner interest in SOP (the "4.9% Interest");

WHEREAS, pursuant to a certain Assignment Agreement dated as of the date hereof ("Assignment Agreement"), Investment has

assigned to NCP Investment's right, title and interest in and to distributions from SOP in respect of its remaining limited partner interest in SOP, which is evidenced by a note from NCRI ("Note") (such assignment and the Note being collectively referred to as the "Distribution Note");

WHEREAS, (a) Syracuse and Investment are each wholly owned subsidiaries of NCRI, (b) Syracuse owns a 10% general partner interest in SOP and a 1% general partner interest in POA (collectively, the "Syracuse GP Interests"), and (c) Investment owns a 1% general partner interest in SOP (the "Investment GP Interest") and, subject to the Distribution Rights, a 20.01% limited partner interest in SOP (which is subject to increase in accordance with Section 7.1 of the First Amended and Restated Limited Partnership Agreement of SOP dated as of December 16, 1992) (the "Investment LP Interest", and collectively with the Investment GP Interest, the "Investment Interests"); and

WHEREAS, the parties desire to set forth certain additional rights and agreements in connection with the foregoing transactions.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and

sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1A. Syracuse Purchase Rights.

(a) On the terms set forth in this Section 1A, Syracuse or its designee shall have the right to acquire and purchase from NCP, in whole but not in part, the following (the "Repurchase Right"):

(i) all right and interest of NCP in and to the Management Agreements;

(ii) the 4.9% Interest; and

(iii) the Distribution Note (the items specified in clauses (i), (ii) and (iii) being collectively referred to as the "Syracuse Interest"),

for aggregate consideration equal to the Syracuse Interest Purchase Price (as such term is defined in Exhibit A hereto).

(b) Syracuse may exercise the Repurchase Right at any time in its sole discretion by providing notice thereof ("Repurchase Notice") to NCP, which notice shall be irrevocable. The closing of the purchase and sale of the Syracuse Interest shall take place on the 45th business day after delivery of the

Repurchase Notice. At the closing, (i) NCP shall sell, assign and transfer (collectively, a "Transfer") to Syracuse or its designee all of its right, title and interest in and to the Syracuse Interest, such Transfer to be made pursuant to assignment instruments in substantially the form of Exhibit B hereto (without representation or warranty except as provided in this Agreement) ("Assignment Instruments"), (ii) Syracuse shall pay or cause to be paid the Syracuse Interest Purchase Price to an account designated by NCP by wire transfer of immediately available funds, and (iii) Syracuse or its designee shall assume all obligations of NCP under the Management Agreements pursuant to an assumption agreement in substantially the form of Exhibit C hereto ("Assumption Agreement").

(c) Notwithstanding anything in this Section 1A to the contrary, (i) in the event, but only in the event, that the Management Agreements are properly terminated by Syracuse in accordance with Section 2.01(c) thereof as a result of a default by NCP thereunder (a "Default Termination"), Syracuse may

nevertheless exercise (but shall not be obligated to exercise) the Repurchase Right with respect to the 4.9% Interest and the Distribution Note only, in which case the Syracuse Interest Purchase Price shall be adjusted as set forth in Exhibit A; and

(ii) in the event but only in the event that both (1) the Management Agreements have terminated and the Buy-Out Amount (as defined in the Management Agreement for POA) has become due and payable, and (2) such termination did not result from a Special Termination (as defined below), NCP shall have the right in its sole discretion to cause Syracuse to exercise the Repurchase Right with respect to the 4.9% Interest and the Distribution Note only by providing irrevocable notice thereof to Syracuse (and in the absence of such notice, Syracuse may not otherwise exercise the Repurchase Right), in which case the closing shall occur on the 45th business day after the delivery of such notice to Syracuse in the same manner and on the same terms as if Syracuse had provided a Repurchase Notice under this paragraph (c); provided, however, that in the case of a purchase pursuant to this clause (ii), the purchase price shall not exceed $4,642,500. As used herein, the term "Special Termination" means a termination of the Management Agreements resulting from the removal of Syracuse as the managing general partner of POA as provided by a final non-appealable judgment in favor of the plaintiffs in the proceeding entitled G.A.S. Orange Partners, L.P., G.A.S. Orange Development, Inc., G.A.S. Alternative Systems, Inc., and Adam H. Victor v. NCP Syracuse, Inc., North Canadian Power Incorporated and Syracuse Orange Partners, L.P., 94 CV 752 (N.D.N.Y.).

(d) Notwithstanding the provisions of this Section 1A, the Repurchase Right granted to Syracuse hereunder shall immediately and forever terminate, without further action by any party hereto (i) should Syracuse, having provided a Repurchase Notice, default in its obligation to pay or cause to be paid the Syracuse Interest Purchase Price at the scheduled closing, or (ii) in the event of a sale of the Syracuse Interest pursuant to Section 2(c) hereof or (iii) except as expressly provided by Section 1A(c), following a termination of the Management Agreements.

1B. NCP Purchase Right.

(a) On the terms set forth in this Section 1B, NCP or its designee shall have the right to acquire and purchase the Syracuse GP Interests and the Investment Interests (collectively, the "Subsidiary Interests") from Syracuse and Investment (collectively, the "NCRI Subs") or, at NCP's option, the outstanding shares of capital stock of the NCRI Subs (collectively, the "Shares") from NCRI, in whole but not in part (the "NCP Repurchase Right") for an aggregate purchase price equal to the NCRI Interest Purchase Price (as such term is defined in Exhibit A hereto).

(b) NCP may exercise the NCP Repurchase Right at any time in its sole discretion by providing notice thereof ("NCP

Repurchase Notice") to NCRI, which notice shall be irrevocable. The closing of the purchase and sale of the Subsidiary Interests or Shares, as applicable, shall take place on the 45th business day after the Consents Receipt Date (as defined in Section 5 below). At the closing, (i) NCRI or the NCRI Subs, as

applicable, shall transfer the Shares or the Subsidiary Interests, as applicable, by delivery of the certificates evidencing the Shares along with stock powers duly endorsed or in blank or Assignment Instruments, as applicable, and (ii) NCP shall pay or cause to be paid the NCRI Interest Purchase Price by wire transfer of immediately available funds to an account designated by NCRI.

(c) Notwithstanding the provisions of this Section 1B, the NCP Repurchase Right granted to NCP hereunder shall immediately and forever terminate, without further action by any party hereto, (i) should NCP, having provided an NCP Repurchase Notice, default in its obligation to pay or cause to be paid the NCRI Interest Purchase Price at the scheduled closing or (ii) in the event of a sale of the Shares or Subsidiary Interests pursuant to Section 3(c) hereof.

2. Restrictions on NCP Transfers.

(a) NCP may Transfer the Syracuse Interest, in whole

but not in part, only in accordance with the provisions of this Section 2.

