GRAYSON COUNTY, TEXAS

AND

PANDA SHERMAN POWER, LLC

"CHAPTER 381" ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Economic Development Program Agreement ("Agreement") is made and entered into by and between Grayson County, Texas (the "County"), and Panda Sherman Power, LLC, a Delaware limited liability company (the "Company"), as of 11th October, 2011 (the "Effective Date").

WITNESSETH:

WHEREAS, the Company currently owns that certain tract of real property located within the County and as more particularly described on Exhibit A attached hereto (the "Project Site");

WHEREAS, Company desires to enter into this Agreement with respect to the Project Site pursuant to Chapter 381;

WHEREAS, the Company's objective is to develop and construct an approximately 500 Megawatt natural gas fired, combined cycle, electric generation facility and other related improvements (collectively, the "Electric Generation Facility") on the Project Site;

WHEREAS, the County desires to provide, pursuant to Chapter 381, an incentive to the Company to develop the Project (defined below) on the Project Site; and

NOW, THEREFORE, in consideration of the mutual benefits and premises contained herein and for other good and valuable consideration (including the application fee paid by or on behalf of the Company to the County), the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Authorization.

The County has concluded that this Agreement is authorized by Chapter 381.

2. Definitions.

The following definitions shall apply to the terms used in this Agreement:

"Agreement" has the meaning set forth in the introductory paragraph of this Agreement.

"Appraised Value" has the meaning set forth in Section 1.04(8) of the Tax Code (or its successor provision).

"Auditor" has the meaning set forth in Section 5(a) of this Agreement.

"Challenge Notice" has the meaning set forth in Section 5(a) of this Agreement.

"Chapter 381" has the meaning set forth in the recitals to this Agreement.

"County" has the meaning set forth in the introductory paragraph of this Agreement.

"CO" means a certificate of occupancy issued by the County.

"Company" has the meaning set forth in the introductory paragraph of this Agreement.

"Company Affiliate" means any Person, directly or indirectly controlling, controlled by, or under common control with the Company. As used in this definition, the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Construction Condition" means Panda or a Panda Affiliate substantially completing, or causing to be substantially completed, the Electric Generation Facility on or before July 1, 2016.

"Effective Date" has the meaning set forth in the introductory paragraph of this Agreement.

"Electric Generation Facility" has the meaning set forth in the recitals to this Agreement.

"Force Majeure" means, without limitation, acts of God, or the public enemy, war, terrorism, criminal acts by unrelated third parties, riot, civil commotion, insurrection, governmental or de facto governmental action other than the County's legislative zoning authority, fire, explosions, floods, strikes, adverse weather, or any other extraordinary event beyond the control of the Company (including, without limitation, broad based extraordinary economic events) that makes it reasonably impracticable to accomplish a desired objective.

"Grant Certification" has the meaning set forth in Section 5(a) of this Agreement.

"Grant Term Year" means as follows: the eleventh Term Year following the issuance of a CO and the next four (4) consecutive Term Years thereafter, for a total of five (5) Term Years; The first Grant Term Year shall be referred to as "Grant Term Year 1", the second Grant Term Year shall be referred to as "Grant Term Year 2," and so on, with the last Grant Term Year being "Grant Term Year 5".

"Person" means an individual or a corporation, partnership, trust, estate, unincorporated organization, association, or other entity.

"Project" means (a) the construction of Electric Generation Facility on the Project Site, and (b) any expansion, renovation or modification of the Electric Generation Facility during the Term.

"Project Site" has the meaning set forth in the recitals to this Agreement.

"Qualified Facilities" means any building, improvement, structure, fixture, parking or paving constructed on the Project Site after the Effective Date.

"Tax Code" means the Texas Tax Code, as amended from time to time.

"Term" has the meaning set forth in Section 3 of this Agreement.

"Term Year" means tax year following the Effective Date of this Agreement.

All references in this Agreement to a "tax year" mean a calendar year.

3. Term.

This Agreement shall be effective as of the Effective Date and shall remain in full force and effect until the end of "Grant Term Year 5."

4. Property Tax Incentives:

(a) Project Site. Subject to Section 4(b), Section 4(c), and Section 4(d), the County shall, for each Grant Term Year, make a grant (in cash) to the Company in an amount measured by a percentage of County ad valorem taxes paid by the Company and Company Affiliates with respect to each Qualified Facility and the business personal property located therein or otherwise on the Project Site as follows:

Grant Term Year	Percentage of County Taxes Used to Measure Grant
Grant Term Year 1	44%
Grant Term Year 2	42%
Grant Term Year 3	40%
Grant Term Year 4	38%
Grant Term Year 5	36%

(b) Construction Condition. Notwithstanding anything to the contrary in Section 4(a), if the Construction Condition is not met on or before July 1, 2016 (plus extensions due to Force Majeure), then no grant under this Agreement shall be provided.

