

RESOLUTION NO. _____

A RESOLUTION APPROVING AN OKLAHOMA LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT BETWEEN THE CITY OF STILLWATER, THE BOARD OF COUNTY COMMISSIONERS OF PAYNE COUNTY, THE BOARD OF EDUCATION OF INDEPENDENT SCHOOL DISTRICT NUMBER 16 OF PAYNE COUNTY, THE BOARD OF EDUCATION OF MERIDIAN TECHNOLOGY CENTER, THE BOARD OF THE PAYNE COUNTY HEALTH DEPARTMENT, AND KIPPER LLC.

WHEREAS, Kipper LLC (the "Company") intends to develop, in phases, on certain parcels of property within the City of Stillwater, Oklahoma (the "City") one or more data center facilities and may develop certain ancillary buildings, structures, and infrastructure that support or are related to the data center operations, including but not limited to, utility buildings, structures, and appurtenances and office buildings, all of which are part of the computer infrastructure, data processing, hosting, and related services classification (collectively the "Project"); and

WHEREAS, Section 6C of Article X of the Oklahoma Constitution and the Oklahoma Local Development Act, 62 O.S. § 850 et seq (the "Act"), authorize the governing bodies of cities and counties to create project plans whereby tax incentives or exemptions may be granted for reinvestment areas and enterprise areas; provided that the tax incentives and exemptions may only be granted for the portion of the tax under the jurisdiction of other local taxing entities by written agreement between the City and the local taxing entities; and

WHEREAS, by Ordinance No. 3546, adopted on January 13, 2025 (the "Project Plan Ordinance"), the City approved the Stillwater Data Center Economic Development Project Plan (the "Project Plan"), created six (6) tax incentive districts (each an "Incentive District" or, collectively, the "Incentive Districts"), and approved the adoption of a tax incentive agreement (the "Agreement") (attached to this Resolution and incorporated herein by reference as Exhibit A), all in accordance with the Act; and

WHEREAS, the Project Plan and the Agreement provide for a one hundred percent (100%), twenty-five (25) year ad valorem tax exemption on property value attributable to qualifying new investment made by the Company within each Incentive District (the "Incentive District Exemptions") from the ad valorem real and personal property taxes under the jurisdiction of the Board of Education of Independent School District Number 16 of Payne County, Oklahoma ("Stillwater Public Schools"), Board of Education of Meridian Technology Center ("Meridian Technology Center"), the Board of County Commissioners of Payne County (the "County"), the Board of the Payne County Health Department (the "Health Department") (each a "Taxing Entity" and, collectively, the "Taxing Entities"), and the City; and

WHEREAS, Stillwater Public Schools, as one of the Taxing Entities, has determined that it is appropriate, desirable, and in the public interest to approve the Incentive District Exemptions pursuant to the terms of the Agreement, and desires to enter into the Agreement to, among other things, satisfy the requirements of Section 865 of the Act, which provides that each Taxing Entity must enter into an agreement with the City in order for tax incentives or exemptions to be granted under the Act for that Taxing Entity's portion of the ad valorem real and personal property tax; and

WHEREAS, in consideration of the Incentive District Exemptions to be provided under the Agreement, the Company has agreed to make Community Betterment Payments (as defined in the Agreement) to the City and payments in lieu of taxes to the Taxing Entities in such amounts and at such times as described in the Agreement; and

WHEREAS, Stillwater Public Schools now wishes to approve and enter into the Agreement in order to grant the Company the Incentive District Exemptions with respect to the ad valorem real and personal property taxes under the jurisdiction of Stillwater Public Schools;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF INDEPENDENT SCHOOL DISTRICT NUMBER 16 OF PAYNE COUNTY:

1. **Approval and Authorization to Execute:** Stillwater Public Schools hereby (i) approves the Agreement between the City, the Taxing Entities, and the Company, in the form attached hereto as Exhibit A and (ii) authorizes and directs the President of the Board to execute and deliver the Agreement on behalf of Stillwater Public Schools.
2. **Authorization of Incentive District Exemptions:** The Incentive District Exemptions described in the Project Plan and the Agreement are hereby authorized and approved for that portion of the exempted ad valorem real and personal property tax under the jurisdiction of Stillwater Public Schools.