(b) If NCP desires to Transfer the Syracuse Interest, NCP shall first offer to sell the same to Syracuse by delivering a written notice thereof (the "First Offer Notice") to Syracuse which shall state the proposed purchase price (the "Offer Price"). Syracuse shall have the exclusive right to accept such offer on or before the 30th day following its receipt of the First Offer Notice (the "Expiration Date"), by providing an irrevocable notice of acceptance thereof to NCP ("Acceptance Notice"). If Syracuse so accepts, the closing of the purchase

and sale of the Syracuse Interest shall occur on the 15th business day following the Consent Receipts Date. At the closing, (i) NCP shall Transfer to Syracuse or its designee all of its right, title and interest in and to the Syracuse Interest, such Transfer to be made pursuant to Assignment Instruments, (ii) Syracuse shall pay or cause to be paid the Offer Price to an account designated by NCP by wire transfer of immediately available funds, and (iii) Syracuse or its designee shall assume all obligations of NCP under the Management Agreements pursuant to an Assumption Agreement.

(c) If Syracuse shall not have provided an Acceptance

Notice to NCP on or before the Expiration Date (or if Syracuse shall have previously declined to exercise such right), then NCP shall have 270 days from the Expiration Date (or such necessary longer period, if any, pending any necessary approval by any governmental or regulatory authority having jurisdiction being sought in good faith by appropriate proceedings promptly initiated and diligently conducted) (the "Offer Period") within which to consummate the Transfer of the Syracuse Interest, at a price equal to or greater than the product of (i) .90 and (ii) the Offer Price. If no such sale occurs within the Offer Period, the Syracuse Interest shall again be subject to all of the restrictions on Transfer set forth in this Section 2.

(d) Notwithstanding the provisions of this Section 2, the restrictions in this Section 2 on NCP's right to Transfer the Syracuse Interest shall immediately and forever terminate (i) should Syracuse, having provided an Acceptance Notice, default in its obligation to pay or cause to be paid the Offer Price at the

scheduled closing or (ii) if earlier, following a Transfer of the Syracuse Interest by NCP pursuant to Section 2(c) hereof.

3. Restrictions on NCRI Transfers.

(a) NCRI may Transfer the Shares, and the NCRI Subs may Transfer the Subsidiary Interests, in whole but not in part,

only in accordance with the provisions of this Section 3.

(b) If NCRI desires to Transfer the Shares or if the NCRI Subs desire to Transfer the Subsidiary Interests, the transferor ("Transferor") shall first offer to sell the same to NCP by delivering to NCP a First Offer Notice which shall state the Offer Price. NCP shall have the exclusive right to accept such offer on or before the Expiration Date, by providing to the Transferor an Acceptance Notice. If NCP so accepts, the closing of the purchase and sale of the Shares or Subsidiary Interests, as applicable, shall occur on the 15th business day following the Consents Receipts Date. At the closing, (i) the Transferor shall Transfer to NCP or its designee all of its right, title and interest in and to the Shares or the Subsidiary Interests, as applicable, by delivery of the certificates evidencing the Shares along with stock powers duly endorsed or in blank or Assignment Instruments, as applicable, and (ii) NCP shall pay or cause to be paid the Offer Price by wire transfer of immediately available funds to an account designated by the Transferor.

(c) If NCP shall not have provided an Acceptance Notice to the Transferor on or before the Expiration Date (or if NCP shall have previously declined to exercise such right), then the Transferor shall have the Offer Period within which to consummate the Transfer of the Shares or Subsidiary Interests, as

applicable, at a price equal to or greater than the product of (i) .90 and (ii) the Offer Price. If no such sale occurs within the Offer Period, the Shares or Subsidiary Interests, as applicable, shall again be subject to all of the restrictions on Transfer set forth in this Section 3.

(d) Notwithstanding the provisions of this Section 3, the restrictions in this Section 3 on NCRI's and the NCRI Subs' right to Transfer the Shares and the Subsidiary Interests shall immediately and forever terminate (i) should NCP, having provided an Acceptance Notice, default in its obligation to pay or cause to be paid the Offer Price at the scheduled closing or (ii) if earlier, following a Transfer of the Shares or Subsidiary Interests, as applicable, pursuant to Section 3(c) hereof.

4A. Drag-Along Transfers.

(a) So long as NCP or a Permitted Assignee (as defined in Section 5(i) hereof) of NCP owns the Syracuse Interest, NCRI or the NCRI Subs, as applicable, shall have the right, in connection with a Transfer of the Shares or the Subsidiary Interests, to require NCP to sell the Syracuse Interest to the purchaser simultaneously with said Transfer (or, if later, the Consents Receipt Date), at a purchase price equal to the Syracuse Interest Purchase Price.

(b) So long as NCRI or a Permitted Assignee of NCRI owns the Shares, or so long as the NCRI Subs or a Permitted Assignee of the NCRI Subs owns the Subsidiary Interests, NCP

shall have the right, in connection with a Transfer of the Syracuse Interest, to require NCRI to sell the Shares or the NCRI Subs to sell the Subsidiary Interests (at NCP's sole discretion)

to the purchaser, simultaneously with said Transfer (or, if later, the Consents Receipt Date), at a purchase price equal to the NCRI Interest Purchase Price.

(c) The party requiring the sale under this Section 4A is herein referred to as the "Call Optionee", and the party (or parties) being required to sell is herein referred to as the "Call Seller". The Call Optionee may exercise its call right under Section 4A(a) or 4A(b) by providing notice thereof to the Call Seller not less than ten days prior to the closing of the related Transfer, such notice to be irrevocable (unless the underlying Transfer fails to close). At the closing, the Call Optionee shall pay or cause to be paid the applicable purchase price to the Call Seller by wire transfer of immediately available funds to an account designated by the Call Seller, and the parties shall execute and deliver such Assignment Instruments, an Assumption Agreement, and/or stock powers, as applicable, and such legal opinions and certificates as are reasonably requested, necessary to effect such Transfer.

4B. Tag-Along Transfers.

(a) Subject to the limitation in paragraph (c) below, NCP shall have the right in connection with a Transfer of the Shares or Subsidiary Interests by NCRI or the NCRI Subs, as applicable, to require the transferor to use all reasonable efforts to cause the buyer to also agree to purchase the Syracuse Interest from NCP, simultaneously with said Transfer (or, if later, the Consents Receipt Date), at a purchase price equal to the Syracuse Interest Purchase Price.

(b) Subject to the limitation in paragraph (c) below, Syracuse shall have the right, in connection with a Transfer of the Syracuse Interest by NCP, to require NCP to use all reasonable efforts to cause the buyer to also agree to purchase the Subsidiary Interests from Syracuse and Investment (or, in such buyer's sole discretion, the Shares from NCRI), simultaneously with said Transfer (or, if later, the Consents Receipt Date), at a purchase price equal to the NCRI Interest Purchase Price.

