

Utopian Power
SOLAR ENERGY OPTION AGREEMENT

THIS SOLAR ENERGY OPTION AGREEMENT (“**Agreement**”) is dated _____, 2022, and is made by and between the **Kenai Peninsula Borough, (“KPB” or “Lessor) an Alaska municipal corporation, whose address is 144 N. Binkley Street, Soldotna, AK 99669** Lessor and **Utopian Power, LLC, (UP or “Lessee) a Michigan Company, whose address is 6036 7 Mile Road, South Lyon, MI 48178 .**

Recitals:

- A. Lessor owns that certain real property located in the Kenai Peninsula Borough,, State of Alaska, as more particularly described herein.
- B. Lessee desires to obtain an option to lease portions of the Premises (as hereinafter defined) for the development, construction, and operation of Solar Facilities (as hereinafter defined) and other related purposes.
- C. Subject to the terms and provisions of this Agreement, it is the intent of the Parties that Lessee be permitted to conduct certain activities on the Premises or a portion thereof, as specified in this Agreement, and it is further the intent of the Parties such use by Lessee shall not exclude or prevent the conduct by Lessor of other lawful activities on the Premises so long as the conduct of such activities does not adversely affect the development, construction and operation of the Solar Facilities or the reasonable exercise by Lessee of its rights set forth herein.

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

1. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

- (a) The term “**Applicable Law**” means each statute, regulation, code, rule, ordinance, judgment, order, writ, injunction, decree, award, or any other directive which is legally binding and has been enacted, issued or promulgated by any governmental authorities having jurisdiction over the Parties or the Premises.
- (b) The term “**Assignee**” shall mean any purchaser, assignee, sublessee or transferee of all or any portion of Grantee’s rights, title and/or interests in, to and under this Agreement.
- (c) The term “**Environmental Laws**” means all statutes, ordinances, orders, rules and regulations of all federal, state or local governmental agencies relating to the use, generation, manufacture, installation, handling, release, discharge, storage or disposal of Hazardous Materials, including, but not limited to, the Federal Water Pollution Act, as amended (33 U.S.C. § 1251 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. § 6901 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601 et seq.), and the Hazardous Materials Transportation Act, as amended (49 U.S.C. § 1801 et seq.).
- (d) The term “**Hazardous Materials**” means petroleum, asbestos, polychlorinated biphenyls, radioactive materials, radon gas or any chemical, material or substance defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous waste,” “restricted hazardous waste” or “toxic substances,” or words of similar import, under all Environmental Laws.

(e) The term “**Lease Agreement**” shall mean a lease agreement providing Lessee with all necessary rights to develop, construct, and operate the Solar Facilities and not inconsistent with the terms set out in Exhibit A.

(f) “**Option**” means the exclusive option granted herein by Lessor to Lessee to enter into the Lease Agreement.

(g) “**Option Period**” means the period commencing on the Effective Date and ending on the earlier to occur of i) the Effective Date of a lease agreement signed in connection with this Agreement, or ii) the third (3rd) anniversary of the Effective Date, unless sooner extended or terminated as provided herein.

(h) The term “**Project**” means the Solar Facilities and those parcels of land upon which Grantee plans to construct the Solar Facilities, together with such adjoining property that is deemed necessary in Grantee’s judgment for the operation of the Solar Facilities.

(i) The term “**Solar Facilities**” means all or any combination of the following: one or more solar photovoltaic gathering devices including, without limitation, solar panels, mounting substrates or supports, wiring and connections, power inverters, service equipment, and monitoring equipment for the conversion of solar energy into electrical energy and the collection, conditioning, storage and transmission of electrical energy (“**SGDs**”), above-ground and/or underground electrical transmission and communication lines and related equipment, footings, towers, poles, crossarms, guy lines, anchors and wires, collection and transmission grids, power conditioning equipment, substations, interconnections and/or switching facilities and transformers (“**Transmission Facilities**”), energy storage facilities (including, without limitation, battery storage facilities), telecommunications equipment, laydown areas, radio relays, roads and gates, signs and fences, meteorological towers, pyranometers and other solar measurement equipment, control buildings, maintenance yards and other related facilities, machinery, equipment and improvements.