(c) Operation Covenant. The Company shall operate the Electric Generation Facility in accordance with prudent industry standards and applicable law.

(d) Property Tax Covenant. Throughout the term of this Agreement, the Company shall timely pay all property taxes for the Project and real and personal property located therein due and owing by it to all relevant taxing jurisdictions.

(e) Payment of Grant. Each grant for each Grant Term Year shall be paid to the Company not later than February 28 of the immediately following year (unless the Challenge Notice procedure set forth in Section 5 hereof makes such payment date impossible, in which case the grant shall be paid within thirty days following the Auditor's determination); provided, however, that no such rebate is due until after the Company or a Company Affiliate has paid the County property taxes upon which the grant is measured. The County hereby agrees that it has available and dedicated funds to make the grants contemplated by this Agreement.

5. Certification/Verification

(a) On or before the first January 31 following each Grant Term Year, the Company shall certify in writing to the County whether the conditions set forth in Sections 4(b), (c), and (d) (provided that once the condition described in Section 4(b) has been met, then no further certification shall be required with respect to such condition) hereof have been met (each, a "Grant Certification"). On or before the first February 21 following the relevant Grant Term Year, the County may object (by delivering a written notice to the Company) (a "Challenge Notice") to such Grant Certification (it being understood that the County may elect to object to all or any portion of the conclusions in the Certification). If a Challenge Notice is not timely delivered to the Company for a particular Grant Certification, then such Grant Certification shall be final, binding, nonappealable and conclusive on each of the Company and the County with respect to all matters addressed in such Grant Certification (and the Grant Certification shall also be binding, nonappealable and conclusive on each of the Company and the County with respect to all matters addressed therein that are not challenged by the County in a timely Challenge Notice). If, however, a timely Challenge Notice is delivered, then (i) the Company and the County shall attempt to resolve all issues raised in the Challenge Notice; and (ii) if the process in clause (i) above does not result in an agreement between the Company and the County concerning all such issues within twenty days following the date of delivery of the relevant Challenge Notice, then an independent accounting firm jointly selected by the County and the Company (the "Auditor") shall determine whether each challenged condition set forth in the Grant Certification has been met. The Auditor shall allocate the payment of the Auditor's fees and expenses to the County and/or the Company based upon the percentage of the Company's certifications that are correct; thus, for illustration purposes only, if the County challenges three Company conclusions and the Auditor determines that two such conclusions are correct and one is incorrect, then the Company would pay one-third of the Auditor's fees and expenses and the County would pay two-thirds of the Auditor's fees and expenses.

(b) All determinations by the Auditor shall be final, nonappealable and conclusive.

(c) The Auditor shall have reasonable access to the Company's books, records and other information as is necessary to make the determination(s) described above, but shall not have any access to any of the Company's books, records or other information that is not required

to make such determination(s). In all events, the Auditor shall keep all information obtained by it from the Company confidential (and, for example, shall not disclose such information to the County, with the County receiving only the Auditor's final conclusions described above), and, prior to having access to any of the Company's records, shall execute and deliver to the Company a commercially reasonable form of confidentiality agreement submitted by the Company. Any report prepared by the Auditor shall not include any information deemed confidential or proprietary by the Company. Without limitation, the Auditor's report shall contain only totals and conclusions and shall not include any specific salary, benefit or other business or proprietary information of the Company.

6. Development Incentives.

NONE

7. Default.

If the County defaults with respect to any of its obligations hereunder and fails, within thirty (30) days after delivery of written notice of such default from the Company, to cure such default, then the Company, by action or proceeding at law or in equity, may be awarded its damages for such default, including all reasonable attorneys' fees and costs incurred in connection with such default. If the Company defaults with respect to any of its obligations hereunder and fails, within sixty (60) days after delivery of written notice of such default from the County, to cure such default or such longer time as is reasonably necessary to address a default due to Force Majeure or to address a default that cannot be cured within such 60-day period provided that the Company is diligently attempting to cure, then the County may terminate this Agreement.

The Company's failure to meet a condition set forth in Sections 4(b), (c) or (d) hereof (and failure to submit a Grant Certification, it being understood that the sole result of not submitting such certification for a particular year shall be the Company's not receiving rebates hereunder for such year so long as the Company received at least one prior notice from the County that such certification was due) for a particular year shall result only in the loss of rebates for such year. The Company's only liability for failing to meet a condition or breach shall be those set forth in this Section 7 and Section 4.

8. Mutual Assistance.

The County and the Company shall take all reasonable measures that are necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

9. Representations and Warranties.

The County represents and warrants to the Company that this Agreement is within the scope of its authority and the provisions of its charter, and that it is duly authorized and empowered to enter into this Agreement under Chapter 381 .