(c) The party requiring the sale under this Section 4B is referred to herein as the "Tag-Along Party", and the interests and other rights to be sold by the Tag-Along Party are referred to herein as the "Tag-Along Interest." The Tag-Along Party may

exercise a tag-along right under Section 4B(a) or 4B(b) only if (i) the underlying Transfer was subject to the first offer restriction provided in Section 2 or 3, as applicable, and the Tag-Along Party declined to exercise such right of first offer, and (ii) on or before the Expiration Date relating to such right of first offer, the Tag-Along Party provided notice of its exercise of the tag-along right to the transferor, such notice to be irrevocable (unless the underlying Transfer fails to close).

(d) Assuming the transferor has, with the exercise of reasonable efforts, caused the buyer to agree to purchase the Tag-Along Interest, at the closing the buyer shall pay the applicable purchase price to the Tag-Along Party by wire transfer of immediately available funds to an account designated by the Tag-Along Party, and the parties shall execute and deliver such Assignment Instruments, an Assumption Agreement and/or stock

powers, as applicable, and such legal opinions and certificates as are reasonably requested, necessary to effect such Transfer.

5. Certain Closing Procedures.

(a) The closing for any Transfer under Sections 1 through 4 hereof shall take place at 10:00 a.m. at the offices of NCP's counsel in New York, New York or at such other time and location as the parties may agree.

(b) With respect to any Transfer of a partnership interest in SOP or POA, the parties shall (i) execute and deliver such additional documentation, if any, in form and substance reasonably acceptable to them, as is required by the applicable partnership agreement to effect such transfer and any related substitution of partners or as may be reasonably requested by the parties; and (ii) exercise good faith reasonable efforts to obtain any and all required consents of third parties (including from project lenders or partners in SOP or POA) and governmental authorizations necessary to effect the Transfer.

(c) As used herein, "Consents Receipt Date" means, with respect to a Transfer, the first date on which any and all necessary third party consents (including of project lenders and partners in SOP and POA) and governmental authorizations (including of the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935) required to effect such Transfer have been received, granted or obtained. The party exercising a right hereunder to Transfer or require a Transfer shall be responsible at its sole cost and expense for obtaining any such third party consents and governmental authorizations,

provided that the other parties shall cooperate and assist such

party in all reasonable respects.

6. Representations and Warranties.

(a) NCRI, Investment and Syracuse each hereby represents and warrants to NCP, and NCP hereby represents and warrants to NCRI, Investment and Syracuse, as follows:

(i) This Agreement has been duly authorized, executed and delivered by it and constitutes its valid and legally binding obligation, enforceable in accordance with its terms.

(ii) The execution, delivery and performance of this Agreement by it are not prohibited by, do not violate or conflict with any provision of, or result in a default (or constitute an event which with notice or lapse of time or both, would become a default) under:

(A) Its Certificate of Incorporation or by-laws;

(B) Any order, decree or judgment of any court, governmental authority or arbitrative body (which in the case of NCP, is issued after June 13, 1994) to which it or its assets is bound or subject;

(C) Any law or regulation applicable to it (except in the case of NCP, subject to receipt of the orders referred to in clause (iii) below); or

(D) Except as set forth on Exhibit D hereto,

any contract, agreement or other instrument (which in the case of NCP, is entered into after June 13,

1994) to which it is a party or by which its assets are bound or subject.

(iii) No consent, approval or authorization of or filing of any certificate, notice, application, report or other document with, any governmental authority is required on its part in connection with the valid execution and delivery of this Agreement by it or the performance by it of its obligations hereunder (other than, in the case of NCP, such orders as may be required of the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935).

(b) Additional Representations of NCRI. NCRI hereby represents and warrants to NCP that NCRI is the sole record and beneficial owner of the Shares, free and clear of all liens, security interests, claims, pledges, charges or other encumbrances whatsoever ("Encumbrances"), and, subject to receipt of the consents listed in Exhibit D, has the absolute right, power and capacity to Transfer, and if and when required by this Agreement to do so, will Transfer, the Shares pursuant to the terms hereof free and clear of any Encumbrances whatsoever.

(c) Additional Representations of Investment. Investment hereby represents and warrants to NCP as follows:

(i) Investment has been formed for the sole purpose of holding limited and general partnership interests in SOP; it is not engaged in any other business; and, following consummation of the sale of the 4.9% Interest, it will have (A) no assets other than the Investment Interests or (B) any liabilities or

obligations other than those created by, and is not a party to any contract or other agreement other than, this Agreement or as set forth in Exhibit F hereto.

(ii) Except as set forth in Exhibit E hereto, Investment is the sole record and beneficial owner of the Investment Interests, free and clear of all Encumbrances whatsoever, and, subject to receipt of the consents listed in Exhibit D, has the absolute right, power and capacity to Transfer, and if and when required by this Agreement to do so, will Transfer, the Investment Interests pursuant to the terms hereof free and clear of any Encumbrances whatsoever.

(d) Additional Representations of Syracuse. Syracuse hereby represents and warrants to NCP as follows:

(i) Syracuse has been formed for the sole purpose of holding the Syracuse GP Interests; it is not engaged in any other business; and, it has no (A) assets other than the Syracuse GP Interests or (B) any liabilities or obligations other than those created by, and is not a party to any contract or other agreement other than, this Agreement, or as set forth in Exhibit F hereto.

(ii) Except as set forth in Exhibit E hereto, Syracuse is the sole record and beneficial owner of the Syracuse GP Interests, free and clear of all Encumbrances whatsoever, and, subject to receipt of the consents listed in Exhibit D, has the absolute right, power and capacity to Transfer, and if and when required by this Agreement to do so, will Transfer, the

Syracuse GP Interests pursuant to the terms hereof free and clear of any Encumbrances whatsoever.

(e) Additional Representations of NCP. NCP hereby represents and warrants to the other parties hereto as follows:

(i) Except as set forth in Exhibit E hereto, NCP has not created any Encumbrances with respect to its rights under the Management Agreement and, subject to receipt of the consents listed in Exhibit D and the

orders referred to in Section 6(a)(iii), has the absolute right, power and capacity to Transfer such rights, and if and when required by this Agreement to do so, will Transfer such rights pursuant to the terms hereof free and clear of any such Encumbrances whatsoever.

(ii) Except as set forth in Exhibit E hereto, NCP is the sole owner of the Distribution Note and the 4.9% Interest free and clear of any Encumbrances whatsoever, and, subject to receipt of the consents listed in Exhibit D and the orders referred to in Section 6(a)(iii), has the absolute right, power and capacity to Transfer, and if and when required by this Agreement to do so, will Transfer the same pursuant to the terms hereof free and clear of any Encumbrances whatsoever.