2. Option; Option Payment.

2.1 Lessor hereby grants the Option to Lessee. Lessee may exercise the Option by delivering a notice in the manner described in Section 12.7 (“**Exercise Notice**”). Upon Lessee’s exercise of the Option in the manner required, Lessor and Lessee shall enter into a Lease Agreement with the terms not inconsistent with those set forth in Exhibit A and including all other terms necessary to the development, construction, and operation of the Solar Facilities.

2.2 The Option Payment shall be made within 60 days of the dates below and in the amounts in U.S. dollars according to the following schedule:

Date	Annual Amount
Effective Date of Agreement	\$3,500.00
First Anniversary	\$3,500.00
Second Anniversary	\$3,500.00

3. Premises. Lessor owns that certain real property located in the Kenai Peninsula Borough, STATE of Alaska, as more particularly described on the map or plat attached hereto as Exhibit B and the legal description attached hereto as Exhibit B-1 which has been designated as the Premises hereunder. In the

event of a discrepancy between the map and the legal description, the map shall express intent as to control. Lessee may designate a portion of the Premises in the Exercise Notice to serve as the Premises under the Lease.

4. Use of Premises.

4.1 During the Option Period. During the Option Period, Lessee shall have the exclusive right to use the Premises for the purpose of determining the feasibility of Solar Energy conversion on the Premises. The foregoing right to use the Premises during the Option Period includes the right to conduct surveys and environmental, biological, cultural, geotechnical and other tests, including geotechnical drilling and studies, provided the existing solid waste landfill protective liners and monitoring wells are not disturbed or breached.

4.2 Following the Exercise of the Option. Upon its exercise of the Option, Lessee shall have the exclusive right to occupy and use the Premises for the purpose of development, construction and operation of a solar-powered electrical generating facility for the conversion of Solar Energy into electrical energy and the collection, conditioning and transmission of electrical energy, whether or not generated on the Premises, together with other related purposes and activities, pursuant to the terms and conditions of the Lease Agreement.

5. Term.

5.1 Option Period. The Option Period shall commence on the Effective Date and end on the third (3rd) anniversary of the Effective Date, unless sooner extended or terminated as provided herein.

5.2 Less's Right to Terminate. Lessee shall have the right to terminate this Agreement, at any time and from time to time, upon thirty (30) days' prior written notice to the Lessor. In such case, no payments due after such termination date shall be due to Lessor, and neither party shall have any responsibility or liability to the other hereunder.

5.3 Lessor's Right to Terminate. Lessor shall have the right to terminate this Agreement only upon an Event of Default and as stipulated in Section 11.1(b).

6. Termination of Agreement.

6.1 Events Causing Termination. The occurrence of any of the following events shall terminate this Agreement:

- (a) The expiration of the Option Period of this Agreement without Lessee delivering the Exercise Notice; or
- (b) The written agreement of the Parties to terminate this Agreement; or
- (c) Lessee terminates this Agreement in accordance with Section 5.2; or
- (d) Lessor terminates this Agreement in accordance with Section 5.3; or
- (e) Lessee exercises its rights to terminate this Agreement in accordance with the provisions of Section 11.2.

7. Repair of Improvements; Damages.

In the event that the surface of the Premises is damaged (e.g., rutting of land) from activities of Lessee or its agents during the term of this Agreement, Lessee will, at its expense, promptly restore the surface of the Premises to a condition reasonably similar to that which existed immediately prior to the time of damage, provided that Lessee shall have no obligation to repair damage from patent or latent defects and damage caused by Lessor's activities. .

8. Less's Representations, Warranties and Covenants.

8.1 Lessee's Indemnity. Lessee shall indemnify, defend, protect, and hold Lessor harmless from and against any claims for physical damages to property and for physical injuries to any person, to the extent caused by Lessee or its employees', agents', or contractors' negligence or willful misconduct; provided, however, that Lessee's obligations for damage to crops, tile, fences, and other property or improvements on the Premises or the surface of the Premises during Construction Activities or resulting from other activities of Lessee or its agents during the term of this Agreement shall be governed exclusively by Section 7.

