

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement ("Assignment") is entered into by and between Enron Power Development Corp., a Delaware corporation ("EPDC") and Puerto Quetzal Power Corp., Guatemala branch, a Delaware corporation ("PQPC"), as of the 13th day of November, 1992.

WITNESSETH

WHEREAS, EPDC and its affiliates have been developing a 110 megawatt barge-mounted power generation facility to be located at Puerto Quetzal, Guatemala (the "Project"); and

WHEREAS, EPDC has acquired, in accordance with an agreement dated March 12, 1992 between EPDC and Texas-Ohio Power, Inc. (the "Texas-Ohio Agreement"), a contract to sell electric power generated by the Project to Empresa Electrica de Guatemala, S.A. ("Empresa") (such contract, as amended by the agreement dated March 12, 1992 between Empresa, EPDC and Texas-Ohio Power, Inc. and as amended by the letter agreement dated April 10, 1992 between EPDC and Empresa, the "Power Contract"); and

WHEREAS, PQPC has been formed for the purpose of owning and providing for the construction, operation and maintenance of the Project; and

WHEREAS, EPDC now wishes to assign to PQPC and PQPC wishes to assume and accept the assignment of the Power Contract and any and all other assets owned or held by EPDC with respect to the Project (collectively, with the Power Contract, the "Assets");

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Assignment by EPDC and Assumption by PQPC. EPDC hereby assigns, transfers, conveys and sets over to PQPC all of EPDC's right, title, interest, liabilities and obligations in, to and under the Assets. PQPC hereby assumes all of EPDC's title and interest in the Assets and all of EPDC's liabilities and obligations with respect to the Assets. PQPC hereby expressly agrees to

perform all of EPDC's liabilities and obligations with respect to the Assets and to pay, satisfy or discharge all such liabilities and obligations.

2. Representations and Warranties. (a) EPDC hereby represents and warrants to PQPC that (i) the Power Contract has been validly assigned to EPDC by Texas-Ohio Power, Inc., is in full force and effect and is the legal, valid and binding obligation of EPDC enforceable against EPDC in accordance with its terms; (ii) EPDC is not in material default under the Power Contract; (iii) the assignment of EPDC's interest in the Power Contract and the other Assets pursuant to this Assignment has been duly authorized by all necessary corporate action on behalf of EPDC; (iv) the Power Contract is free and clear of all pledges, security interests, liens, charges, encumbrances, equities, claims, options or limitations of whatever nature that it has either created or suffered to be placed on the Power Contract and (v) no governmental authorization or other authorization or consent including, without limitation, the authorization or consent of Empresa, is required to be obtained in connection with this Assignment.

(b) PQPC hereby represents and warrants that the assumption of the Power Contract and the other Assets by it pursuant to this assignment has been duly authorized by all necessary corporate action on behalf of PQPC.

3. Power of Attorney. EPDC hereby appoints PQPC as the true and lawful agent and attorney of EPDC, with full power of substitution, in the name of EPDC, to ask, require, demand, receive, compound and give acquittance for any and all obligations under the Assets or pursuant to any other rights assigned hereunder due and to become due to EPDC or for the benefit of EPDC, to endorse any checks or other instruments or orders in connection therewith, to file any claims or take any action or institute any proceedings in connection herewith that PQPC in its sole discretion may deem to be necessary or advisable and to give consents, approvals, waivers, notices and the like and to make demands and the like in connection with the Assets as PQPC in its sole discretion may deem necessary or advisable.

4. Successors and Assigns. This Assignment shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

5. Indemnification by PQPC. PQPC hereby agrees to indemnify EPDC and hold it harmless for any losses, claims, damages or liabilities that might be made against or incurred by it, including the payment of reasonable attorneys' fees, arising from PQPC's default or failure to perform any obligation under the Assets from and after the date of this Assignment, including, without limitation, any failure by PQPC to pay, satisfy or discharge any liability or obligation of EPDC assumed by PQPC pursuant hereto.

6. Completed Assignment. EPDC acknowledges, as stated above, that the consideration to it has been made, and accordingly, that this is a present, irrevocable and fully executed assignment by EPDC and that the title of PQPC is in no way subject to defeasance or forfeiture by reason of any alleged failure of consideration to be received by EPDC hereunder.

7. Notices. All notices or other communications required or permitted by this Assignment or by law to be served upon or given to any party hereto shall be in writing and shall be deemed duly served and given when received after being delivered by hand or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to EPDC:

Enron Power Development Corp.
3 Allen Center, 18th Floor
333 Clay Street
Houston, Texas 77002
Attn: James J. Steele

If to PQPC:

Puerto Quetzal Power Corp.
3 Allen Center, 18th Floor
333 Clay Street
Houston, Texas 77002
Attn: James J. Steele

Any party may change its address for the purpose of this Section 7 by giving written notice of such change to the other parties in the manner provided in this Section.

8. Further Assurances. Each party will at any time and from time to time, upon the written request of the other party, promptly execute and deliver all such

further instruments and documents and take all further action as the other party may reasonably request in order to effectuate more fully the purposes of this Assignment.

9. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Texas, without reference to its conflicts of laws principles.

IN WITNESS WHEREOF, each of the undersigned has duly executed this Assignment as of the date first above written.

ENRON POWER DEVELOPMENT CORP.

By: [Signature]
Its: Principal

PUERTO QUETZAL POWER CORP.,
GUATEMALA BRANCH

By: [Signature]
Its: Senior Vice President