7. Covenants of NCRI. NCRI shall cause:

(i) the NCRI Subs to maintain their existence as corporations in good standing under Delaware law, and not to:

(a) merge or consolidate, or sell or otherwise transfer the Syracuse GP Interests or the Investment

Interests (except pursuant to the terms hereof), or issue any instruments convertible into or exercisable

for the same; or

(b) engage in any business other than holding the Syracuse GP Interests and the Investment Interests, as applicable; or

(c) create or suffer to exist any Encumbrance on the Syracuse GP Interests or the Investment Interests; and

(ii) Syracuse to comply with its obligations under Section 1A(c)(ii) hereof and Section 2.03 of that certain Management Agreement for Project Orange Associates, L.P., dated as of the date hereof, between Syracuse and NCP.

8. Notices.

All notices, requests, demands and other communications hereunder shall be in writing and shall be personally delivered or sent by facsimile transmission with confirming copy sent by overnight courier (such as Express mail, Federal Express, etc.) and a delivery receipt obtained and addressed to the intended recipient as follows:

(a) If to NCRI, Syracuse or Investment:

c/o Norcen Energy Resources Limited
715 Fifth Avenue, S.W.
Calgary, Alberta, T2P 2X7
Telecopy: (403) 231-0111
Attn: Vice President - Legal

with a copy to:

McDermott, Will & Emery
227 West Monroe Street
Chicago, IL 60606

Telecopy: (312) 984-7700
Attn: William McGrath

(b) If to NCP:
c/o Energy Initiatives, Inc.
One Upper Pond Road
Parsippany, New Jersey 07054
Telecopy: (201) 263-6977
Attn: Bruce L. Levy

with a copy to:

Berlack, Israels & Liberman
120 West 45th Street
New York, New York 10036
Telecopy: (201) 704-0196
Attn: Douglas E. Davidson, Esq.

Any party may change its address for receiving notice by giving written notice to the others named above. All such notices shall be given as provided above, and shall be effective immediately upon confirmation of facsimile or completion of personal delivery.

9. Miscellaneous.

(a) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

(b) Applicable Law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New York. Should any provision of this Agreement

be determined to be invalid, void or unenforceable by a court of competent jurisdiction for any reason, the remaining provisions shall remain in full force and effect. The parties consent to the non-exclusive jurisdiction of the New York federal and state courts with respect to disputes arising under this Agreement.

(c) Headings. The section and other headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(d) Construction. This Agreement has been negotiated by the parties, and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision hereof against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

(e) Currency. All references herein to dollars are to United States dollars.

(f) Further Assurances. At the request of a party, the other parties hereto shall promptly execute and deliver all such documents and instruments, and take such other action, as such party may reasonably request in order to carry out the terms

and provisions of this Agreement.

(g) Amendment and Waiver. No amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the parties hereto, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(h) Survival. The representations and warranties of the parties hereto shall survive any Transfer effected pursuant hereto.

(i) Assignment. No party hereto may assign any of its rights hereunder to any person other than a Permitted Assignee

without the prior consent of the other parties hereto. As used herein, "Permitted Assignee" means, (i) in the case of NCRI, Investment and Syracuse, any direct or indirect wholly owned United States subsidiary of Norcen Energy Resources Limited which (in the case of NCRI) succeeds to NCRI's business; and (ii) in the case of NCP, any direct or indirect wholly owned subsidiary of General Public Utilities Corporation or Energy Initiatives, Inc. Prior to the effectiveness of any assignment to a Permitted Assignee, the assignee shall become a party to this Agreement and expressly assume the obligations of the assignor pursuant to a

written instrument delivered to all parties hereto. Notwithstanding anything to the contrary contained herein, the restrictions on Transfer in Sections 2 and 3 hereof, and the right to require a Transfer pursuant to Section 4 hereof, shall not apply with respect to Transfers of the Shares, Subsidiary Interests and Syracuse Interest to a Permitted Assignee of the transferor who has become a party to this Agreement in accordance with the immediately preceding sentence.

(j) Transfer Taxes. With respect to any Transfer made pursuant to the terms hereof, the seller in all cases shall be required to pay any and all stock transfer, sales, real property transfer and gains, and other similar taxes applicable thereto.

(k) SOP Undertaking. NCRI, Investment and NCP agree that in the event that (i) all obligations under the Note and Assignment Agreement have been discharged in full and (ii) SOP has not theretofore terminated, they will use good faith and reasonable efforts to implement a transaction (without any

additional payment by NCP) to provide NCP with the benefit of any future distributions in respect of Investment's limited partner interest in SOP, which transaction (A) shall be reflected by documentation reasonably acceptable to such parties and (B) shall

not result in a substantial tax cost to NCRI (compared with the tax effect of the Note and Assignment Agreement).

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed on the date first written above.

SYRACUSE INVESTMENT, INC.

By: _____
Name:
Title:

NCP ENERGY, INC.

By:
_____
Name:
Title:

NCP SYRACUSE, INC.

By: _____
Name:
Title:

NORTH CANADIAN RESOURCES, INC.

By:
_____
Name:
Title:

[Purchase Options Agreement]

Exhibit A

Certain Purchase Price Terms

1. "Syracuse Interest Purchase Price" means [see 1A(a)]

2. "NCRI Interest Purchase Price" means [see 1B(a)]

3. In the event the Repurchase Right is exercised in accordance with Section 1A(c) following a termination of the Management Agreements, the Syracuse Interest Purchase Price shall be adjusted as follows:

[Purchase Options Agreement]

Exhibit B

Form of Assignment Instruments

[Purchase Options Agreement]

Exhibit C

Form of Assumption Agreement

Exhibit D

Consents

All parties: Such consents as may be required for any Transfer contemplated herein under: (i) the project financing agreements for POA; (ii) the partnership agreements for POA and SOP, and (iii) those certain letters each dated on or about the date hereof and addressed to Metlife Capital Corporation from North Canadian Oils Limited, Syracuse and NCP.

[Purchase Options Agreement]

Exhibit E

Title/Encumbrances

1. Syracuse has pledged its partnership interest in POA to the POA project lenders pursuant to a Pledge and Security Agreement dated as of April 5, 1991.

2. Investment has pledged its limited partnership interest in SOP to NCP pursuant to a Security Agreement dated as of January 1, 1995.

3. As contemplated by the Assignment Agreement, the Note is being held in escrow pending receipt of an appropriate order of the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935.

4. Syracuse has pledged all of its rights to receive management fees from POA to the POA project lenders pursuant to the above-referenced Pledge and Security Agreement. Pursuant to the Management Agreement for POA, Syracuse has assigned such

fees to NCP, subject to such pledge.

[Purchase Options Agreement]

Exhibit F

Contracts

Investment and Syracuse: All contracts to which Investment or Syracuse, as applicable, is a party as set forth in Schedule A to that certain Second Amendment to Stock Purchase and Sale Agreement, dated the date hereof, by and among NCO, NCRI, and Energy Initiatives, Inc.

Syracuse:	1. Partnership agreements for SOP and POA.
	2. Syracuse Letter to MetLife Capital Corporation dated January 1, 1995.
	3. Syracuse Letter to NCP, related to litigation commenced by Adam Victor et.al, dated January 1, 1995.
Investment:	1. Partnership Agreement for SOP.