PASSED AND APPROVED by the Board of Education of Independent School District Number 16 of Payne County, Oklahoma this 14th day of January, 2025.

THE BOARD OF EDUCATION OF INDEPENDENT SCHOOL DISTRICT NUMBER 16 OF PAYNE COUNTY, OKLAHOMA

By: _____
Dr. Marshall Baker, Board President

ATTEST:

By: _____
Tawni Hooten, Board Clerk

EXHIBIT A

LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 2025, by and among Kipper LLC, a Delaware limited liability company (the “**Company**”), the City of Stillwater, Oklahoma, a municipal corporation (the “**City**”), the Board of Education of Independent School District Number 16 of Payne County, Oklahoma (the “**Stillwater Public Schools**”), the Board of Education of the Meridian Technology Center (“**Meridian Technology Center**”), the Board of County Commissioners of Payne County (the “**County**”), and the Board of the Payne County Health Department (the “**Health Department**”) (collectively, Stillwater Public Schools, Meridian Technology Center, the County, and the Health Department are the “**Taxing Entities**”) (the Company, the City, and the Taxing Entities are collectively referred to as the “**Parties**”, each a “**Party**”).

WITNESSETH:

WHEREAS, the Company intends to develop on certain parcels of property within the City, as more particularly described in Exhibit A attached hereto (the “**Property**”), one or more data center facilities and may develop certain ancillary buildings, structures and infrastructure that support or are related to the data center operations, including but not limited to, utility buildings, structures, and appurtenances and office buildings, all of which are part of the computer infrastructure, data processing, hosting and related services classification (collectively the “**Project**”¹); and

WHEREAS, on July 16, 2024, the Stillwater Planning Commission by its Resolution No. PC-2024-1, a true and correct copy of which is attached hereto as Exhibit B, recommended the approval of the Stillwater Data Center Economic Development Project Plan (the “**Project Plan**”) pursuant to the Oklahoma Local Development Act, 62 O.S. § 851, et seq. (the “**Act**”), without any amendments thereto in accordance with Section 858 of the Act; and

WHEREAS, on July 10, 2024, the Stillwater Local Development Act Review Committee by its Resolution, a true and correct copy of which is attached hereto as Exhibit C, recommended the approval of the Project Plan pursuant to the Act in order to provide ad valorem property tax abatements for the Project; and

WHEREAS, after the public hearings required by the Act, the City adopted and approved the Project Plan and this Agreement by Ordinance No. 3546, a true and correct copy of which is attached hereto as Exhibit D (the “**Project Plan Ordinance**”), and created six (6) tax incentive districts, Incentive Districts “1,” “2,” “3,” “4,” “5,” and “6” (the “**Incentive Districts**” and each an “**Incentive District**”); and

WHEREAS, each of the Taxing Entities and the City have determined that it is appropriate and desirable, in order to ensure the economic viability of the Project, that the Taxing Entities, which would otherwise share in the ad valorem taxes applicable to the Property, provide each Phase (as defined below) a one hundred percent (100%) twenty-five (25) year ad valorem tax

¹ The term “Project” shall refer to all Phases that are constructed on the Property.

exemption on all new investment attributable to property qualifying under U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 revision within each Incentive District, upon the terms and conditions as provided for herein (collectively, the “**Incentive District Exemptions**”), all as authorized by Article 10, §6(C) of the Oklahoma Constitution, Section 860(B) of the Act, the Project Plan, the Project Plan Ordinance, and other applicable authorizations; and

WHEREAS, the Company desires to develop the Project in phases (each a “**Phase**”) with the term Phase as used herein referring to all structures developed or improved within an Incentive District, as well as all new investment in personal property located or installed within an Incentive District, at any time after approval of the Project Plan that would be subject to ad valorem taxation but for the Incentive District Exemptions; and