8.2 Insurance. Insurance coverage required under this Agreement shall be primary and exclusive of any other insurance carried by the Lessor. Minimum levels of insurance coverage required under this Agreement shall remain in effect for the life of this Agreement and shall be a part of the contract price. If Lessee's policies contain higher limits, the Lessor shall be entitled to coverage to the extent of such higher limits. There shall be no cancellation or material change of the insurance coverages, or intent not to renew the insurance coverages as specified in this Agreement, without thirty (30) calendar days' prior written notice to the Lessor. Certificates of Insurance, acceptable in form and content, will be delivered to the Lessor at the time of submission of the signed Agreement and updated certificates shall be provided upon insurance coverage renewal, where applicable. Lessee shall provide and maintain:

Commercial General Liability (CGL): The CGL Policy shall be written on an occurrence basis and with a limit of not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00) each occurrence and aggregate. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, broad form property damage, independent contractors, products-completed operations, personal injury and advertising injury, explosion, collapse, underground hazards, and liability assumed under a contract including the tort liability of another assumed in a business contract. If necessary to provide the required limits, the Commercial General Liability policy's limits may be layered with a Commercial Umbrella or Excess Liability policy. This policy shall name Lessor as Additional Insured. To the extent damages are covered by commercial general liability insurance, subrogation shall be waived.

Umbrella/ Excess policy: With limits of \$2,000,000 per occurrence and in the aggregate. Lessee may use any combination of primary and excess insurance to meet the total limits required. This policy shall name Lessor as Additional Insured. To the extent damages are covered by commercial general liability insurance, subrogation shall be waived.

Worker's Compensation Insurance: For all employees engaged in work under this Agreement, Workers' Compensation Insurance in accordance with the laws of the State of Alaska. The contractor shall be responsible for Workers' Compensation Insurance for any subcontractor(s) who directly or indirectly provides services under this Agreement. This coverage must include statutory coverage for states in which employees are engaging in work and employer's liability protection not less than FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) each accident, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) each person and FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) policy limit. Where applicable, coverage for all federal acts (i.e., U.S.L. & H and Jones Act) must also be included.

Property Insurance: Insuring against all risks of loss to any UP improvements at full replacement cost with no insurance penalty provision. Lessee shall have the right to self-insure such Property Insurance.

Automobile Liability: The Auto Liability Policy shall include a Combined Single Limit of not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00); Underinsured and Uninsured Motorists limit of not less than ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00); Coverage shall include Non-Owned and Hired Car coverage. This policy shall name Lessor as Additional Insured. To the extent damages are covered by auto liability insurance, subrogation shall be waived.

Full policies. At its option, Lessor may request copies of required policies and endorsements. Such copies shall be provided within (10) TEN CALENDAR DAYS of Lessor's request. All insurance required hereunder shall be maintained in full force and effect with insurers with Best's rating of AV or better and be licensed and admitted in Alaska.

No Representation of Coverage Adequacy. By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessee, sublessee, and/or contractor or subcontractor(s) of any tier, and such coverage and limits shall not be deemed as a limitation on the liability of the Contractor and subcontractor(s) of any tier under the indemnities granted to Lessor in this Agreement.

Self-insurance. Notwithstanding the foregoing, Lessee may self-insure any required coverage under the same terms as required by this Agreement.

8.3 Mechanics' Liens. Lessee shall not permit any mechanics' liens to be filed against the Premises as a result of Lessee's use of the Premises and if any such mechanics' liens are so filed, Lessee shall promptly cause the removal thereof. If Lessee wishes to contest any such lien, Lessee shall, within sixty (60) days after it receives notice of the lien, provide a bond or other security as Lessor may reasonably request, or remove such lien from the Premises pursuant to applicable law.

9. No Interference. Throughout the Option Period, Lessee shall have the exclusive right to measure, evaluate, and convert all of the solar resources of the Premises. Lessor shall not interfere with, nor allow any other party to interfere with, the free, unobstructed and natural solar resource over and across the Premises, whether by constructing buildings or other structures or walls, planting trees or engaging in any other activity on the Premises or any adjacent property owned by Lessor. Lessor shall not conduct any activity, nor grant any rights to any third party, whether on the Premises or elsewhere, that would interfere in any way with Lessee's use of the Premises or the rights granted under this Agreement and Lessor shall exercise reasonable care not to disturb or uncover any below ground electrical cables. Lessor shall not grant any easement, license, lease or other right for access across any portion of the Premises to any third party in the business of development or operation of solar powered electrical generation or which would

otherwise materially interfere with Lessee's development and acquisition of the Solar Facilities. Lessor may use the Premises for those existing agricultural and residential uses that do not interfere with Lessee's use of the Premises and may, without Lessee's consent, enter into agricultural leases; provided that Lessor shall not enter into any new leases that would materially impair the exercise by Lessee of its right under this Agreement. Lessor will disclose known encumbrances on the Premises on the form that is attached as Exhibit C hereto.