Exhibit B-5(g)

MANAGEMENT AGREEMENT
FOR
PROJECT ORANGE ASSOCIATES, L.P.

This MANAGEMENT AGREEMENT FOR PROJECT ORANGE ASSOCIATES, L.P. ("Agreement"), dated as of the 1st day of January, 1995, by and between NCP Energy, Inc., a California corporation ("NCP"), and NCP Syracuse, Inc., a Delaware corporation ("GP").

W I T N E S S E T H:

WHEREAS, Project Orange Associates, L.P., a Delaware limited partnership ("POA"), owns and operates a gas-fired cogeneration facility (the "Facility") located near Syracuse University in Syracuse, New York;

WHEREAS, GP is a general partner and the Managing General Partner (as defined below) of POA;

WHEREAS, concurrently with the execution and delivery of this Agreement, NCP is acquiring a limited partner and certain other economic interests in Syracuse Orange Partners, L.P., which, in turn, is a limited partner of POA;

WHEREAS, GP desires to contract with NCP to perform the services required to be provided by GP as the managing general partner ("Managing General Partner") of POA under that certain Second Amended and Restated Agreement of Limited Partnership of Project Orange Associates, L.P., dated as of December 16, 1992, by and among G.A.S. Orange Partners, L.P., Syracuse Orange Partners, L.P. and NCP Syracuse, Inc. (said agreement, as amended from time to time, the "Partnership Agreement"); and

WHEREAS, NCP desires to perform such services for GP and on behalf of GP for POA.

NOW, THEREFORE, in consideration of the mutual

covenants herein contained and intending to be legally bound, the parties hereto agree as follows:

Article 1 - Retention of NCP to Perform the Services.

1.01 Beginning on the date hereof and continuing until the end of the Term hereof (determined and defined as set forth below), NCP shall provide to POA on behalf of GP, all of the services required of GP as the Managing General Partner of POA under the Partnership Agreement as in effect on the date hereof, notwithstanding any amendment or revision thereof (the "Services"), includ-

ing, but not limited to, the services set forth in Schedule 1 attached hereto.

1.02 In consideration for the Services, GP shall pay to NCP all fees, reimbursements and payments (collectively, the "Fees") payable to GP for or in connection with the performance of the obligations of GP as Managing General Partner in accordance with the terms and conditions of the Partnership Agreement as in effect on the date hereof, notwithstanding any amendment or revision thereof, provided, however, that if and to the extent that GP incurs costs and expenses in connection with the performance by GP of such of its obligations as Managing General Partner which may not be performed by NCP under the Partnership Agreement, as in effect on the date hereof, or this Agreement, or the exercise of such of its rights as Managing General Partner which may not be exercised by NCP under the Partnership Agreement, as in effect on the date hereof, or this Agreement, and for which GP is entitled to reimbursement or payment under the Partnership Agreement, GP shall not be obligated to pay to NCP the amount of such reimbursement or payment and the amount thereof shall be excluded from the Fees.

1.03 Subject to any security interest, assignment, pledge or other right granted by POA or GP in the Fees to secure POA's performance of its obligations under that certain Financing Agreement, dated as of April 5, 1991, by and among POA, City of Syracuse Industrial Development Agency, ABN AMRO Bank, N.V. (successor to

Algemene Bank Nederland N.V., Cayman Islands Branch) as Agent for the Banks party thereto, and the Banks party thereto, as amended (the "Financing Agreement") and any restrictions on payment of the Fees set forth in the Partnership Agreement, as in effect on the date hereof, or the Financing Agreement, GP hereby assigns to NCP all of its right, title and interest in and to the Fees and, to the extent not inconsistent with the Partnership Agreement, consents to and shall direct the payment of such fees, reimbursements and payments directly to NCP by POA. GP hereby covenants and agrees that it will not permit POA to reduce the amount of the Fees from the amount payable on the date hereof.

1.04 NCP shall be subject to the limitations, restrictions and requirements to obtain consents and approvals from the partners of POA in the performance of the Services to the same extent as GP would be subject to such limitations, restrictions and requirements in the performance of its duties as Managing General Partner of POA.

1.05 It is expressly understood and agreed that the parties to this Agreement do not intend, and this

Agreement shall not be deemed, to delegate or grant to NCP any authority whatever to exercise any of GP's rights under the Partnership Agreement as the Managing General Partner or a general partner of POA, including, without limitation, any voting, approval or consent rights respecting any matter. GP shall for all purposes be and remain a general partner and the Managing General Partner of POA.

Article 2 - Term

2.01 The term ("Term") of this Agreement shall commence on the date first above written and shall terminate on the earliest to occur of:

(a) the dissolution or other termination of POA;

(b) the withdrawal or removal of GP as a general

partner or the Managing General Partner of POA pursuant to the Partnership Agreement;

(c) at the option of the non-breaching party, the occurrence of an Event of Default, as defined below; and

(d) 180 days after the receipt by NCP of written notice from GP that this Agreement shall terminate.

2.02 NCP may terminate this Agreement at its option in the event the amounts payable to NCP hereunder are materially reduced, for example, but without limitation, as a result of an inability of the Partnership to pay the Fees due to a default under the Financing Agreement.

2.03 GP shall pay to NCP the Buyout Amount, defined and calculated as set forth in Schedule 2 hereto, upon the termination of this Agreement due to:

(a) a dissolution or other termination of POA at the election of GP and/or any affiliate or affiliates of GP;

(b) the dissolution or other termination of POA as a result of a material breach by GP of the Partnership Agreement or the gross negligence or willful misconduct of GP;

(c) the withdrawal of GP as a general partner or the Managing General Partner of POA, or the removal of GP as a General Partner or the Managing General Partner of POA as a result of the material breach by GP of the Partnership Agreement or the

gross negligence, willful misconduct or breach of fiduciary duty by GP;

(d) an Event of Default arising out of a material breach of this Agreement by GP; or

(e) the termination of this Agreement under

Section 2.02, above, as a result of a material reduction in the amounts payable to NCP hereunder or at the election of GP and/or any affiliate or affiliates of GP.

2.04 "Event of Default" shall mean a material breach of this Agreement which shall remain uncured after written notice of such breach has been received by the breaching party and a reasonable time to cure such breach, in any event not less than 90 days, has expired.

Article 3 - Liability; Indemnification

3.01 NCP shall perform its obligations hereunder with the same degree of care as would be required of GP by POA under the Partnership Agreement as in effect on the date hereof.

3.02 Neither NCP, any of its officers, directors or employees nor any of its affiliates or their officers, directors or employees, shall have any liability hereunder, including, but not limited to, liability for any loss, cost or expense suffered by POA, which arises out of any act or failure to act of NCP if NCP, in good faith, determined that its course of conduct was in the best interests of POA (and, in the case of any affirmative action taken on behalf of POA, reasonably believed such action to be within the scope of the authority granted to GP under the Partnership Agreement) and such action or inaction does not constitute gross negligence or willful misconduct or does not cause GP to breach its fiduciary duty to POA or to materially breach the Partnership Agreement, as in effect on the date hereof.

