

CODE OF ETHICS APPLICABLE TO SENIOR EXECUTIVES

Note: This Code was adopted as of October 21, 2004 and will take effect on, and not before, the effective date of the Corporation's registration statement on Form S-1.

On October 21, 2004, the Board of Directors of Ormat Technologies, Inc. (the "**Corporation**") adopted this Code of Ethics Applicable to Senior Executives as contemplated by the Sarbanes-Oxley Act of 2002. It is critical to the success of the Corporation and in the best interests of its stockholders that its employees conduct themselves honestly and ethically. In particular, each senior executive of the Corporation, including the Chairman, the Chief Executive Officer, the Chief Financial Officer, the Controller, the Corporation's Secretary and the Chief Operating Officer ("**Senior Executives**"), are required to observe the highest standards of ethical business conduct, including strict adherence to this Code of Ethics Applicable to Senior Executives (this "**Code**") and the Corporation's Code of Business Conduct and Ethics applicable to all employees, which this Code supplements. Accordingly, each Senior Executive must comply with the letter and spirit of the following:

- Each Senior Executive will act at all times honestly and ethically, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. For purposes of this Code, the phrase "actual or apparent conflict of interest" shall be broadly construed and includes, for example, direct conflicts, indirect conflicts, potential conflicts, apparent conflicts and any other personal, business or professional relationship or dealings that has a reasonable possibility of creating even the mere appearance of impropriety.
- All Senior Executives owe a duty to the Corporation to advance the Corporation's legitimate business interests when the opportunity to do so arises. Senior Executives are prohibited from taking for themselves (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Corporation has already been offered the opportunity and turned it down.
- If a Senior Executive considers undertaking any transaction or relationship that reasonably could be expected to give rise to an actual or apparent conflict or disparity of interest between him/her and the Corporation or in his/her personal or professional relationship, the Senior Executive must disclose such activity in advance to the Corporation's Secretary for review.
- All Senior Executives must protect the Corporation's assets and ensure their efficient use. All Corporation assets should be used for legitimate business purposes only.

- Each Senior Executive must ensure that all reasonable and necessary steps within his or her areas of responsibility are taken to provide full, fair, accurate, timely and understandable disclosure in reports and documents that the Corporation files with or submits to the Securities and Exchange Commission (the "**SEC**") or state regulators, and in all other regulatory filings. In addition, Senior Executives must provide full, fair, accurate, and understandable information whenever communicating with the Corporation's stockholders or the general public.
- Senior Executives shall not directly or indirectly take any action to fraudulently influence, coerce, manipulate or mislead the Corporation's independent public auditors for the purposes of rendering the financial statements of the Corporation misleading.
- Senior Executives must promptly report to the Corporation's Audit Committee any significant deficiencies or material weaknesses, including corrective actions, in the design or operation of the Corporation's internal controls over financial reporting, which could adversely affect the Corporation's ability to record, process, summarize and report financial data.
- Each Senior Executive must take all reasonable measures to protect the confidentiality of non-public information about the Corporation, its business, operations and customers obtained or created in connection with such Senior Executive Officer's activities and to prevent the unauthorized disclosure of any such information, unless required by law, regulation or legal or regulatory process.
- All Senior Executives must conduct Corporation business in compliance with all applicable federal, state, foreign and local laws, rules and regulations, including insider trading laws.
- It is each Senior Executive's responsibility to notify promptly the Secretary of the Corporation or Chairman of the Audit Committee or the Board of Directors regarding any actual or potential violation of this Code and/or any applicable securities or other laws, rules or regulations by any Senior Executive or of the Corporation's Code of Business Conduct and Ethics by any employee. Senior Executives may choose to remain anonymous in reporting any possible violation of this Code. All Senior Executives are responsible for ensuring that their own conduct complies with this Code.

- Anyone who violates the provisions of this Code by engaging in unethical conduct, failing to report conduct potentially violative of this Code or refusing to participate in any investigation of such conduct, will be subject to disciplinary actions, up to and including termination of service with the Corporation. Any such disciplinary actions shall be reasonably designed to deter wrongdoing and promote accountability for adherence to this Code. In determining what action is appropriate in a particular case, the Board of Directors or its designee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action, whether or not the individual in question had committed other violations in the past and whether the violation constitutes a violation of civil or criminal law that may result in civil or criminal penalties for the Senior Executives or the Corporation.
- A change in or waiver from any provision of this Code applicable to a Senior Executive must be granted by the Board of Directors or by the Nominating Corporate Governance Committee. The Corporation will disclose any such changes in or waivers from this Code applicable to a Senior Executive, in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules thereunder.
- The Board of Directors of the Corporation shall be responsible for the administration of this Code and shall have the sole authority to amend this Code or grant waivers of its provisions. Waivers will be disclosed as required by the Securities Exchange Act of 1934, as amended, and the rules thereunder and the applicable rules of the New York Stock Exchange, Inc.

[ACKNOWLEDGEMENT FOLLOWS]

ACKNOWLEDGMENT

The undersigned Senior Executive hereby acknowledges that the Executive has received a copy of the Corporation's Code of Ethics Applicable to Senior Executives and that he or she has read and understood this Code in its entirety and agrees to abide by it. The Senior Executive further acknowledges that it is his or her responsibility to seek clarification from the office of the Corporation's General Counsel if any application of the Code to a particular circumstance is not clear. The Senior Executive acknowledges that the Senior Executive's continued service with the Corporation requires the Senior Executive to fully adhere to this Code and that failure to do so can result in disciplinary action up to and including termination of the Senior Executive's employment by the Corporation.

Name:

Dated: _____