10. INDEMIFICATION

A. **IN ADDITION TO THE OTHER REMEDIES AFFORDED TO THE COUNTY IN THIS AGREEMENT, PANDA SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE COUNTY, ITS ELECTED OFFICIALS, COMMISSIONERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, OR AGENTS (HEREINAFTER "COUNTY'S INDEMNIFIED PARTY") FOR, FROM AND AGAINST ANY AND ALL LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS, REASONABLE ATTORNEYS' FEES AND COSTS OF INVESTIGATION, REMOVAL AND REMEDIATION, AND GOVERNMENTAL OVERSIGHT COSTS), ENVIRONMENTAL OR OTHERWISE, OF ANY NATURE, KIND OR DESCRIPTION OF ANY PERSON OR ENTITY RESULTING FROM PANDA'S CONSTRUCTION AND OPERATION OF THE ELECTRIC GENERATION FACILITY.**

B. Notice of Indemnified Loss. The County's Indemnified Party shall promptly notify Panda of any indemnified Losses or Claim for indemnified Losses in respect of which the County's Indemnified Party may be entitled to indemnification under this Section 10. Such notice shall be given as soon as reasonably practicable after the County's Indemnified Party becomes aware of the Loss or Claim for Losses.

C. Defense of Third Party Claims. In the event any action or proceeding shall be brought against the County's Indemnified Party by reason of any matter for which the County's Indemnified Party is indemnified hereunder, Panda shall, upon notice from the County's Indemnified Party or its authorized agents or representatives, at Panda's sole cost and expense, resist and defend the same with legal counsel selected by Panda; provided, however, that Panda shall not admit liability in any such matter on behalf of the County's Indemnified Party without the County's express written consent. Nothing herein shall be deemed to prevent the County's Indemnified Party at its election and at its own expense from cooperating with Panda and participating in the defense of any litigation by their own counsel. If Panda fails to retain defense counsel within ten (10) business days after receipt of County's Indemnified Party written notice that the County's Indemnified Party is invoking its right to indemnification under this Agreement, the County's Indemnified Party shall have the right to retain defense counsel on their own behalf, and Panda shall be liable for all usual and customary defense costs incurred by the County's Indemnified Party.

D. Limitation on Indemnity. The amount owing to a County Indemnified Party will be the amount of the County Indemnified Party's Losses net of any insurance proceeds received by the County Indemnified Party following a reasonable effort by the County Indemnified Party to obtain such insurance proceeds.

11. Section or Other Headings.

Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

12. Attorneys Fees.

In the event any legal action or proceeding is commenced to enforce or interpret provisions of this Agreement, the prevailing party in any such legal action shall be entitled to recover its reasonable attorneys' fees and expenses incurred by reason of such action.

13. Entire Agreement.

This Agreement contains the entire agreement between the parties with respect to the transactions contemplated herein.

14. Amendment.

This Agreement may only be amended, altered, or revoked by written instrument signed by the Company and the County.

15. Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of the parties to this Agreement and all Company Affiliates, and their respective successors and assigns. The Company may assign all or part of its rights and obligations hereunder (irrespective of whether the Company ever owns all or any part of the Project Site) (a) without the prior written approval of the County, to any Company Affiliate, (b) without the prior written approval of the County, to any Person that acquires all or a portion of the Project Site or any improvement thereon and then leases such property to the Company or any Company Affiliate, (c) without the prior written approval of the County, to any assignee that can meet the conditions set forth in Sections 4(b) (if still applicable), (c),and (d) above; and (d) to any Person not described in clause (a), (b) or (c) above, with the prior written approval of the County, which shall not be unreasonably withheld, conditioned or delayed. Any assignment in violation of this Section 15 shall (i) not affect any grants with respect to which the Company or any Company Affiliate is already entitled.

16. Notice.

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, hand delivered or sent by overnight delivery service (by any method of delivery offered by such overnight carrier), addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

Company:	Panda Sherman Power, LLC 4100 Spring Valley Road, Suite 1001 Dallas, Texas 75244 Attention: General Counsel
With an additional copy to:	Haynes and Boone, LLP 2323 Victory Ave., Suite 700

Dallas, Texas 75219
Attention: Jeff W. Dorrill

County: County Judge
Grayson County
100 W. Houston, STE 15
Sherman, Texas 75090

17. Interpretation.

Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any party.

18. Applicable Law.

This Agreement is made, and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in a court located in Grayson County, Texas.

19. Severability.

In the event any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

20. Counterparts.

This Agreement may be executed in multiple counterparts (and may be delivered by telecopy, in addition to other means, with originals to follow), each of which shall be considered an original, but all of which shall constitute one instrument.