3.03 Notwithstanding anything to the contrary set forth herein, this Agreement shall not impose on NCP any fiduciary duty to POA or any partner of POA.

3.04 NCP shall not enter into any contract, arrangement, agreement or other transaction on behalf of POA with any affiliate of NCP, or cause POA to lend or borrow money to or from any such affiliate, without the prior written consent of GP.

3.05 GP shall indemnify, defend and hold NCP harmless from and against any liability, loss or expense, including without limitation, reasonable attorneys' fees, litigation costs, settlement amounts and judgments, incurred for any act or omission of GP, unless such act or omission is the direct result of the gross negligence or willful misconduct of NCP or a breach of this Agreement by NCP which directly causes GP to breach its fiduciary duty to POA or to materially breach the Partnership Agreement as in effect on the date hereof.

3.06 GP shall indemnify, defend and hold NCP harmless from and against any liability, loss or expense, including without limitation, reasonable attorneys' fees, litigation costs, settlement amounts and judgments, incurred by NCP for any act or omission of NCP performed or omitted by NCP in good faith and reasonably believed by NCP to be within the scope of the authority granted to GP under the Partnership Agreement and in the best interests of POA, unless such act or omission constitutes gross negligence or willful misconduct or causes GP to breach its fiduciary duty to POA or to materially breach the Partnership Agreement, as in effect on the date hereof.

3.07 Subject to any security interest, assignment, pledge or other right granted by POA or GP to secure POA's obligations under the Financing Agreement or any restrictions on the right to receive indemnification set forth in the Partnership Agreement as in effect on the date hereof or the Financing Agreement, GP hereby assigns to NCP all of GP's right, title and interest in and to any and all payments GP shall become entitled to receive in respect of its rights under the Partnership Agreement to be indemnified against claims, losses, suits, expenses, costs and liabilities, to the extent any such losses, suits, expenses, costs or liabilities are suffered or incurred by NCP. GP shall fully exercise its rights to be indemnified by POA for the benefit of NCP and shall cooperate with NCP in the enforcement of such rights.

3.08 NCP shall indemnify, defend and hold GP harmless from and against any liability, loss or expense, including without limitation, reasonable attorneys'

fees, litigation costs, settlement amounts and judgments, incurred by GP for any act or omission of NCP constituting gross negligence or willful misconduct or which causes GP to breach its fiduciary duty to POA or to materially breach the Partnership Agreement, as in effect on the date hereof.

3.09 NCP shall have no liability hereunder for any special, indirect or consequential damages arising out

of any act or omission to act including, but not limited to, any loss, cost or expense suffered by POA, any reduction of distributions made by POA or any reduction in the capital account of any partner of POA, notwithstanding the assertion of any claim for such damages based upon this Agreement, contract, tort (including negligence), strict liability, breach of fiduciary duty or any other theory of law or equity, except if and to the extent such damages are proximately caused by the gross negligence or willful misconduct of NCP or a breach of this Agreement which directly causes GP to breach its fiduciary duty to POA or to materially breach the Partnership Agreement as in effect on the date hereof.

Article 4 - Appointment of NCP as Attorney-in-Fact.

4.01 GP does hereby irrevocably constitute and appoint NCP, for the duration of the Term, its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead to make, execute, sign, acknowledge, swear to, deliver, file and record at the appropriate public offices, such contracts, certificates, applications, and other documents and instruments, and any amendments thereto, as may be necessary or appropriate in the performance of this Agreement by NCP.

4.02 Notwithstanding the provisions of Section 4.01, above, NCP shall not execute any amendment of a Project Document, as defined in the Financing Agreement, unless GP shall have approved such amendment in writing. For purposes hereof, in the event GP fails to respond to a

request made by NCP for GP's approval of a proposed amendment of a Project Document, which includes the form of such amendment, within 10 business days of GP's receipt of such request GP, shall be deemed to have approved such amendment as required hereby.

Article 5 - Assignment.

5.01 Neither party hereto may assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party, which shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, NCP may assign this Agreement to any wholly-owned direct or indirect subsidiary of Energy Initiatives, Inc., a Delaware corporation, with or without the consent of GP. Any assignment or attempted assignment of this Agreement not in conformity with this Article 5 shall be void ab initio.

5.02 Upon the assignment of this Agreement as permitted hereby and the assumption by the assignee of all of assignor's obligations and liabilities hereunder, the assignor shall have no further obligations or liabilities hereunder.

Article 6 - Miscellaneous.

6.01 This Agreement is entered into solely for the benefit of GP and NCP. Neither party hereto intends that this Agreement inure to the benefit of any party other than the parties signatory hereto. No party other than the parties signatory hereto shall have any rights hereunder or any right to enforce this Agreement on behalf of either party hereto.

6.02 All notices, requests, demands and other communications hereunder shall be in writing and shall be personally delivered or sent by facsimile transmission with confirming copy sent by overnight courier (such as Express mail, Federal Express, etc.)

and a delivery receipt obtained and addressed to the intended recipient as follows:

(a) If to GP:

NCP Syracuse, Inc.
c/o Norcen Energy Resources Limited
715- 5th Ave S.W.
Calgary, Alberta T2P2X7
Attention: Vice President, Legal

with a copy to:

McDermott, Will & Emery
227 West Monroe
Chicago, IL 60606
Attention: William McGrath

(b) If to NCP:

NCP Energy, Inc.
c/o Energy Initiatives, Inc.
One Upper Pond Road
Parsippany, NJ 07054

Attention: President

with a copy to:

Berlack, Israels & Liberman
120 West 45th Street
New York, NY 10036
Attention: Douglas E. Davidson

Any party may change its address for receiving notice by giving written notice to the others named above. All such notices shall be given as provided above, and shall be effective immediately upon confirmation of facsimile or completion personal delivery.

6.03 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute

one and the same Agreement.

6.04 This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New York. Should any provision of this Agreement be determined to be invalid, void or unenforceable by a court of competent jurisdiction for any reason, the remaining provisions shall remain in full force and effect. The parties consent to the non-exclusive jurisdiction of the New York federal and state courts with respect to disputes arising under this Agreement.

6.05 The section and other headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

6.06 This Agreement has been negotiated by the parties, and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision hereof against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

6.07 No amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the parties hereto, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

IN WITNESS WHEREOF, each of the parties have caused this Agreement to be duly executed on the date first written above.

NCP SYRACUSE, INC.

By:_____
Name:
Title:

NCP ENERGY, INC.

By:_____
Name:
Title:

Schedule 1

Schedule 2

Buyout Amount

MANAGEMENT AGREEMENT
FOR
SYRACUSE ORANGE PARTNERS, L.P.

