

**MUTUAL TERMINATION AGREEMENT BETWEEN
THE CITY OF SUGAR LAND AND
IMPERIAL POWER PLANT, LLC**

This Mutual Termination Agreement (“Mutual Termination Agreement”) is entered into between the **CITY OF SUGAR LAND** (“Optioner”) and **IMPERIAL POWER PLANT, LLC** (“Assigned Optionee”).

RECITALS:

On or about May 21, 2024, Optioner and Wartsila Development and Financial Services, Inc, (the “Original Optionee”) entered into that certain Option to Enter into a Ground Lease (the “Option Agreement”), wherein Optioner agreed to grant to the Original Optionee the exclusive right and option, from time to time until the expiration of the Option Term (as defined therein), to enter into a ground lease for the Option Acreage (as also defined therein). On or about May 24, 2024, the Original Optionee assigned its interest in the Option Agreement to the Assigned Optionee. Subsequent to execution and assignment of the Option Agreement, Optioner has determined that it is not in the best interest of the City of Sugar Land to proceed with the Option Agreement. The parties now desire to mutually terminate the Option Agreement.

AGREEMENT:

For and in consideration of the good and valuable consideration of the parties hereto which are acknowledged herein, Optioner and Assigned Optionee agree as follows:

1. Optioner and Assigned Optionee agree that the Option Agreement is terminated as of the effective date of this Mutual Termination Agreement. This Mutual Termination Agreement is effective on the latest date of the dates executed by Optioner and Assigned Optionee.
2. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Option Agreement.
3. Optioner shall refund to Original Optionee the Option Payment concurrent with execution of this Mutual Termination Agreement.

[Signature Page Follows]

CITY OF SUGAR LAND

IMPERIAL POWER PLANT, LLC

By: _____
Name: _____
Its: _____
Date: _____

By: **Edward Torres** Digitally signed by Edward Torres
DN: cn=Edward Torres, c=US,
o=Peak Reliability LLC,
email=etorres@p-r-energy.com
Date: 2025.02.20 15:36:19 -06'00'
Name: Edward Torres
Its: Managing Director
Date: 02/20/2025

ATTEST:

Linda Mendenhall, City Secretary

XAKIA MATTER NO. 5896M
APPROVED AS TO FORM:

DAnn Shea Smith