

Exhibit D

STRATEGIC PARTNERSHIP AGREEMENT BETWEEN
THE CITY OF SUGAR LAND, TEXAS AND
FORT BEND COUNTY
MUNICIPAL UTILITY DISTRICT NO. 269

Section 1.01 Terms Defined In This Agreement

Unless the context requires otherwise, and in addition to the terms defined above, the following terms and phrases used in this Agreement shall have the meanings set out below:

"City" means the City of Sugar Land, Texas, a home-rule municipal corporation, acting by and through its governing body, the City Council of Sugar Land, Texas.

"City Development Code" means the Development Code of the City of Sugar Land as it may be modified from time to time in accordance with this agreement.

"City Council" means the City Council of the City of Sugar Land or any successor governing body.

"City Manager" means the City Manager of the City of Sugar Land, Texas.

"Developer" means Pulte Homes of Texas, L.P., a Texas limited partnership.

"District" means Fort Bend County Municipal Utility District No. 269, which includes the land described on the attached **Exhibit A**.

"Effective Date" and similar references means _____ on the latest of the dates signed by the parties.

"ETJ" means the extraterritorial jurisdiction of a city.

"Limited Purpose Property" means the portion of the District depicted and labeled as Flex Tract on the approved General Plan.

"MUD" means a municipal utility district, created pursuant to Article XIV, Section 59, Texas Constitution and operating pursuant to Chapters 49 and 54, Texas Water Code, the primary purpose of which is to supply fresh and reclaimed water for residential or commercial use or to furnish sanitary sewer services, drainage services, roads, fire protection and parks and recreational services.

"Ordinance" means the ordinances of the City.

"Party" or "Parties" means a party or the parties to this Agreement, being the City and the District.

"Person" shall mean any individual, partnership, association, firm, trust, estate, public or private corporation, or any other entity whatsoever.

"Regional Utilities Contract" means the Water Supply, Wastewater Treatment, and Reclaimed Water Supply Services Contract attached as **Exhibit B**.

"TCEQ" means the Texas Commission on Environmental Quality and its successors.

"Ultimate Consumer" means the purchaser of a tract or lot in [master planned community] who does not intend to resell, subdivide, or develop the tract or lot in the ordinary course of business.

Exhibits

Exhibit A	Legal Description of the District
Exhibit B	Regional Utilities Contract
Exhibit C	Metes and Bounds of MPC within Sugar Land
Exhibit D	Fire Services Agreement

Section 1.02 Findings and Conclusions

The City and the District hereby find and declare:

A. Section 43.0751, Texas Local Government Code authorizes the City and the District to enter into this Agreement to define the terms and conditions under which services to the District will be provided and funded by the Parties and to define the terms and conditions under which the District will be annexed by the City at a future date by mutual consent as an alternative to annexation without the consent of the District.

B. In accordance with Section 43.075(p), Texas Local Government Code, this Agreement: (i) does not require the District to provide revenue to the City solely for the purpose of an agreement with the City to forego annexation of the District; and (ii) provides benefits to each party, including revenue, services, and benefits which are reasonable and equitable with regard to the benefits provided to the other Party.

C. All the terms and conditions contained in this Agreement are lawful and appropriate to provide for the provision of municipal services and annexation.

D. The District is not obligated to make payments to the City for services except as otherwise provided herein.

E. This Agreement has been duly adopted by the City and the District after conducting two public hearings at which members of the public who wanted to present testimony or evidence regarding the Agreement were given the opportunity to do so. Notice of each hearing was published in the format required by Section 43.123(b), Texas Local Government Code, and was published at least once on or after the 20th day before each public hearing.

ARTICLE 2
DESIGN STANDARDS AND APPLICABLE ORDINANCES

Section 2.01 Regulatory Standards and Annexation

The City and the District agree that the primary purposes of this Agreement are to provide certain services and to provide for a definitive time when the land within the District will be annexed by the City.

By the terms of this Agreement, the City and District intend to establish rules and regulations that will ensure a quality, unified development but yet afford the District predictability of annexation throughout the term of this Agreement.

Section 2.02 Water and Sewer Improvements

The construction of water and sewer improvements, including potable and reclaimed water, within the District shall be governed by and be in accordance with the provisions of Chapter 5 of the City Development Code ("Chapter 5"), that certain Development Agreement by and between the City and Developer dated December 6, 2023 (the "Development Agreement"), and the Regional Utilities Contract. During the term of this Agreement, the City may only modify, supplement, and amend Chapter 5 to make it consistent with generally accepted standards imposed by governmental entities on the design and construction of public improvements. and provided such modifications shall be uniformly applied to all development governed by the Chapter 5.

Section 2.03 Regional Water and Wastewater Facilities

The District intends to make provision for water supply services, wastewater treatment services, and reclaimed water supply, to be provided by the City, as outlined in the Regional Utilities Contract attached hereto as Exhibit B.

Section 2.04 Administration of Municipal Utility Districts

The District shall obtain the consent of the City to annex or exclude property into or out of the District. The District shall provide the City agendas for all meetings of the District and the District's annual audit.

Section 2.05 Other City Services

The City shall not be obligated to provide municipal services except as provided herein and in the Regional Utilities Contract.

Section 2.06 Limitation on District Powers

The District shall not have any powers other than supplying fresh water for residential or commercial use or furnishing sanitary sewer services, reclaimed water services, drainage services, fire protection and parks and recreational services.

ARTICLE 3 ANNEXATION OF THE DISTRICT

Section 3.01 Annexation

A. General Rule on Annexation. The City agrees that irrespective of its right and power under existing or subsequently enacted law, it will not annex or attempt to annex, or annex for limited purposes, or attempt to annex for limited purposes, in whole or in part, the District until the following conditions have been met:

1. At least 90% of the developable acreage within the District has been developed with water, wastewater treatment, drainage, and road facilities; and
2. The landowner developing within the District has been reimbursed by the District to the maximum extent permitted by the rules of the TCEQ or the City assumes any obligation for such reimbursement of the District under such rules. Developable acreage means the total acreage in the District less acreage associated with land uses for roads, utility easements, drainage easements, levee easements, lakes, creeks, bayous, and open space.

B. Notice and Effective Date of Annexation. Once the conditions contained in Section 3.01 (A) have been met, the City Council may at any time thereafter adopt a resolution declaring its intent to annex the District on a date certain that is not less than one year from the date of the resolution (the “Annexation Date”). The resolution shall state whether the District will be dissolved or continued in accordance with Section 3.01 (C), below. On the Annexation Date, the land in the District shall be deemed to be within the full-purpose boundary limits of the municipality without the need for further action by the City.

C. Dissolution or Continuation of District. After annexation, the District will continue to exist until dissolved by action of the City or expiration of the time limits provided herein. The City, at its sole discretion, may decide when to dissolve the District, provided that the District must continue in existence for a period of time not less than 90 days and not more than ten (10) years after the date of the annexation. The District will dissolve without further action of the City on the 10th anniversary of the date of annexation, unless continued in existence by the City as provided below. Upon dissolution of the District, the City will assume all rights, assets, liabilities, and obligations of the District (including all obligations to reimburse the developers within

the District), and the District will not be continued or converted except as may be set forth in this Agreement. If the City elects to continue the District for a period in excess of 90 days, the following will apply:

1. The District continues as "limited district" as that term is defined in Section 43.0751(a)(1), Texas Local Government Code, for the purpose of providing water, sewer, drainage and other services and financing and/ or reimbursing the developer for the construction of public facilities within the District; and
2. The City agrees to rebate annually to the District that portion of the City's property tax revenue that is collected on annexed property within the District attributable to the City's water, sewer, and drainage debt at the time the annexation is final (the "Rebate Amount"). The Rebate Amount will be recalculated upon each annexation of land within the District, with the recalculated amount to apply to all annexed land within the District.
3. If the City annexes only a portion of the District, the District shall continue to provide all services to the annexed portion in accordance with this Agreement as if the land had not been annexed. However, the City will rebate to the District the Rebate Amount. The Rebate Amount will be recalculated after each annexation by the City of any tract within the District, within such newly calculated amount to apply to all tracts in the District annexed by the City to such date.
4. The District will continue solely for the purpose of designing, constructing, and financing the water, sewer, drainage, roads, fire protection and parks and recreational facilities to serve the land in the District in accordance with the Regional Utilities Contract.
5. Prior to dissolution of the District, the District will continue to own and operate the drainage and park and recreational facilities and the City will provide to the District's residents, including retail water and sewer service, fire and EMS protection and other City services and the City shall cease to charge the District for such services to the annexed property and all fees and charges imposed on residents of the District for services provided by the City shall be equal to those fees and charges imposed on all other residents of the City.
6. If, on or before the tenth anniversary of annexation of the District, the City decides that it is advisable for the District to continue to

exist, the City may extend this Agreement on a year-to-year basis by giving written notice to the District of the City's decision to continue the existence of the District.

7. After dissolution of the District, the City will levy taxes, fees and charges on all land, users and residents equal to those imposed in the remainder of the City.

D. Binding on Present and Future Owners of Property in the District. The District, on behalf of itself and on behalf of all present and future owners of land within its boundaries hereby grants consent to the City to annex the territory within the boundaries of the District in accordance with this Agreement; it being the intent of the parties that the consent granted hereby shall bind the District and each owner and future owner of land within the District.

E. Other Rules Applicable to Annexation. Annexation shall otherwise be in accordance with existing law. It is the intention of the parties herein that this Agreement qualifies as a Strategic Partnership Agreement as that term is defined under Section 43.0751, Texas Local Government Code, and as such any annexation by City of all or a part of the District is exempt from the requirements set forth in Subchapter C of Chapter 43 of the Texas Local Government Code pertaining to annexation procedures for areas annexed under a municipal annexation plan. Furthermore, the District and the City agree to take all actions reasonably necessary to ensure that this Agreement continue as a Strategic Partnership Agreement throughout its term.

F. No Payment Required. Both parties to this Agreement understand and agree that the purpose of the terms and conditions in this Agreement does not include requiring the District to provide revenue to the municipality solely for the purpose of obtaining an agreement with the City to forgo annexation of the District, but rather for the reasons and purposes set forth herein.

G. Limited Annexation to Allow for Annexation of Another MUD. If the City determines that it has the right to annex another MUD that is not contiguous to the City, the City may annex any road right-of way in the District necessary to extend the corporate limits of the City to such MUD to be annexed. For the purposes of this subsection F, a MUD is not "contiguous" to the City if state law would prohibit the City from extending its corporate limits as provided in Chapter 43, Texas Local Government Code.

H. Limited Purpose Annexation of Limited Purpose Property. Notwithstanding anything to the contrary set forth in this Agreement, the Parties agree that the City may annex the Limited Purpose Property for the sole and limited purpose of collecting sales and use taxes authorized by Chapter 321 of the Texas Tax Code (the "Tax Code") to be imposed by the City on sales consummated within the Limited Purpose Property. The District acknowledges and

agrees that the City Council may adopt a limited purpose annexation ordinance applicable to the Limited Purpose Property at a meeting conducted in accordance with Chapter 551 of the Texas Government Code, and that no further notices, hearings, or other procedures shall be required to adopt such limited purpose annexation ordinance. The City may commence limited purpose annexation of the Limited Purpose Property on or after the Effective Date.

1. Collection of Sales and Use Tax Revenues. The City may impose a sales and use tax within the Limited Purpose Property pursuant to Section 43.0751(k), Texas Local Government Code. The sales and use tax may be imposed on all eligible commercial activities at the rate allowed under the Tax Code. Collection of sales and use tax revenues shall take effect on the date described in Section 321.102 of the Tax Code. All sales and use tax revenues shall be retained by the City.
2. Use of the Sales and Use Tax Revenues. The City may use the sales and use tax revenues for any lawful purpose.
3. Notification of Comptroller. The City shall send notice of this Agreement, together with other required documentation, to the Comptroller in the manner provided by Tax Code, Section 321.102, after the City Council annexes the Limited Purpose Property for limited purposes.

The District shall provide notice to the City of any newly opened businesses within the Limited Purpose Property, within 30 days of said business opening.

4. Voting. Pursuant to Section 43.130(a) of the Texas Local Government Code, the qualified voters of an area annexed for limited purposes are entitled to vote in municipal elections regarding the election or recall of members of the governing body of the municipality, the election or recall of the controller, if the office of controller is an elective position of the municipality, and the amendment of the municipal charter. The voters may not vote in any municipal bond election.
5. Residential Development. If any of the Limited Purpose Property is developed for a residential use that creates qualified voters in the Limited Purpose Property, the City may, at its sole discretion, disannex that portion of the Limited Purpose Property such that it will no longer be included in the City for limited purposes.

Section 3.02 Powers and Functions Retained

Prior to annexation, the City hereby authorizes and approves the District to

exercise all powers and functions of a municipal utility district provided by law including, without limiting the foregoing, the power to incur additional debts, liabilities, or obligations and to construct additional utility facilities without further approval of the City other than the approval of plans and specifications for public improvements provided such additional utility facilities shall be constructed in accordance with the then currently approved General Plan and Section 2.02 of this Agreement. All debt, liabilities or obligations shall be issued in accordance with the conditions contained in the City's consent to the creation of the District. Prior to annexation, the District may not sell or otherwise transfer property, other than in the normal course of business without prior approval of the City, which approval shall not be unreasonably withheld. The District further covenants and agrees that it will not enter into any contract or agreement for non-capital expenditures that is not terminable upon 30 days written notice and with a term that exceeds two (2) years without the prior written approval of the City Council of the City, which approval shall not be unreasonably delayed or withheld.

Section 3.03 Attempted Incorporation

Notwithstanding any provision herein to the contrary, in the event of a bona fide effort to incorporate a municipality that includes any portion of the District, the City shall be entitled to annex that portion of the District attempting to incorporate.

Section 3.04 Debt Reduction Fund

A. From the Effective Date until the date the District has been Annexed, the City may deposit revenues the City receives from the Out-of-City Fire and EMS Service Charge imposed on the District under this Agreement, as the same be amended, into the Debt Reduction Fund:

B. The City shall use the funds within the Debt Reduction Fund only for one or more of the following purposes:

1. Retirement of any outstanding District debt upon Annexation of the District by the City;
2. Repairs and maintenance of public infrastructure within the [master planned community], including water, sewer, and drainage facilities, streets, traffic signs, and traffic signals, to meet City standards;
3. To provide the City with a revenue stream prior to City receipt of property tax revenues derived from land within the [master planned community] and to account for up to twelve (12) months of fees for Fire Protection and Emergency Management Services.
4. Other direct costs incurred by the City because of Annexation of the District.

C. Commencing in 2026, the City shall annually provide, not later than April first of each year, the District with a written accounting that shows the amount of interest earned in the Debt Reduction Fund during the prior calendar year and the balance of the Debt Reduction Fund at the end of the prior calendar year.

D. Within 30 days of notice of annexation to the District, the District agrees to deposit any surplus funds the District has on hand into the Debt Reduction Fund. City and District agree that these surplus funds can only be used for the purposes stated in section (B) above.

E. In addition, once the City begins expending funds out of the Debt Reduction Fund pursuant to section (B) above, and until such time as the District is dissolved pursuant to this Agreement, the City shall provide the District with monthly statements identifying the amount and purpose for the expenditures.

ARTICLE 4 FIRE PROTECTION SERVICES

Section 4.01 Fire Station Construction and Dedication

The District agrees to contract with the City for fire protection services (including emergency medical services) under the terms and conditions set forth in the Fire Protection Agreement attached hereto as Exhibit D. The City recognizes that the District may not expend funds for fire protection services without complying with the procedures contained in Section 49.351, Texas Water Code. The District will use its best efforts to adopt a fire plan and contract with the City to authorize the City to levy a fire and EMS charge on residents within the District. If a developer of land within the District advances funds for the construction of fire protection facilities, the District may reimburse such developer for such advances to the fullest extent permitted by state law and the rules and regulations of the TCEQ. Upon final approval of the fire plan and Fire Protection Agreement by the District, the City will execute and deliver the Fire Protection Agreement attached as **Exhibit D**.

ARTICLE 5 MATERIAL BREACH, NOTICE AND REMEDIES

Section 5.01 Material Breach of Agreement

A. It is the intention of the Parties to this Agreement that the District be regulated and annexed in accordance with the terms of this Agreement. The Parties acknowledge and agree that any substantial deviation by the District from the material terms of this Agreement would frustrate the intent of this Agreement, and therefore, would be a material breach of this Agreement. A material breach of this Agreement by the District shall be deemed to have occurred in the following instances:

1. Failure of the District to approve or consent to any annexation of territory within the District by the City authorized by this Agreement; or
2. Substantial deviation from the City Development Code requirements for water and sewer improvements or a pattern or practice of deviation from same.

B. The Parties acknowledge and agree that any substantial deviation by the City from the material terms of this Agreement would frustrate the intent of this Agreement and, therefore, would be a material breach of this Agreement. A material breach of this Agreement by the City shall be deemed to have occurred in the following instances:

1. The imposition of a requirement to provide regionalization of public utilities through some method substantially or materially different than the plan set forth in this Agreement; or
2. An attempt by the City to annex, in whole or in part, the District prior to the occurrence of the conditions set forth in Section 3.01 of this Agreement, except as provided in Section 3.01.

In the event that a Party to this Agreement believes that another Party has, by act or omission, committed a material breach of this Agreement, the provisions of this Article 5 shall provide the remedies for such default.

Section 5.02 Notice of District's Default

A. The City Manager shall notify the District in writing of an alleged failure by the District to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The District shall, within thirty (30) days after receipt of such notice or such longer period of time as the City Manager may specify in such notice, either cure such alleged failure or, in a written response to the City Manager, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

B. The City Manager shall determine: (i) whether a failure to comply with a provision has occurred; (ii) whether such failure is excusable; and (iii) whether such failure has been cured or will be cured by the District. The District shall make available to the City Manager, if requested, any records, documents, or other information necessary to make the determination.

C. In the event that the City Manager determines that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the City Manager, or that such failure is excusable, such determination shall conclude the investigation.

D. If the City Manager determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the District in a manner and in accordance with a schedule reasonably satisfactory to the City Manager, then the City Manager shall so notify the City Council in a written report which may recommend action to be taken by the City Council. The City Manager shall provide notice and a copy of such report to the District. After receipt of such report from the City Manager, or at any time upon its own motion, the City Council may proceed to mediation under Section 5.04, or arbitration under Section 5.05, or exercise the applicable remedy under Section 5.06 hereof, provided that if the City Council acts on its own motion, it shall follow the notice and procedural provisions of Section 5.02 hereof.

Section 5.03 Notice of City's Default

A. The District shall notify the City Manager in writing of an alleged failure by the City to comply with a provision of this Agreement, which notice shall specify the alleged failure with reasonable particularity. The City Manager shall, within thirty (30) days after receipt of such notice or such longer period of time as the District may specify in such notice, either cure such alleged failure or, in a written response to the District, either present facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure.

B. The District shall determine: (i) whether a failure to comply with a provision has occurred; (ii) whether such failure is excusable; and (iii) whether such failure has been cured or will be cured by the City. The City Manager shall make available to the District, if requested, any records, documents, or other information necessary to make the determination.

C. In the event that the District determines that such failure has not occurred, or that such failure either has been or will be cured in a manner and in accordance with a schedule reasonably satisfactory to the District, or that such failure is excusable, such determination shall conclude the investigation.

D. If the District determines that a failure to comply with a provision has occurred and that such failure is not excusable and has not been or will not be cured by the City in a manner and in accordance with a schedule reasonably satisfactory to the District, then the District shall so notify the City Council in a written report which may request action to be taken by the City Council. The District shall provide notice and a copy of such report to the City Manager. If requested in the District's report, the City

Manager agrees to add the matter to the agenda of the City Council for consideration and action by City Council.

Section 5.04 Mediation

In the event the Parties to this Agreement cannot, within a reasonable time, resolve their dispute pursuant to the procedures described in Sections 5.02 or 5.03, the Parties agree to submit the disputed issue to nonbinding mediation. The Parties shall participate in good faith, but in no event shall they be obligated to pursue mediation that does not resolve the issue within seven (7) days after the mediation is initiated or forty-five (45) days after mediation is requested. The Parties participating in the mediation shall share the costs of the mediation equally.

Section 5.05 Remedies

The exclusive remedies for a default by any Party include the following:

1. Monetary damages for actual losses incurred by the non-defaulting Party if such recovery of monetary damages would otherwise be available under existing law and the defaulting Party is not otherwise immune from paying such damages;
2. Removal, repair, or replacement of any facility, building, or structure constructed in breach of this Agreement;
3. Injunctive relief specifying the actions to be taken by the defaulting Party and permitted to be taken by the non-defaulting party to remedy the default, including, specifically, the action provided for in paragraph B of this Section. Such injunctive relief shall be directed solely to the default and shall not address or include any activity or actions not directly related to the default.
4. In the event of a determination by the City that the District has committed a material breach of this Agreement, the City may file suit in a court of competent jurisdiction in Fort Bend County, Texas, and seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act and termination of this Agreement as to the District.
5. In the event of a determination by the District that the City has committed a material breach of this Agreement, the District may file suit in a court of competent jurisdiction in Fort Bend County, Texas, and seek any relief available, at law or in equity, including, but not limited to, an action under the Uniform Declaratory

Judgment Act.

Any act, omission or material breach by another MUD that leads to a default by the District shall not impair the rights of the District under this Agreement.

ARTICLE 6

BINDING AGREEMENT, TERM, AMENDMENT, AND ASSIGNMENT

Section 6.01 Beneficiaries

This Agreement shall bind and inure to the benefit of the Parties, their successors, and assigns. This Agreement shall be recorded with the County Clerk in the Official Records of Fort Bend County, Texas and shall bind each owner and each future owner of land included within the District's boundaries in accordance with Section 43.0751(c), Texas Local Government Code.

Section 6.02 Term

This Agreement shall commence and bind the Parties on the Effective Date and continue until a date which is exactly thirty (30) years from its Effective Date, unless terminated on an earlier date pursuant to other provisions or by express written agreement executed by the City and the District. Upon the expiration of thirty (30) years from its Effective Date, this Agreement may be extended at the City's discretion for successive one (1) year periods until all land within the District has been annexed by the City and the District has been dissolved, but in no event shall the term of this Agreement be extended more than ten years after the tenth anniversary of the annexation of the entirety of the District. The terms of this Agreement shall constitute covenants running with the land comprising the District and shall be binding on all future owners of property within the District. A copy of this Agreement shall be recorded in the County Clerk Official Records of Fort Bend County, Texas.