This MANAGEMENT AGREEMENT FOR SYRACUSE ORANGE PARTNERS, L.P. ("Agreement"), dated as of the 1st day of January, 1995, by

and between NCP Energy, Inc., a California corporation ("NCP"), and NCP Syracuse, Inc., a Delaware corporation ("GP").

W I T N E S S E T H:

WHEREAS, Syracuse Orange Partners, L.P. ("SOP") is a Delaware limited partnership and is a limited partner in Project Orange Associates, L.P., a Delaware limited partnership which owns and operates a gas-fired cogeneration facility (the "Facility") located near Syracuse University in Syracuse, New York;

WHEREAS, GP is a general partner and the Managing General Partner (as defined below) of SOP;

WHEREAS, concurrently with the execution and delivery of this Agreement, NCP is acquiring a limited partner and certain other economic interests in SOP;

WHEREAS, GP desires to contract with NCP to perform the services required to be provided by GP as the managing general partner ("Managing General Partner") of SOP under that certain First Amended and Restated Agreement of Limited Partnership of Syracuse Orange Partners, L.P. a Delaware Limited Partnership, dated as of December 16, 1992, by and among GP, Syracuse Investment, Inc., MetLife Capital Corporation and Stewart and Stevenson Services, Inc. (said agreement, as amended from time to time, the "Partnership Agreement"); and

WHEREAS, NCP desires to perform such services for GP and on behalf of GP for SOP.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound, the parties hereto agree as follows:

Article 1 - Retention of NCP to Perform the Services.

1.01 Beginning on the date hereof and continuing until the end of the Term hereof (determined and defined as

set forth below), NCP shall provide to GP and to SOP on

behalf of GP, all of the services required of GP as the Managing General Partner of SOP under the Partnership Agreement as in effect on the date hereof, notwithstanding any amendment or revision thereof (the "Services").

1.02 In consideration for the Services, GP shall pay to NCP all reimbursements and payments (collectively, the "Payments") payable to GP for or in connection with the performance of the obligations of GP as Managing General Partner in accordance with the terms and conditions of the Partnership Agreement as in effect on the date hereof, notwithstanding any amendment or revision thereof, provided, however, that if and to the extent that GP incurs costs and expenses in connection with the performance by GP of such of its obligations as Managing General Partner which may not be performed by NCP under the Partnership Agreement, as in effect on the date hereof, or this Agreement, or the exercise of such of its rights as Managing General Partner which may not be exercised by NCP under the Partnership Agreement, as in effect on the date hereof, or this Agreement, and for which GP is entitled to reimbursement or payment under the Partnership Agreement, GP shall not be obligated to pay to NCP the amount of such reimbursement or payment and the amount thereof shall be excluded from the Payments.

1.03 GP hereby assigns to NCP all of its right, title and interest in and to the Payments, consents to the payment by SOP of such reimbursements and payments directly to NCP and directs that SOP make such payments directly to NCP. GP hereby covenants and agrees that it will not permit SOP to reduce the amount of the Payments from the amount payable on the date hereof.

1.04 NCP shall be subject to the limitations, restrictions and requirements to obtain consents and approvals from the partners of SOP in the performance of the Services to the same extent as GP would be subject to such limitations, restrictions and requirements in the performance of its duties as Managing General Partner of SOP.

1.05 It is expressly understood and agreed that the parties to this Agreement do not intend, and this Agreement shall not be deemed, to delegate or grant to NCP any authority whatever to exercise any of GP's rights under the Partnership Agreement as the Managing General Partner or a general partner of SOP, including, without limitation, any voting, approval of consent

rights respecting any matter. GP shall for all purposes be and remain a general partner and the Managing General Partner of SOP.

Article 2 - Term

2.01 The term ("Term") of this Agreement shall commence on the date first above written and shall expire on the earliest to occur of:

(a) the dissolution or other termination of SOP;

(b) the withdrawal or removal of GP as a general partner of SOP pursuant to the Partnership Agreement;

(c) the occurrence of an Event of Default, as defined below;

(d) the receipt by NCP of written notice from GP that this Agreement shall terminate not earlier than 180 days after delivery of such notice, or

(e) the termination of that certain Management Agreement for Project Orange Associates, L.P., of even date herewith, by and between GP and NCP.

2.03 NCP may terminate this Agreement at its option in the event the amounts payable to NCP hereunder are materially reduced.

2.04 "Event of Default" shall mean a material breach of this Agreement by NCP which shall remain uncured after written notice of such breach has been received by NCP and a reasonable time to cure such breach, in any event not less than 90 days, has expired.

Article 3 - Liability; Indemnification

3.01 NCP shall perform its obligations hereunder with the same degree of care as would be required of GP by SOP under the Partnership Agreement as in effect on the

date hereof.

3.02 Neither NCP, any of its officers, directors or employees nor any of its affiliates or their officers, directors or employees, shall have any liability hereunder, including, but not limited to, liability for any loss, cost or expense suffered by SOP, which arises out of any act or failure to act of NCP if NCP, in good faith, determined that its course of conduct was in the best interests of SOP (and, in the case of any affirmative action taken on behalf of SOP, reasonably believed such action to be within the scope of the authority granted to GP under the Partnership Agreement) and such action or inaction does not constitute gross negligence or willful misconduct or

does not cause GP to breach its fiduciary duty to SOP or to materially breach the Partnership Agreement as in effect on the date hereof.

3.03 Notwithstanding anything to the contrary set forth herein, this Agreement shall not impose on NCP any fiduciary duty to SOP or any partner of SOP.

3.04 NCP shall not enter into any contract, arrangement, agreement or other transaction on behalf of SOP with any affiliate of NCP, or cause SOP to lend or borrow money to or from any such affiliate, without the prior written consent of GP.

3.05 GP shall indemnify, defend and hold NCP harmless from and against any liability, loss or expense, including without limitation, reasonable attorneys' fees, litigation costs, settlement amounts and judgments, incurred for any act or omission of GP, unless such act or omission is the direct result of the gross negligence or willful misconduct of NCP or a breach of this Agreement by NCP which directly causes GP to breach its fiduciary duty to POA or to materially breach the Partnership Agreement as in effect on the date hereof.

3.06 GP shall indemnify, defend and hold NCP harmless from and against any liability, loss or expense,

including without limitation, reasonable attorneys' fees, litigation costs, settlement amounts and judgments, incurred by NCP for any act or omission of NCP performed or omitted by NCP in good faith and reasonably believed by NCP to be within the scope of the authority granted to NCP under the Partnership Agreement and in the best interests of SOP, unless such act or omission constitutes gross negligence or willful misconduct or causes GP to breach its fiduciary duty to SOP or to materially breach the Partnership Agreement, as in effect on the date hereof.

