

Prepared by:  
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Indexing Instructions:  
SE 1/4 of SE 1/4 of S 16 T1S R8W  
DeSoto County, Mississippi

**TRANSMISSION LINES EASEMENT**

WHEREAS, Cogentrix Southaven Properties, LLC, a Delaware limited liability company, whose address is 9405 Arrowpoint Boulevard, Charlotte, North Carolina 28273, hereinafter referred to as "Cogentrix" is the owner of the legal and equitable title to a tract of land more fully described in Exhibit "A" attached hereto and made a part hereof, hereinafter referred to as "Cogentrix Tract"; and

WHEREAS, Southaven Power, LLC, a Delaware limited liability company, whose address is 9405 Arrowpoint Boulevard, Charlotte, North Carolina 28273, hereinafter referred to as "Southaven", is the owner of the legal and equitable title to a tract of land more fully described in Exhibit "B" attached hereto and made a part hereof, hereinafter referred to as "Southaven Tract"; and

WHEREAS, Southaven has interconnection agreements with Tennessee Valley Authority and Entergy Mississippi, Inc. which require transmission lines on, over and above the Cogentrix Tract; and

WHEREAS, in order for Southaven to have both ingress and egress from the Cogentrix Tract and to have the Transmission Lines (as defined below) and other miscellaneous services to the Southaven Tract, it is necessary for Southaven to obtain from Cogentrix permanent easements across the Cogentrix Tract for the benefit fo the Southaven Tract.

NOW, THEREFORE, for One Million Eight Hundred Thousand and no/100 Dollars (\$1,800,000.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Cogentrix does hereby grant, bargain, sell and convey to Southaven, its successors and assigns, a permanent, non-exclusive easement for the purpose of enabling Southaven, its officers, agents, contractors, employees, and invitees, for the benefit of Southaven's generating facility (the "Facility"), to be located on the Southaven Tract (the Southaven Tract to be the dominant estate), to construct, maintain, operate, repair, protect, replace, and remove or change the size of a 230 KV overhead transmission line and a 500 kV transmission line with poles and/or towers, including, without limitation, overhead grounding wires with fibers, together with appurtenances thereto and such other equipment and structures as may be necessary or convenient for the purpose of transmitting electric energy and/or communications (collectively the "Transmission Lines") and other miscellaneous services, for the delivery of electric energy to and from the Facility over, under and across the Cogentrix Tract; and together with rights of ingress and egress and all other rights necessary or convenient for the enjoyment of the rights, privileges, and authority hereby granted, upon and across the Cogentrix Tract.

STATE MS. - DE SOTO CO.  
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V.E. B. ... CLK.

Upon completion of construction of the Facility, Southaven shall, at its sole cost and expense, cause a survey of the Transmission Lines to be prepared by a licensed surveyor. The survey shall reflect the actual property within the Cogentrix Tract over which Southaven has constructed the Transmission Lines. Cogentrix and Southaven agree that the description of the Cogentrix Tract shall be amended to describe the actual property within the Cogentrix Tract over which the Transmission Lines has been constructed as shown by such survey and that this Transmission Lines Easement shall be amended by the filing of an Amended Transmission Lines Easement with the survey attached.

Southaven is hereby given and granted possession of the above described premises for the purposes aforesaid, and Cogentrix, for itself, its successors and assigns, reserves the right to use the premises for any and all purposes not inconsistent with the rights granted Southaven hereunder. Cogentrix covenants and agrees that no building or structure will interfere with the purposes aforesaid.

Southaven assumes, agrees and absolutely promises to pay for all loss or damage to property whatsoever, and injury to or death of any person, or persons whomsoever, however arising from or in connection with the construction, maintenance, repair, renewal, reconstruction, operation use or removal of the Transmission Lines and/or other miscellaneous services, or any defect therein or failure thereof, and forever indemnify Cogentrix, its successors, and assigns against and agree to save Cogentrix harmless from, any and all claims, demands, lawsuits, or liability for any such loss, damage, injury or death, costs and expenses resulting directly from the construction or operation of said Transmission Lines and/or other miscellaneous services; provided however, nothing contained herein shall constitute an indemnification arising out of another party's gross negligence or willful misconduct.