WHEREAS, the Company anticipates that each Phase will include an approximately 300,000 square foot data center (each, a “**Data Center**”); however, the precise number, location, and size of Data Centers is subject to change in the Company’s sole discretion as a result of market and other business conditions; and

WHEREAS, the Company anticipates that the Phases may include ancillary buildings, structures and infrastructure that support or are related to the data center campus operations, including but not limited to, utility buildings, structures, and appurtenances and office buildings; and

WHEREAS, the Taxing Entities and the City intend to create the Incentive Districts, in order (i) to promote economic development within the Project Area (as defined in the Project Plan) or Property which is an existing enterprise zone as defined by Section 853(6) of the Act, and (ii) to reverse economic stagnation or decline, to serve as a catalyst for expanding employment, and to attract investment and to preserve and enhance the tax base within the Property, which the City designated as a reinvestment area as defined by the Section 853(17) of the Act in the Project Plan Ordinance; and

WHEREAS, the Taxing Entities, City, and Company are entering into this Agreement to, among other things, satisfy the requirements of Sections 865 and 866 of the Act, which provide, respectively that (i) each Taxing Entity must enter into an agreement with the City in order for tax incentives or exemptions to be granted under the Act for that Taxing Entity’s portion of the ad valorem tax, and (ii) the City must enter into an agreement with the Company as the prospective owner of the Property and the recipient of the Incentive District Exemptions to set forth the terms and conditions applicable to the Incentive District Exemptions; and

WHEREAS, in consideration of the Incentive District Exemptions to be provided under this Agreement, the Company has agreed to make Community Betterment Payments (defined herein) to the City and payments in lieu of taxes to the other Taxing Entities in such amounts and at such times as further described in Section 5 of this Agreement; and

WHEREAS, the City and Taxing Entities have determined that it is appropriate, desirable, and in the public interest to approve the Incentive District Exemptions, pursuant to the terms of this Agreement, and that the Incentive District Exemptions will assist in strengthening the

economic viability of the City of Stillwater, Oklahoma, as a whole, and more particularly in relation to the Project Plan; and

WHEREAS, the City, through the Project Plan Ordinance, has approved the adoption of this Agreement; and ,

WHEREAS, the Stillwater Public Schools through Resolution _____ adopted on _____ (a true and correct copy of which is attached hereto as Exhibit E), Meridian Technology Center through Resolution _____ adopted on _____ (a true and correct copy of which is copy attached hereto as Exhibit F), the County through Resolution _____ adopted on _____ (a true and correct copy of which is attached hereto as Exhibit G), the Health Department through Resolution _____ adopted on _____ (a true and correct copy of which is attached hereto as Exhibit H) have approved the adoption of this Agreement (collectively, the “**Taxing Entity Approvals**” and each a “**Taxing Entity Approval**”); and

NOW, THEREFORE, in consideration of the mutual covenants, promises and conditions contained herein, the parties agree as follows:

1. Incorporation of Recitals.

The Parties acknowledge and agree that the recitals set forth above are a material part of this Agreement and are incorporated herein by reference.

2. Project.

a. Purpose.

The objectives of this Agreement are:

- (i) To attract the Project and the accompanying investment and development to the City, which would not occur without the tax incentives described in this Agreement.
- (ii) To generate new revenues for the City in the form of Community Betterment Payments and for each of the Taxing Entities in the form of annual payments in lieu of taxes (“**PILOTS**”) for each Data Center constructed as part of the Project, in accordance with Section 5 of this Agreement.

b. Project Scope.

The Project will consist of up to six (6) Phases corresponding to the six (6) Incentive Districts, with each Phase of the Project estimated to consist of at least five hundred million dollars (\$500,000,000) in private investment by the Company.

The Parties further acknowledge that the Company retains complete control and discretion over the number of Phases developed as well as the rate, timing, and order of development of the Project, and that nothing herein shall be construed to require the Company to construct or develop any particular Phase, Data Center, structure, building, or facility, or to develop the Incentive Districts in any particular order or according to any particular timeline, except as otherwise provided in the Economic Development Agreement described in Section 4.b(ii) below. Except as

expressly provided otherwise in Section 4 herein, the Taxing Entities and City shall have no right to condition the amount or term of the Incentive District Exemptions provided herein based on the rate, timing, or order of development of the Project or the Incentive Districts.

Further, because the Project will be constructed in Phases over an extended period, the Parties acknowledge that, although the Company anticipates developing one Data Center per Phase, the Company may construct Data Centers that overlap the boundaries of more than one Incentive District or multiple Data Centers in one Phase, as discussed Section 4 herein, subject to the payment of PILOTs and Community Betterment Payments for each Data Center constructed, per Section 5.

3. Approval of the Tax Abatement.

Pursuant to Section 865 of the Act, the City and each of the Taxing Entities hereby (i) agree to the Incentive District Exemptions, subject to the terms and conditions of this Agreement; (ii) approve the form of the Project Plan Ordinance, the creation of each Incentive District pursuant to the Project Plan Ordinance, and all Incentive District Exemptions provided pursuant to the Project Plan Ordinance and this Agreement; (iii) waive any defects within or relating to the Project Plan Ordinance and this Agreement; and (iv) agree to relinquish for the duration of the Incentive District Term for each Incentive District any and all tax revenues attributable to the Phase, including, for the avoidance of doubt, all real property taxes and personal property taxes in excess of the Base Value, as defined herein, which the Parties agree is the value attributable to new investment after approval of the Project Plan.

Each of the Taxing Entities and the City represents and warrants that, in accordance with Sections 857 and 865 of the Act, its respective Taxing Entity Approval was made by a majority vote of its governing body, and that no member of the governing body was ineligible under Section 857 of the Act to vote on the Taxing Entity Approval.

4. Tax Abatement Terms.

a. The Incentive District Exemptions.

In accordance with Section 860(B) of the Act and the Project Plan Ordinance, all new value attributable to investment qualifying under U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 revision within each Incentive District made after the effective date of the Project Plan shall be afforded a one hundred percent (100%) exemption for the duration of the Incentive District Term, during which no ad valorem taxes shall be assessed against such property. The incentive provided under the Act and this Agreement shall not include Public Service Property, if any, located within each Incentive District; provided that “Public Service Property” shall be defined as property of all railroads, air carriers and public service corporations assessed annually by the State Board of Equalization pursuant to 68 O.S. § 2847 and Article 10, § 21 of the Oklahoma Constitution.

b. Activation of the Incentive District Exemptions.

(i) In accordance with the Project Plan Ordinance, each Incentive District shall, unless sooner terminated pursuant to the terms of the Economic Development Agreement described in subsection (ii) below, become effective and provide the Incentive District Exemption upon the

earlier of (a) January 1 of the year immediately following the completion of a Data Center within that Incentive District, as evidenced by the issuance of a certificate of occupancy or delivery of written notice by the Company to the City of substantial completion, or (b) January 1 of the year in which the tenth anniversary of the Project Plan Ordinance occurs, which the Parties anticipate to be January 1, 2035 (each an “**Exemption Activation Condition**” with the date of activation being the “**Exemption Effective Date**”). In accordance with Section 856(B)(2) of the Act, no Incentive District Exemptions may become effective more than ten years after approval of the Project Plan.

Upon or prior to the occurrence of an Exemption Activation Condition, as applicable, the City will, in accordance with the Project Plan Ordinance, confirm the Exemption Effective Date, designation, and name of each Incentive District by resolution or by action of the City Manager; provided, however, that if City Council has not passed such resolution: (a) within thirty (30) days following the issuance of a certificate of occupancy or delivery of written notice by the Company to the City of substantial completion or (b) by December 15, whichever is earlier, the City Manager shall immediately, and in all cases prior to the Exemption Effective Date, confirm the Exemption Effective Date, designation, and name of each Incentive District. Upon confirmation of the Exemption Effective Date, designation, and name of any Incentive District, the City Manager shall promptly deliver written notice to the Payne County Assessor (“**County Assessor**”), each of the other Taxing Entities, and the Company identifying the Incentive District activated and the Exemption Effective Date (the “**Incentive District Commencement Notice**”).