3.07 GP hereby assigns to NCP all of GP's right, title and interest in and to any and all payments GP shall become entitled to receive in respect of its rights under the Partnership Agreement to be indemnified against claims, losses, suits, expenses, costs and liabilities, to the extent any such losses, suits, expenses, costs or liabilities are suffered or incurred by NCP. GP shall fully exercise its rights to be indemnified by SOP for the benefit of NCP and shall cooperate with NCP in the enforcement of such rights.

3.08 NCP shall indemnify, defend and hold GP harmless from and against any liability, loss or expense, including without limitation, reasonable attorneys' fees, litigation costs, settlement amounts and

judgments, incurred by GP for any act or omission of NCP constituting gross negligence or willful misconduct or which causes GP to breach its fiduciary duty to SOP or to materially breach the Partnership Agreement, as in effect on the date hereof.

3.09 NCP shall have no liability hereunder for any special, indirect or consequential damages arising out of any act or omission to act including, but not limited to, any loss, cost or expense suffered by SOP, any reduction of distributions made by SOP or any reduction in the capital account of any partner of SOP, notwithstanding the assertion of any claim for such damages based upon this Agreement, contract, tort (including negligence), strict liability, breach of fiduciary duty or any other theory of law or equity,

except if and to the extent any such damages are proximately caused by the gross negligence or willful misconduct of NCP or a breach of this Agreement which directly causes GP to breach its fiduciary obligation to SOP or to materially breach the Partnership Agreement, as in effect on the date hereof.

Article 4 - Appointment of NCP as Attorney-in-Fact.

4.01 GP does hereby irrevocably constitute and appoint NCP, for the duration of the Term, its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead to make, execute, sign, acknowledge, swear to, deliver, file and record at the appropriate public offices, such contracts, certificates, applications, and other documents and instruments, and any amendments thereto, as may be necessary or appropriate in the performance of this Agreement by NCP.

Article 5 - Assignment.

5.01 Neither party hereto may assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party, which shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, NCP may assign this agreement to any wholly-owned direct or indirect subsidiary of Energy Initiatives, Inc., a Delaware corporation, with or without the consent of GP. Any assignment or attempted assignment of this Agreement not in conformity with this Article 5 shall be void ab initio.

5.02 Upon the assignment of this Agreement as permitted hereby and the assumption by the assignee of all of assignor's obligations and liabilities hereunder, the assignor shall have no further obligations or liabilities hereunder.

Article 6 - Miscellaneous.

6.01 This Agreement is entered into solely for the

benefit of GP and NCP. Neither party hereto intends that this Agreement inure to the benefit of any party other than the parties signatory hereto. No party other than the parties signatory hereto shall have any rights hereunder or any right to enforce this Agreement on behalf of either party hereto.

6.02 All notices, requests, demands and other communications hereunder shall be in writing and shall be personally delivered or sent by facsimile transmission with confirming copy sent by overnight courier (such as Express mail, Federal Express, etc.) and a delivery receipt obtained and addressed to the intended recipient as follows:

(a) If to GP:

NCP Syracuse, Inc.
c/o Norcen Energy Resources Limited
715- 5th Ave S.W.
Calgary, Alberta T2P2X7
Attention: Vice President, Legal

with a copy to:

McDermott, Will & Emery
227 West Monroe
Chicago, IL 60606
Attention: William McGrath

(b) If to NCP:

NCP Energy, Inc.
c/o Energy Initiatives, Inc.
One Upper Pond Road
Parsippany, NJ 07054

Attention: President

with a copy to:

Berlack, Israels & Liberman
120 West 45th Street
New York, NY 10036
Attention: Douglas E. Davidson

Any party may change its address for receiving notice by giving written notice to the others named above. All such notices shall be given as provided above, and

shall be effective immediately upon confirmation of facsimile or completion personal delivery.

6.03 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

6.04 This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New York. Should any provision of this Agreement be determined to be invalid, void or unenforceable by a court of competent jurisdiction for any reason, the remaining provisions shall remain in full force and effect. The parties consent to the non-exclusive jurisdiction of the New York federal and state courts with respect to disputes arising under this Agreement.

6.05 The section and other headings contained in this Agreement are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

6.06 This Agreement has been negotiated by the parties, and their respective legal counsel, and legal or equitable principles that might require the construction of this Agreement or any provision hereof against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement.

6.07 No amendment or waiver of any provision of this Agreement shall be effective unless the same shall be in writing and signed by the parties hereto, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

IN WITNESS WHEREOF, each of the parties have caused this Agreement to be duly executed on the date first written above.

NCP SYRACUSE, INC.

By:_____
Name:
Title:

NCP ENERGY, INC.

By:_____
Name:
Title:

Exhibit B-16(a)

EXECUTION COPY

FIRST AMENDMENT TO
PASCO INTERESTS OPTION AGREEMENT

This First Amendment to Pasco Interests Option Agreement, dated January 1, 1995 (the "First Amendment"), by and among North Canadian Resources, Inc., a Delaware corporation ("NCRI"), Pasco Interest Holdings Inc., a Delaware corporation ("PIHI"), Dade Investment L.P., a Delaware limited partnership ("DIL") and PAS Power Co., a Florida corporation ("PAS"), (NCRI, PIHI, DIL and PAS being collectively referred to herein as the "Parties").

WITNESSETH:

WHEREAS, the Parties entered into the Pasco Interests Option Agreement, dated as of June 13, 1994 (the "Option"), whereby among other things, PIHI granted to DIL the option to purchase the Federal QF Interest, as defined therein; and

WHEREAS, the Parties desire to amend the Option as set forth herein.

NOW, THEREFORE, in consideration of $1.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound.

The Parties agree as follows:

1. Paragraph 1.5(a) of the Option is hereby amended to read in its entirety as follows:

"(a) the earlier of (i) December 31, 1995, and (ii) 90 days following the earlier of (x) the issuance of a final non-appealable order of the Florida Public Service Commission ("Florida PSC") in the proceeding entitled In re: Petition for Declaratory Statement Regarding Application of Rule 75-17.0832, F.A.C. to certain Negotiated Contracts for Purchase of Firm

Capacity and Energy by Florida Power Corporation (Docket No. 940771-EQ) (the "Florida Power Proceeding"), and (y) the binding settlement of the Florida Power Proceeding and the case entitled Pasco Cogen, Ltd. v. Florida Power Corporation, Case No. 94-5531-CA (Sixth Judicial Circuit, Pasco County, Florida)."

2. Except as amended hereby, the Option shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, each of the Parties has caused this First Amendment to be executed by the undersigned thereunto duly authorized on the date first above written.

NORTH CANADIAN RESOURCES, INC.

By:_____
Name:
Title:

PASCO INTEREST HOLDINGS INC.

By:_____
Name:
Title:

PAS POWER CO.

By:_____
Name:
Title:

DADE INVESTMENT, L.P.

By: NCP Dade Power Incorporated,
General Partner

By:_____
Name:
Title: