

**MEMORANDUM OF UNDERSTANDING AND INTENT TO COOPERATE
BETWEEN
HUMBOLDT BAY HARBOR RECREATION & CONSERVATION DISTRICT
AND
REDWOOD COAST OFFSHORE WIND PROJECT PARTNERS**

This Memorandum is entered into this first day of June 2019 (“Effective Date”), by and among the following (each a “Party” and together the “Parties”):

1. **HUMBOLDT BAY HARBOR RECREATION & CONSERVATION DISTRICT** (“HARBOR DISTRICT”), a California public entity located in Eureka, Humboldt County California; and
2. **PRINCIPLE POWER, INC.** (“PPI”), a company incorporated in the state of Nevada, USA, (Entity No. E0706352007-5) having an office at 5901 Christie Ave., Suite 303, Emeryville, CA, USA 94608 that provides technology, engineering and development services for deep-water offshore wind energy projects (“PPI”); and
3. **AKER SOLUTIONS INC.** (“ASI”), a company organized and existing under the laws of the State of Delaware whose principal office is at 3010 Briarpark Dr., 77042 Houston, TX; and
4. **EDPR OFFSHORE NORTH AMERICA LLC** (“EDPR”), a limited liability company organized under the laws of the State of Delaware, whose principal office is at 808 Travis Street, Houston, TX 77002; and
5. **REDWOOD COAST ENERGY AUTHORITY** (“RCEA”), a California Joint Powers Authority, having an office at 633 3rd street, Eureka, CA whose members include the County of Humboldt, the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad, and the Humboldt Bay Municipal Water District.

RECITALS

WHEREAS, the Parties seek to identify and support the development of floating offshore wind energy projects off the coast of Humboldt County;

WHEREAS, to the knowledge of the Parties, the Port of Humboldt Bay (the “Port”) is the only deep-water port in Northern California located in Humboldt County (the “Northern Coast”) with substantial port facilities and upland infrastructure;

WHEREAS, the Parties made a preliminary assessment of the Port’s existing facilities through multiple site visits and believe that it has the potential to become a hub for offshore wind energy on the Northern Coast;

WHEREAS, while upgrades of existing facilities and/or the development of new facilities are required, the Parties believe that there are opportunities to drive potential investments and incrementally develop infrastructure capabilities for offshore wind structure fabrication, assembly, load-out and pre-commissioning activities;

WHEREAS, these infrastructure improvements are needed to serve the Redwood Coast Offshore Wind Project, as well as potential future offshore wind energy commercial developments in the region, which may provide an opportunity to revitalize the Port; and

WHEREAS, the Parties desire to collaborate with local community stakeholders to identify and address local infrastructure improvements. Such improvements are intended to be directed towards the broadest community benefit and are expected to require skilled labor from the immediate and surrounding area.

AGREEMENT

The Parties agree to cooperate and work together in good faith for the purpose of planning infrastructure improvements at the Port needed to serve the construction, installation, and operations of the Redwood Coast Offshore Wind Project (the “Project”), an approximately 100MW to 150MW floating offshore wind energy project off the coast of Humboldt County. As part of this agreement, the Parties agree to work together:

1. To reasonably cooperate with each other, and to use commercially reasonable efforts to work with other stakeholders globally, regionally, and locally to identify and assess local infrastructure improvements needed for the construction, deployment, operation, maintenance, and decommissioning of the Project's components;
2. To inform the HARBOR DISTRICT's future business plan, strategic planning effort, permitting and environmental review for port infrastructure developments required to serve the Project that will drive investments and spur economic activity in the region;
3. To identify and evaluate any potential needs or impacts to current Port users, existing waterfront businesses, local stakeholders, and the environment associated with the Project's development, construction, operations, and decommissioning, and to take commercially reasonable steps to meet these needs and minimize these impacts;
4. To seek out and reasonably cooperate on mutually beneficial grant or public funding opportunities that are consistent with the goals of this Memorandum;
5. To work together to negotiate the main elements of future port facility leasing, purchasing, and/or other relevant agreements for the Project's construction and deployment activities, considering the price and terms that meet the needs of the Parties, their customers, members, and investors;
6. To coordinate and cooperate with state and other relevant officials in ways that advance the Project's interests;
7. To inform all other Parties in a timely fashion of relevant developments that could affect or impact the goals of this Memorandum, and;
8. To identify and reasonably address the additional relevant needs of any Party that may arise during the Project development process.

This Memorandum does not establish a joint venture, partnership, or business unit of any kind between the Parties, nor does it necessarily create a financial obligation on behalf of either Party. Further the Memorandum does not grant or create an exclusive right to negotiate between the

Parties; and either party is free to negotiate or explore similar agreements with other persons and entities.

CONFIDENTIALITY

Confidentiality shall be governed specifically by Non-Disclosure Agreements between the Parties, unless such NDAs have been superseded by a subsequent confidentiality agreement in writing between the Parties, and the California Public Records Act, Government Code section 6250 et seq.

GOVERNING LAW

The laws of the State of California shall govern this Memorandum and any questions concerning its validity, construction or performance, without regard to the conflicts of laws provisions thereof. The Parties agree to submit to the non-exclusive jurisdiction of the courts in California in relation to any dispute arising out of or in connection with this Memorandum, whether based in contract, tort (including negligence) or otherwise.

TERM

This Memorandum shall commence on the Effective Date and terminate on the first to occur of any of the following events: (a) the passage of two years from the Effective Date (b) the Parties mutually agree in writing to terminate this Memorandum; (c) the Parties mutually agree to supersede this Memorandum with another form of legal agreement; (d) if any Party is placed into liquidation, bankruptcy, administration, receivership or any similar process; or (e) by material breach of a Party.

IN WITNESS WHEREOF, each Party has caused this Memorandum to be duly signed and delivered, effective as of the Effective Date.

Humboldt Bay Harbor Recreation & Conservation District

Name: Enrique Alvarez-Uria

Title: Manager

Date:

By:  _____

Name: Larry Oetker

Title: Executive Director

Aker Solutions, Inc.

Date:

By: _____

Name: Jonah Margulis

Title: Country Manager

Principle Power, Inc.

Date:

By: _____

Name: Joao Metelo

Title: President & CEO

Redwood Coast Energy Authority

Date: 5/28/19

By:  _____

Name: Matthew Marshall

Title: Executive Director

EDPR Offshore North America LLC

Date:

By: _____