GRAYSON COUNTY, TEXAS

By: _____
Drue Bynum, County Judge

ATTEST:

_____
Wilma Bush, County Clerk

PANDA SHERMAN POWER, LLC,
a Delaware limited liability company

By: _____
Name: RALPH KILLIAN
Title: SR. VICE PRESIDENT

FILED FOR RECORD
2011 OCT 18 AM 11:36
WILMA BUSH
COUNTY CLERK
GRAYSON COUNTY, TX

COUNTY ACKNOWLEDGMENT

THE STATE OF TEXAS §
§
COUNTY OF GRAYSON §

BEFORE ME, the undersigned authority, on this day personally appeared Drue Bynum, County Judge of GRAYSON COUNTY, TEXAS, known to me to be the person acknowledged to me that the same was the act of the said GRAYSON COUNTY, TEXAS, that he was duly authorized by the Commissioners Court of the County of Grayson, and that he executed the same as the act of the said County for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 11th day of October, 2011.

MARY H. PANOS
Notary Public
STATE OF TEXAS
My Comm. Exp. 06-08-2013

Mary H Panos
Notary Public in and for
the State of Texas

Mary H. Panos
Notary's Printed Name

My Commission Expires:

06-08-2013

PANDA ACKNOWLEDMENT

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Ralph Killian, Sr. V.P. of PANDA SHERMAN POWER, LLC, a Delaware limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said entities.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 14th day of October, 2011.

DAWN MCVAY
Notary Public, State of Texas
My Commission Expires
January 04, 2014

Dawn McVay
Notary Public in and for
the State of Texas

DAWN MCVAY
Notary's Printed Name

My Commission Expires:

January 4, 2014

A RESOLUTION OF THE COMMISSIONERS COURT OF GRAYSON COUNTY, TEXAS, CONSENTING TO ASSIGNMENT BY PANDA SHERMAN POWER, LLC TO RAYBURN ENERGY STATION LLC OF TAX ABATEMENT AGREEMENT DATED OCTOBER 3, 2011 BETWEEN THE COUNTY OF GRAYSON, TEXAS AND PANDA SHERMAN POWER, LLC; FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF GRAYSON COUNTY, TEXAS

SECTION 1. That the County Judge is authorized and directed, subject to all contract documents being properly completed and approved as to form and content by the County Attorney, to execute the consent to assignment by Panda Sherman Power, LLC to Rayburn Energy Station LLC of the Tax Abatement Agreement dated October 3, 2011 between Grayson County, Texas and Panda Sherman Power, LLC, in accordance with all contract documents attached hereto and made a part hereof for all purposes.

SECTION 2. That it is found and determined that the meeting at which this resolution is passed is open to the public and that public notice of the time, place, and purpose of said meeting was given as required by law.

DULY PASSED AND APPROVED BY COMMISSIONERS COURT OF GRAYSON COUNTY, TEXAS on this the 2nd day of May 2023.

GRAYSON COUNTY, TEXAS

BY: _____
BRUCE DAWSEY,
COUNTY JUDGE

ATTEST:

BY: _____
DEANA PATTERSON, COUNTY CLERK

Panda Sherman Power, LLC
An affiliate of Panda Power Funds

April 21, 2023

Grayson County
County Judge
100 W. Houston, Ste 15
Sherman, Texas 75091

STRICTLY CONFIDENTIAL

RE: Consent Requested for Assignment of Contract

To Whom it May Concern:

Reference is hereby made to that certain Tax Abatement Agreement by and between the County of Grayson, Texas ("***you***"), and Panda Sherman Power, LLC ("***Panda***") dated October 11, 2011 (the "***Agreement***").

Panda intends to enter into a transaction pursuant to which Rayburn Energy Station LLC (the "***Purchaser***") will acquire all or substantially all of the assets of Panda (the "***Transaction***"), to be consummated in the near future. In connection with the Transaction, Panda intends to assign all of its rights and delegate all of its obligations under the Agreement to the Purchaser (the "***Assignment***").

Panda hereby provides you notice of the Assignment and respectfully requests your consent. By returning a signed copy of this letter, the undersigned acknowledges and agrees that they (i) waive any default or breach under the Agreement that may be caused by the Assignment, and (ii) consent to the Assignment for all purposes under the Agreement.

Please return a signed copy of this letter in PDF format via email to scampbell@pandafunds.com with a copy to colin.mize@wickphillips.com at your earliest convenience, but in no event later than May 1, 2023.

Thank you for your prompt attention to this matter. If you have any questions, please contact the undersigned at (214) 766 - 2879 or via email to scampbell@pandafunds.com.

Sincerely yours,

PANDA SHERMAN POWER, LLC

By: _____
Name: Stephen Campbell
Title: Secretary

Acknowledged, accepted and agreed to this 2 day of May, 2023.

COUNTY OF GRAYSON, TEXAS

By: _____
Name:
Title:

579869