(ii) Concurrently with this Agreement, the City, the Stillwater Economic Development Authority, a public trust (“**SEDA**”), and the Company shall enter into an Economic Development Agreement providing for the development of Phase 1 and Phase 2 of the Project. The Company must provide written notice to the City that it intends to commence Phase 2 within two (2) years of completion of Phase 1. If the Company fails to commence development of Phase 2 within two (2) years of such notice, the City may terminate the undeveloped Incentive Districts, and, pursuant to the terms set forth in the Economic Development Agreement, SEDA may acquire the Company’s remaining portions of the Property.

Upon execution of a Supplemental Economic Development Agreement by the City, SEDA, and the Company for Phases 3 through 6 of the Project, whether one or more, the Company shall undertake the development of each such Phase in accordance with the Supplemental Economic Development Agreement(s). If Phase 2 has been developed but the development of Phase 3 has not commenced within 10 years of adoption of the Project Plan, then any remaining undeveloped Incentive Districts shall terminate. If Phase 2 has been developed and Phase 3 has commenced development (including design, engineering, permitting, construction for the site and/or associated infrastructure) within 10 years of the adoption of the Project Plan, the remaining undeveloped Incentive Districts will become effective. Thereafter, if development of Phase 4 has not commenced within 12 years of the adoption of the Project Plan, then any remaining undeveloped Incentive Districts shall terminate. If development of Phase 5 has not commenced within 14 years of the adoption of the Project Plan, then any undeveloped Incentive Districts shall terminate.

c. Exemption Term.

In accordance with the Project Plan Ordinance, the Incentive District Exemption for each Incentive District shall be effective for a period of twenty-five (25) tax years following the applicable Exemption Effective Date (the “**Incentive District Term**”).

d. Exemption Calculation.

Pursuant to an assessment performed by the County Assessor promptly after adoption of the Project Plan (in any event no later than the assessment performed for tax year 2026 setting the assessed value as of January 1, 2026), the County Assessor shall determine the base value of each Incentive District (the “**Base Values**” and each a “**Base Value**”). The Base Value shall be the total market value of real and personal property within an Incentive District multiplied by the assessment ratio. When determined, the Base Values shall be provided on Exhibit I, and deemed approved by all Parties pursuant to this Agreement. The Base Value shall not include any value attributable to construction-in-process, personal property owned by contractors or other, unrelated entities on the site (even if subject to taxation), or personal property owned by the Company or its affiliates that will be used in Data Center operations qualifying under U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 (even if subject to taxation prior to the Exemption Effective Date). The Parties waive any defect or irregularities with respect to the determination of the Base Values. The Base Value shall be subject to ad valorem taxation. Upon receipt of an Incentive District Commencement Notice, the County Assessor shall ensure that, as of the applicable Exemption Effective Date and for the duration of the applicable Incentive District Term, no ad valorem taxes are assessed against any qualifying exempt property (including land value) above the Base Value in that Incentive District. For clarity, the exemption extends to any increases in land value over the base land value provided that the use of the land remains eligible for the exemption, and for avoidance of doubt, the Incentive District Exemption shall apply to all new investment attributable to property qualifying under U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 revision made in the Incentive District above the applicable Base Value, in accordance with Section 860(B) of the Project Plan. For additional clarity, if any improvements supporting the Data Center operations and qualifying under U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 are constructed or located within an Incentive District prior to the construction of a Data Center, such improvements shall be subject to property taxation until such time as the construction of a Data Center triggers the Exemption Commencement Date for that Incentive District. On and after the Exemption Commencement Date, such improvements shall be exempt throughout the Incentive District Term.

e. Minor Amendments to the Incentive District Boundaries.

Although the Company anticipates that it will construct one Data Center per Incentive District, the Parties acknowledge and agree that the site plan, including the anticipated size, location, and number of Data Centers, is subject to change at the Company’s sole discretion. If the Company constructs a Data Center that is located within the boundaries of more than one Incentive District, then the City Manager, acting on behalf of the City in accordance with Section VI of the Project Plan, shall first endeavor to adjust the Incentive District boundaries in accordance with the following: If an adjustment of the Incentive District boundaries can be made

that would result in the Data Center being located within a single Incentive District and would not result in an addition to an Incentive District constituting more than five percent (5%) of that Incentive District, then the City Manager in accordance with Sections VIII.D and VIII.F of the Project Plan, Section 858(D) of the Act, and this Agreement will, prior to sending the Incentive District Commencement Notice, administratively approve an amendment to the Project Plan adjusting the boundaries of the Incentive Districts such that the Data Center is in one Incentive District, without any further legislation required. The Company shall reasonably cooperate with the City Manager in providing information necessary for the City Manager to make the foregoing determinations.

f. Activation if a Data Center is Located Within Multiple Incentive Districts.

If the City Manager cannot adjust the Incentive District boundaries in accordance with the previous Section, then the occurrence of the Exemption Activation Condition will trigger the activation of each Incentive District in which a portion of the Data Center is located, with the Incentive District Exemption Effective Date for each such Incentive District being January 1 of the immediately subsequent calendar year.

If, for example, construction of a Data Center is completed in 2027 and a portion of the Data Center is located in Incentive District 3 and another portion is located in Incentive District 4, the Incentive District Commencement Notice would indicate that both Incentive Districts 3 and 4 will have an Exemption Effective Date of January 1, 2028.

The Parties further acknowledge and agree that, in accordance with Section 4(a) of this Agreement, any buildings, including Data Centers, that are subsequently constructed within an Incentive District after the Exemption Effective Date will be subject to the Incentive District Exemption for the remaining Incentive District Term. In accordance with Section 5 of this Agreement, the Company will pay one annual PILOT for each Data Center constructed on the Property regardless of the number of Incentive Districts activated.

5. Payments in Lieu of Taxes (“PILOTS”) and Community Betterment Payments.

For each Data Center constructed on the Property, the Company will make an annual PILOT payment for each year that the Data Center is exempted from ad valorem taxation pursuant to an Incentive District Exemption (each, an “**Exemption Year**”), generally commencing in the year immediately following the year in which a certificate of occupancy is issued for the Data Center or in the year immediately following the year in which the Company provides written notice to the City of substantial completion (the “**PILOT Commencement Year**”) until the last year of the applicable Incentive District Term.

Phase 1 and 2. For each of Phase 1 and Phase 2 of the Project, the Company shall make annual PILOT payments to the Taxing Entities beginning in the PILOT Commencement Year. The initial annual PILOT payment for Phase 1 will total Eight Hundred Sixty-Seven Thousand Five Hundred Sixty-Eight and No/100 Dollars (\$867,568.00). This amount will be disbursed to the Taxing Entities as follows:

Taxing Entity	Initial Annual Payment for Phase 1	Share of Total PILOT Payments
Stillwater Public Schools	\$624,022.98	71.93%
Meridian Technology Center	\$135,599.18	15.63%
Payne County	\$89,984.51	10.37%
County Health Department	\$17,961.33	2.07%
Total	\$867,568.00	100%

After the first annual payment, the PILOT payments to each Taxing Entity will increase by one percent (1.00%) each year, as illustrated in Exhibit J. The PILOT payments for Phase 2 will be set using the same schedule as Phase 1. For instance, if Phase 1 is completed in 2026 with a PILOT Commencement Year of 2027, and Phase 2 is completed in 2032 with a PILOT Commencement Year of 2033, then in 2033, the Company shall pay two equal PILOTS, each in the total amount of \$920,941. These payments will be allocated to the Taxing Entities in the same proportions established above for Phase 1.