10. Assignment; Cure.

10.1 Assignees. Lessee may assign this Agreement in whole or in part at any time upon notice to and with expressed written consent of Lessor. Lessee or an assignee that has assigned an interest under this Section will give notice of such assignment (including the address of the assignee thereof for notice purposes) to Lessor. Failure to give such notice shall constitute a default under this Agreement.

10.2 Right to Cure Defaults. To prevent termination of this Agreement or any partial interest herein, Lessee (or any approved assignee) shall have the right, but not the obligation, at any time prior to the effective date of termination, to pay any or all amounts due hereunder, and to do any other act or thing required of any assignee or grantee hereunder necessary to prevent the termination. If Lessee or an assignee holds an interest in less than all of the Agreement or the Premises any default under this Agreement shall be deemed remedied, as to any such partial interest, and Lessor shall not disturb such partial interest, if Lessee or the assignee, as the case may be, cures its pro rata portion of the default by paying the consideration, if any, and performing all other obligations attributable to Lessee or the assignee, as the case may be, holds an interest.

11. Default.

11.1 Remedies Upon Lessee's Default.

(a) Event of Default. An Event of Default shall occur only if Lessee shall have failed to perform any of Lessee's covenants under this Agreement (including the payment of consideration or other charges) and such failure continues for a period of thirty (30) days after written notice from Lessor (or if such failure is not reasonably capable of being cured within thirty (30) days, if Lessee shall not have commenced to cure the same within such thirty (30) day period and thereafter diligently prosecutes the same to completion).

(b) Remedies following Events of Default. Notwithstanding the foregoing, if any Event of Default occurs, and fails to be cured within thirty (30) days after written notice from Lessor, Lessor may terminate this Agreement upon thirty (30) days prior written notice to Lessee. If Lessee cures the Event of Default prior to the termination date specified in Lessor's notice, then this Agreement shall remain in full force and effect.

11.2 Remedies Upon Lessor's Default. If Lessor shall at any time be in default of any of its covenants or representations under this Agreement and such default shall continue for a period of thirty (30) days after written notice to Lessor (or if such default (other than a failure of a representation) is not reasonably capable of being cured within thirty (30) days, if Lessor shall not have commenced to cure the same within such thirty (30) day period and thereafter diligently prosecute the same to completion), then Lessee shall be entitled to exercise concurrently or successively any one or more of the following rights, in addition to all other remedies provided in this Agreement or available at law or in equity: (a) to bring suit for the collection of any amounts for which Lessor may be in default, or for the performance of any other covenant or agreement of Lessor, without terminating this Agreement; and/or (b) to offset any or all amounts owed by Lessor to Lessee against all amounts next coming due from Lessee to Lessor; and/or

(c) to terminate this Agreement upon thirty (30) days' written notice to Lessor, without waiving Lessee's rights to damages for Lessor's failure to perform its obligations hereunder.

12. Miscellaneous.

12.1 Exclusivity. Lessee shall have the exclusive option to acquire the Lease Agreement for the Premises for Solar Energy purposes. Lessor agrees that during the Option Period, Lessor will not initiate, solicit, encourage, or facilitate any inquiries, discussions, proposals, or offers with respect to, or enter into any agreement with respect to, any acquisition or purchase of a solar easement upon, or rights to use the Premises (or any part thereof, or any tract or parcel which includes the Premises) in the development of a Solar Energy production facility with any person other than Lessee.

12.2 Solar Data. Any and all solar resource data collected by or on behalf of Lessee either before or after the Effective Date shall at all times be the sole property of Lessee.

12.3 Damages. Except as expressly provided herein, neither Party shall be liable to the other for any indirect, incidental, or consequential damages whether based on contract, tort (including negligence), strict liability, or otherwise, resulting from or arising out of this Agreement, including, without limitation, loss of revenue or profits (anticipated or otherwise) or business interruptions, howsoever caused or arising. Nothing in this Section shall limit the amounts payable under any insurance policies maintained by the Parties, nor shall it limit actual damages incurred by any Party.