Cogentrix hereby covenants and warrants that it is the owner in fee simple of the Cogentrix Tract, that the same is free and clear of all liens and claims whatsoever and that it will, so long as this easement is in full force and effect, defend the same unto Southaven, its officers, agents, contractors, employees, successors and assigns.

It is further specifically understood and agreed that the easements, and other rights and privileges created and established herein may be mortgaged to any mortgagee taking a mortgage on Southaven Tract or Cogentrix Tract, or both of them, but any mortgage taking a mortgage on any easement herein shall take said mortgage subject to the other rights and privileges herein reserved.

The easements herein created and other rights, benefits, duties and obligations created and established herein shall be deemed covenants running the land and shall be binding upon the parties hereto and their respective successors and assigns forever.

All future amendments and/or modifications to this agreement must be in writing and signed by both parties.

SIGNED AND DELIVERED this 24th day of May, 2001.

COGENTRIX SOUTHAVEN PROPERTIES, LLC  
By its Manager, Cogentrix Southaven Holdings, Inc.

*[Handwritten Signature]*

By: GERARD B. MACK  
Vice President - Development

Title: \_\_\_\_\_

SOUTHAVEN POWER, LLC  
By its Manager, Cogentrix Southaven Holdings, Inc.

*Clay S. Coleman*

By: Clay S. Coleman  
Vice President -  
Project Finance

Title: \_\_\_\_\_

STATE OF NEW YORK

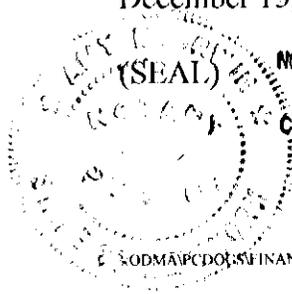
COUNTY OF NEW YORK

Personally appeared before me, the undersigned authority in and for the said county and state, on this 24th day of May, 2001, within my jurisdiction, the within named Gerard B. Mack, who acknowledged to me the he/she is Vice President - Development of Cogentrix Southaven Holdings, Inc., a Delaware corporation and manager of Cogentrix Southaven Properties, LLC, manager-managed limited liability company, and that for and on behalf of said corporation as manager of said limited liability company, and as the act and deed of said limited liability company, he/she executed the above and foregoing instrument, after first having been duly authorized by said corporation and said limited liability company so to do.

*Amy M. Irwin*  
NOTARY PUBLIC

My Commission Expires:

December 15, 2001



**AMY M. IRWIN**  
NOTARY PUBLIC, State of New York  
No. 011R6000274  
Qualified In New York County  
Commission Expires Dec. 15, 2001

STATE OF NEW YORK

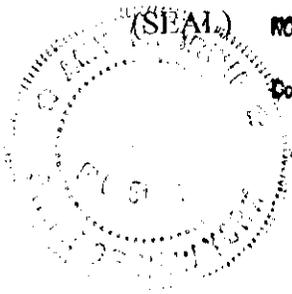
COUNTY OF NEW YORK

Personally appeared before me, the undersigned authority in and for the said county and state, on this 24th day of May, 2001, within my jurisdiction, the within named Clay S. Coleman, who acknowledged to me the he she is Vice President - Project Finance of Cogentrix Southaven Holdings, Inc., a Delaware corporation and manager of Southaven Power, L.L.C., manager-managed limited liability company, and that for and on behalf of said corporation as manager of said limited liability company, and as the act and deed of said limited liability company, he/she executed the above and foregoing instrument, after first having been duly authorized by said corporation and said limited liability company so to do.