Phases 3 through 6. For Phases 3 through 6 of the Project, the initial PILOT for each Phase will be the product of the PILOT applicable to Phase 1 in the amount indicated in the table above and the quotient of the CPI in the PILOT Commencement Year for the applicable Phase divided by the CPI in the year 2024. In other words, the initial PILOT for each Phase shall be calculated as follows:

$$\text{Initial Phase 1 PILOT from the table above} \times \frac{\text{CPI in PILOT Commencement Year for applicable Phase}}{\text{CPI in 2024}}$$

Thereafter, the PILOT for that Phase will increase by one percent (1.00%) each year. For purposes of this Project Plan, CPI refers to the annual average of United States Department of Labor, Bureau of Labor Statistics, Revised Consumer Price Index for All Urban Consumers (CPI-U): U.S. Cities Average, all items index (Reference Base 1982-84 equal 100) (“CPI”).

For the avoidance of doubt, the Company shall not be obligated to make an annual PILOT associated with any Incentive District unless or until the completion of a Data Center within that Incentive District triggers a PILOT Commencement Year. The Parties agree that, in the event an Incentive District becomes effective before a Data Center is completed within that Incentive District, all increases in assessed property value within the Incentive District, if any, will remain taxable until the PILOT Commencement Year as though the Incentive District Exemption had not commenced. For all such Incentive Districts, the City Manager will promptly, upon issuance of a certificate of occupancy for a Data Center or upon receipt from the Company of notice of substantial completion of a Data Center, provide written notice of the PILOT Commencement Year to the County Assessor, each of the other Taxing Entities, and the Company and thereafter, all value within the Incentive District attributable to property qualifying under U.S. Industry Number 518210 of the North American Industry Classification System (NAICS) Manual, 2017 revision in excess of Base Value shall be subject to the exemption.

Community Betterment Payments. The Company shall make an annual payment to the City, herein a “**Community Betterment Payment**”, for each Phase of the Project, beginning in the PILOT Commencement Year. The initial annual Community Betterment Payment for Phase 1

shall be One Hundred Thirty-Two Thousand Four Hundred Thirty-Two and No/100 Dollars (\$132,432.00). After the first annual payment, the amount of the Community Betterment Payment to the City will increase by one percent (1.00%) each year for each Phase, as illustrated in Exhibit J. The Community Betterment Payment for Phase 2 will follow the same payment schedule as Phase 1. For example, if Phase 1 is complete in 2026, with a PILOT Commencement Year of 2027, and Phase 2 is complete in 2032, with a PILOT Commencement Year of 2033, then in 2033, the Company shall make two equal Community Betterment Payments to the City, one for each Phase, each in the amount of \$140,579. For Phases 3 through 6 of the Project, the Community Betterment Payment for each Phase will be determined as provided in Supplemental Development Agreement(s) between the City and the Company.

The Company shall make the PILOTs and Community Betterment Payments described in this Section 5 to the applicable Taxing Entities and City by January 1 of each Exemption Year for the duration of the Incentive District Term of each Incentive District (the “**Payment Date**”) delivered to the City and Taxing Entities at their respective notice addresses provided in Section 14 below, unless written payment instructions are otherwise provided to the Company by the Taxing Entities and the City no later 30 days prior to the Payment Date. All PILOT amounts paid to Meridian Technology Center shall be donations for capital projects and improvements, to be deposited into Meridian Technology Center’s building fund.

6. Annual Report.

Pursuant to Section 860(F) and Section 867(B) of the Act (collectively, the “**Reporting Statutes**”), on or before the ninetieth (90th) day following the end of each fiscal or tax year, the City Manager or his or her designee shall prepare and submit the reports required by those sections (the “**Annual Reports**”) for each Incentive District to the Oklahoma Department of Commerce and the chief executive officer of each Taxing Entity. For each Incentive District, commencing in the year following the Exemption Commencement Year and each year thereafter during the Incentive District Term, the Company shall provide to the City by no later than February 1 a report in the form attached hereto as Exhibit K to assist the City with its Annual Reports.