12.4 Confidentiality. Lessor shall maintain in the strictest confidence in accordance with KPBC code, for the sole benefit of grantee, all information pertaining to the terms and conditions of this agreement, including, without limitation, the financial terms of this agreement. Lessee's site design and product design, methods of operation, methods of construction and power production of the solar facilities. Lessor shall not use such information for its own benefit, publish or otherwise disclose it to others, or permit its use by others. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

12.5 Successors and Assigns. This Agreement shall burden the Premises and shall run with the land. This Agreement shall inure to the benefit of and be binding upon Lessor and Lessee, and their respective heirs, successors and assigns. Nothing set forth in this Agreement shall be deemed to limit or abridge Lessor's right to sell, transfer, or otherwise convey all or any portion of the Premises; provided that any such transfer shall be wholly subject to Lessee's rights pursuant to this Agreement.

12.6 Memorandum of Option. Lessor and Lessee shall execute a memorandum of this Agreement, in the form attached hereto as Exhibit D, and Lessee shall record such memorandum in the Official Records of the Kenai Peninsula Borough in which the Premises are located.

12.7 Notices. All notices pursuant to this Agreement shall be in writing and shall be sent only by the following methods: personal delivery; United States Mail (first-class, certified, return-receipt requested, postage prepaid); or delivery by a national, overnight courier service which keeps records of deliveries (such as, by way of example but not limitation, Federal Express, United Parcel Service, and DHL). For purposes of giving notice hereunder, the respective addresses of the parties are, until changed as hereinafter provided, the following:

<p>Lessor:</p> <p>Kenai Peninsula Borough Land Management 144 N. Binkley Street Soldotna, AK 99669</p>	<p>Lessee:</p> <p>Utopian LLC 6036 7 Mile Road South Lyon, MI 48178</p>
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Any Party may change its address at any time by giving written notice of such change to the other Party in the manner provided herein. All notices shall be deemed given on the date of personal delivery or, if mailed by certified mail, on the delivery date or attempted delivery date shown on the return-receipt.

12.8 Entire Agreement; Amendments. This Agreement and the attached Exhibits constitute the entire agreement between Lessor and Lessee respecting its subject matter, and replace and supersede any prior agreements. This Agreement shall not be modified or amended except in a writing signed by both Parties or their lawful successors in interest.

12.9 Attorneys' Fees. If either Party brings any action or proceeding against the other (including any cross-complaint, counterclaim or third-party claim) to enforce or interpret this Agreement, or otherwise arising out of this Agreement, the prevailing party in such action or proceeding shall be entitled to its costs and expenses of suit, including reasonable attorneys' fees and accountants' fees, which shall be payable whether or not such action or proceeding is prosecuted to judgment. For purposes hereof, the term "prevailing party" includes a party who dismisses an action for recovery in exchange for payment of the sums allegedly due, performance of covenants allegedly breached or consideration substantially equal to the relief sought in the action.

12.10 Partial Invalidity. Should any provision of this Agreement be held, in a final and unappealable decision by a court of competent jurisdiction, to be invalid, void or unenforceable, the remaining provisions hereof shall remain in full force and effect, unimpaired by the holding.

12.11 Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Alaska in which the Premises are located. Any lawsuit brought arising from this Agreement shall be filed in the courts of the Third Judicial District, State of Alaska, located in the City of Kenai, Alaska.

12.12 Counterparts. To facilitate execution, this Agreement may be executed in as many separate counterparts as may be convenient or required. It shall not be necessary that the signature of each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties, hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto, except having attached to it additional signature pages.

12.13 Approvals.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below and this Agreement shall be effective as of the later of such dates.

LESSOR: The Kenai Peninsula Borough

Charlie Pierce, Mayor

Date: _____

GRANTEE: Utopian Power, LLC

By: _____

Print Name: _____

Its: _____

Date: _____

ATTEST:
LEGAL SUFFICIENCY:

APPROVED AS TO FORM AND

Johni Blankenship, Borough Clerk

A. Walker Steinhage, Deputy Borough Attorney

LESSOR ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____ 2022,
by Charlie Pierce, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on
behalf of the corporation.

Notary Public for State of Alaska
My Commission Expires: _____

GRANTEE ACKNOWLEDGMENT

STATE OF _____)
) ss:
THIRD JUDICIAL DISTRICT)

On the ____ day of _____, 2022, before me personally appeared
_____, and acknowledged under oath that he/she is the _____ of
Utopian Power, an _____ corporation, the UP named in the attached instrument, and as
such was authorized to execute this instrument on behalf of the UP.

