

First Amendment to the Engine Reservation & Engineering Agreement

This First Amendment to the Engine Reservation & Engineering Agreement ("First Amendment") is entered into on December 11, 2020 by and between USVI Water and Power Authority (the "Owner") and Wärtsilä North America, Inc. ("Wärtsilä"). Each of Owner and Wärtsilä are also being referred to as a "Party" and, together, the "Parties". This First Amendment amends the Engine Reservation & Engineering Agreement entered into on August 24, 2020 by and between Owner and Wärtsilä (the "Agreement").

WHEREAS, on August 24, 2020 the Parties entered into an Engine Reservation & Engineering Agreement to secure a) the availability of Wärtsilä engines, b) begin engineering work for the projects defined in the Agreement.

WHEREAS, pursuant to Section 4 (d) of the Agreement, the Parties hereto have agreed to amend Sections 2 and 3 of the Agreement in the terms and subject to the provisions established herein.

NOW THEREFORE, FOR AND IN CONSIDERATION of the premises and mutual agreements contained in this First Amendment and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend provisions to the Agreement as follows:

1. **Defined Terms.** Unless otherwise defined herein, all capitalized terms used in this First Amendment shall have the same meanings given to them in the Agreement.

2. **Amendments.**

2.1 Section 2 of the Agreement is modified as follows:

"In consideration of Wärtsilä's undertakings set forth in Section 1 above, Owner shall pay a fee of USD \$2,892,350 (the "Engine Reservation and Engineering Fee") to Wärtsilä for the Powerplant scope plus an additional USD \$450,000 for the Battery energy storage related scope at Cruz Bay and at Coral Bay; payments will be made based on the following:

- 1st downpayment: 50% at signing of the Agreement to be paid by November 6, 2020; and
- 40% paid upon delivery to and acceptance by the Owner of the complete engineering scopes defined in Appendices 1, 2 and 3. Acceptance by Owner shall not be unreasonably withheld. If Owner does not notify Wärtsilä of any material deficiencies with the engineering work delivered within thirty days following delivery, the engineering work will be deemed accepted and the 40% milestone payment will become due.

..."

2.2 Section 3 of the Agreement is deleted in its entirety and replaced with the following:

"This Agreement shall become effective upon the signature hereof by both Parties. In the event 50% of the Engine Reservation and Engineering Fee is not received by Wärtsilä in full by November 6, 2020 at the latest, this Agreement shall automatically terminate in which case neither Party shall have any obligations whatsoever toward the other Party hereunder."

3. **Captions.** The captions contained in this First Amendment are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Amendment or the intent of any provision contained herein.


4. **Amendments.** This First Amendment may not be changed, amended, modified, discharged or terminated in any manner other than by an agreement in writing signed by the Parties.

5. **Effect of Amendment.** This First Amendment is subject to the terms and conditions set forth in the Agreement. Disputes regarding the interpretation of this Amendment will be resolved per the dispute resolution process set forth in the Agreement. Except as expressly amended hereby, the Agreement shall remain in full force and effect.


6. **Counterparts.** This First Amendment may be executed in any number of counterparts and by each of the Parties in separate counterparts (any of which may be by .pdf format or other electronic or facsimile transmission), each of which when so executed shall be deemed to be an original and shall bind such Party, all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be executed as of the date first above written.

USVI Water and Power Authority


Name: Lawrence J. Kupfer
Title: Executive Director (CEO)

Wärtsilä North America, Inc.


Name: Edmund Phillips
Title: Business Development
Manager