*Amy M. Irwin*  
NOTARY PUBLIC

My Commission Expires:

December 15, 2001



AMY M. IRWIN  
NOTARY PUBLIC, State of New York  
No. 01IR600274  
Qualified in New York County  
Commission Expires Dec 15, 2001

## EXHIBIT "A"

DESCRIPTION OF THE FACILITY PROPERTY

Situated in the Southeast Quarter (SE ¼) of Section 16, Township 1 South, Range 8 West of DeSoto County, Mississippi and being more particularly described as follows:

Commencing at the southeast section corner of Section 16, said corner being the intersection of Tulane Road and Stateline Road centerlines; thence along the south line of Section 16, S89°45'17"W, 909.47 feet to a point; thence N00°14'43"W, 53.00 feet to a set iron pin and the "POINT OF BEGINNING", said point of beginning being the southeast corner of the subject parcel and being on the existing north right-of-way line of Stateline Road (53' CL-ROW); thence along said north line of Stateline Road S89°45'17"W, 415.15 feet to a set iron pin; thence N00°07'01"W and passing through a found iron pin at 0.62 feet for a total distance of 673.50 feet to a found iron pin; thence N89°51'45"E, 434.92 feet to a found iron pin; thence N00°13'57"W, 435.01 feet to a found iron pin on the accepted Mississippi-Tennessee Stateline; thence along said Mississippi- Tennessee Stateline N89°51'16"E, 834.55 feet to a set iron pin on the existing west right-of-way line of Tulane Road (53' CL-ROW); thence along said west line of Tulane Road S00°16'18"E, 206.54 feet to a set iron pin; thence S89°51'16"W a measured distance of 158.75 feet (call=157.00') to a found iron pin; thence S00°24'00"E, 209.15 feet to a found iron pin; thence N89°57'56"E a measured distance of 158.29 feet (call=157.00') to a set iron pin in the west right-of way line of Tulane Road; thence along said west line of Tulane Road S00°16'18"E, 534.82 feet to a set iron pin; thence S89°31'28"W a measured distance of 225.52 feet (call=225.00') to a found iron pin; thence S89°47'11"W, 420.81 feet to a found iron pin; thence N00°03'05"E, 209.27 feet to a found iron pin; thence S89°58'56"W, 209.98 feet to a found iron pin; thence S00°00'37"W, 209.94 feet to found iron pin; thence S00°10'00"E, and passing through a found iron pin at 154.67 feet, a total distance of 154.91 feet to the "Point of Beginning" and containing 23.134 acres more or less. All bearings are relative.

## EXHIBIT "B"

TRANSMISSION LINE EASEMENT DESCRIPTION

Situated in the Southwest Quarter (SW ¼) of Section 15, Township 1 South, Range 8 West of DeSoto County, Mississippi and being more particularly described as follows:

Commencing at the southwest corner of Section 15, Township 1 South, Range 8 West; thence along the west line of said Section 15, N 00°16'18" W, 260.00 feet to a point; thence N 89°40'17" E, 40.00 feet to a set iron pin in the east right-of-way line of Tulane Road (40' centerline R.O.W.) and the "Point of Beginning" for the property as described herein; thence along said east right-of-way N 00°16'18" W, 899.02 feet to a found iron pin, said point being on the accepted Tennessee-Mississippi state line; thence along said Tennessee-Mississippi state line N 89°51'16" E, 1,668.43 feet to a set iron pin, said point being the northeast corner of the property as described herein; thence S 00°19'43" E, 1,100.69 feet to a set iron pin in the north right-of-way line of Stateline Road (53' centerline R.O.W.); thence along said north line S 89°40'17" W, 304.07 feet to a set iron pin; thence leaving the said north line of Stateline Road N 00°19'43" W, 207.00 feet to a set iron pin; thence parallel with the north line of Stateline Road S 89°40'17" W, 1,365.25 feet to the "Point of Beginning" and containing 35.786 acres.