Notary Public: _____
My Commission Expires: _____

EXHIBIT A
MATERIAL LEASE TERMS

Ground Lease Term:

Lease term not to exceed 25-years with two consecutive 10-year renewal periods with consent and approval by both parties.

Ground Lease Amount:

During the term(s) of this agreement, UP shall pay a base fixed rent payment of \$250.00 per acre for a total annual lease amount of Ten Thousand Dollars (\$10,000.00). Additional rental compensation shall come in the form of a 12% royalty to be based off the gross revenue generated from the sale of power generated from the facility. Said royalty to be paid on an annual basis, on or before February 15th each year.

Additional Terms are as shown or may be incorporated on the attached Lease

EXHIBIT B
MAP OF THE PREMISES

EXHIBIT B-1
LEGAL DESCRIPTION OF PREMISES

Government Lot 3 of Section 1, Township 5 North, Range 9 West, Seward Meridian, Third Judicial District, State of Alaska

EXHIBIT C
PERMITTED ENCUMBRANCES

Any Land Subject to CRP Program? NO YES

If yes, please state the details:

Mortgages:

Easements:

Leases:

Other Agreements:

EXHIBIT D
MEMORANDUM OF OPTION AGREEMENT

[make any adjustments as to form as required by recording office]

(space above reserved for recording information)

MEMORANDUM OF LEASE OPTION AGREEMENT

THIS MEMORANDUM OF LEASE OPTION AGREEMENT (“**Memorandum**”) is made and entered into as of _____, 2022, by and between **Kenai Peninsula Borough, an Alaska municipal corporation, whose address is 144 N. Binkley Street, Soldotna, AK 99669 (“Lessor”)**, and **Utopian Power, LLC, (UP) a Michigan Company, whose address is 6036 7 Mile Road, South Lyon, MI 48178 (“Lessee”)**.

1. This Memorandum evidences the existence of that certain Solar Energy Option Agreement dated _____, 2022 herewith between Lessor and Lessee (the “**Agreement**”) relating to certain real property (the “**Premises**”) located in the Kenai Peninsula Borough, State of _____, as more particularly described in **Exhibit A** attached hereto. The Agreement grants to Lessee the right to acquire a lease across portions of the Premises designated by Lessee at the time of its exercise of the option granted therein (the “**Option**”) for the development, construction, and operation of a solar energy generation facility. The purpose of this Memorandum is to notify all persons interested in said real property that Lessor and Lessee have entered into said Lease Option Agreement. The period for the exercise of the option granted under the Agreement is three (3) years, commencing on the date of this Memorandum.
2. This Memorandum is prepared for the purpose of giving notice of the Agreement and in no way modifies the express provisions of the Agreement. This Memorandum shall continue to constitute notice of the Agreement, even if the Agreement is subsequently amended.
3. To facilitate execution, this Memorandum may be executed in as many separate counterparts as may be convenient or required. It shall not be necessary that the signature of each Party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument.

[Signature Page Follows]

IN WITNESS WHEREOF this Memorandum of Option Agreement has been executed as of the date first written above.

LESSOR: The Kenai Peninsula Borough

Charlie Pierce, Mayor

Date: _____

GRANTEE: Utopian Power, LLC

By: _____

Print Name: _____

Its: _____

Date: _____

ATTEST:
LEGAL SUFFICIENCY:

APPROVED AS TO FORM AND

Johni Blankenship, Borough Clerk

A. Walker Steinhage, Deputy Borough Attorney

LESSOR ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____ 2022,
by Charlie Pierce, Mayor of the Kenai Peninsula Borough, an Alaska municipal corporation, for and on
behalf of the corporation.

Notary Public for State of Alaska
My Commission Expires: _____

GRANTEE ACKNOWLEDGMENT

STATE OF _____)
) ss:
THIRD JUDICIAL DISTRICT)

On the ____ day of _____, 2022, before me personally appeared
_____, and acknowledged under oath that he/she is the _____ of
Utopian Power, an _____ corporation, the UP named in the attached instrument, and as
such was authorized to execute this instrument on behalf of the UP.

Notary Public: _____
My Commission Expires: _____

EXHIBIT A
(Memorandum of Option Agreement)
Legal Description

Government Lot 3 of Section 1, Township 5 North, Range 9 West, Seward Meridian, Third Judicial District, State of Alaska