ARTICLE 7

MISCELLANEOUS PROVISIONS

Section 7.01 Notice

The parties contemplate that they will engage in informal communications with respect to the subject matter of this Agreement. However, any formal notices or other communications ("Notice") required to be given by one party to another by this Agreement shall be given in writing addressed to the party to be notified at the address set forth below for such party, (i) by delivering the same in person, or (ii) by depositing the same in the United States Mail, certified or registered, return receipt requested, postage prepaid, addressed to the party to be notified, or (iii) by depositing the same with

Federal Express or another nationally recognized courier service guaranteeing "next day delivery," addressed to the party to be notified, or (iv) by sending the same by telefax with confirming copy sent by mail. Notice deposited in the United States mail in the manner hereinabove described shall be deemed effective from and after the date of such deposit. Notice given in any other manner shall be effective only if and when received by the party to be notified. For the purposes of notice, the addresses of the parties, until changed as provided below, shall be as follows:

City of Sugar Land
2700 Town Center Blvd. N.
Sugar Land, Texas 77479
Attn: City Manager

District: Fort Bend County Municipal Utility District No. 269
c/o SKLaw
1980 Post Oak Blvd., Suite 1380
Houston, Texas 77056
Attn: Julianne B. Kugle

The Parties shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by giving at least five (5) days written notice to the other Parties. If any date or any period provided in this Agreement ends on a Saturday, Sunday, or legal holiday, the applicable period for calculating the notice shall be extended to the first business day following such Saturday, Sunday, or legal holiday.

Section 7.02 Annexation/Disannexation by District

This Agreement applies to all land located within the District. In the event land is annexed or disannexed by the District, the terms and conditions set forth in this Agreement shall continue to apply to the District as it may be newly configured.

Section 7.03 Time

Time is of the essence in all things pertaining to the performance of this Agreement.

Section 7.04 Severability

If any provision of this Agreement is held to be illegal, invalid, or unenforceable then, and in that event, it is the intention of the Parties hereto that the remainder of this Agreement shall not be affected.

Section 7.05 Waiver

Any failure by a Party hereto to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof or of any other provision hereof, and such Party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.

Section 7.06 Applicable Law and Venue

The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be in Fort Bend County, Texas.

Section 7.07 Reservation of Rights

To the extent not inconsistent with this Agreement, each Party reserves all rights, privileges, and immunities under applicable laws.

Section 7.08 Further Documents

The Parties agree that at any time after execution of this Agreement, they will, upon request of another Party, execute and deliver such further documents and do such further acts and things as the other Party may reasonably request in order to effectuate the terms of this Agreement.

Section 7.09 Incorporation of Exhibits and Other Documents by Reference

All Exhibits and other documents attached to or referred to in this Agreement are incorporated herein by reference for the purposes set forth in this Agreement.

Section 7.10 Effect of State and Federal Laws

Notwithstanding any other provision of this Agreement, the District shall comply with all applicable statutes or regulations of the United States and the State of Texas, as well as any City Ordinances or rules implementing such statutes or regulations, and such City Ordinances or rules shall not be deemed a breach or default under this Agreement.

Section 7.11 Authority for Execution

The City hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted in conformity with the City Charter and City Ordinances. The District hereby certifies, represents, and warrants that the execution of this Agreement is duly authorized and adopted by the Board of Directors of the District.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned Parties have executed this Agreement
this _____ day _____ of _____.

CITY OF SUGAR LAND, TEXAS

Joe R. Zimmerman, Mayor

ATTEST:

APPROVED AS TO FORM:

Robin Lenio, City Secretary

FORT BEND COUNTY MUNICIPAL
UTILITY DISTRICT NO. 269

By: _____
President, Board of Directors

ATTEST:

Secretary, Board of Directors

EXHIBIT A
Metes and Bounds of District

[To be attached at time of execution; varies by District]

EXHIBIT B
Regional Utilities Contract
[Exhibit E to Development Agreement]

EXHIBIT C
Metes and Bounds of MPC within Sugar Land
ETJ [Exhibit A to Development Agreement]

EXHIBIT D
Fire Protection Agreement

[Exhibit G to Development Agreement]