Pursuant to Section 860(F) of the Act, a copy of each Annual Report shall be provided to any member of the public by the Oklahoma Department of Commerce upon request. The City shall also publish a summary of the Annual Report in a newspaper of general circulation in the City of Stillwater, as required by Section 867(C) of the Act.

7. Term.

This Agreement shall be effective upon execution by the City and the Company, and shall be effective with respect to each Taxing Entity upon execution by that Taxing Entity (with the provisions hereof effective as to each portion of the Property upon the Company closing on and accepting fee simple title to that portion of the Property), and shall remain in effect, unless terminated earlier subject to its terms, until the final Payment Date for the final Exemption Year of any Incentive District Term. The Company reserves the right to terminate this Agreement at any time at its sole discretion; provided, however, that the Company shall remain liable for any PILOTs and Community Betterment Payments owed for any Exemption Years in which a Data Center was exempted pursuant to this Agreement.

8. Default.

a. Default by the Company.

The Company shall be in default of this Agreement only if it breaches an obligation under this Agreement and such breach or failure is not cured within ninety (90) days after the date of written notice by the City or any of the Taxing Entities. If such breach is not susceptible to cure within 90 days, the Company shall not be in default so long as it commences curative action within 90 days and continues to diligently pursue cure thereafter.

Notwithstanding the above, in the event the Company fails to make a PILOT payment to a Taxing Entity or a Community Betterment Payment to the City on or before the Payment Date, the overdue amounts will incur interest at an annual rate of six percent (6%) until paid in full. Furthermore, the City and each Taxing Entity reserve the right to file a lien against the Property where the Data Center is located until all outstanding PILOT amount(s) and Community Betterment Payment(s) are paid in full.

b. Default by the City or Taxing Entities.

The City or any of the other Taxing Entities shall be in default of this Agreement if it breaches an obligation under this Agreement, and such breach or failure is not cured within ninety (90) days after the date of written demand by the Company or any other Taxing Entity, as applicable. If the breach is not susceptible to cure within 90 days, the Taxing Entity shall not be in default so long as it commences curative action within 90 days and continues to diligently pursue cure thereafter. Neither the City nor any Taxing Entity shall be permitted to terminate this Agreement or take any action that would decrease the amount or term of the Incentive District Exemptions provided herein based on the breach of the City or another Taxing Entity without the consent of the Company.

9. Remedies.

After the passage applicable notice and cure periods as provided herein, the non-defaulting Party shall have the right to terminate this Agreement, and to pursue all remedies available hereunder at law and in equity. The rights and remedies of the Parties, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other Party. In addition, upon termination of this Agreement, the City shall be entitled to terminate, dissolve, or modify the Incentive Districts.

10. Force Majeure.

For the purpose of any of the provisions of the Agreement, none of the City, the Taxing Entities or the Company, as the case may be, or any successor in interest, shall be considered in breach of, or default in, its obligations under an event of force majeure in the performance of such obligations due to unforeseeable causes beyond a Party's control and without its fault or negligence, including, but not restricted to, acts of God, acts of public enemies, acts of terrorism, acts of the federal government, acts of any of the other persons or entities not Parties to this

Agreement, fires, floods, tornadoes, epidemics, pandemics, quarantine restrictions, strikes, industrial disputes, freight, embargoes, and unusually severe weather or delays of contractors or subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such forced delay, the time or times for performance of the obligations of the Taxing Entities or the City, as the case may be, shall be extended for the period of the force majeure as reasonably determined by the Parties; provided, that a Party seeking the benefit of the provisions of this Section shall, within thirty (30) days after the beginning of any such forced delay, have first notified the other Parties thereof in writing, and of the cause or causes thereof, and requested an extension for the anticipated period of the forced delay.

11. Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. The Company may assign or partially assign this Agreement at its sole discretion, without the express approval of the City or any other Taxing Entity, to another entity (each a “**Successor**”), including to any Successor controlling, controlled by, or under common control with the Company (each an “**Affiliate**”). After any assignment, all references to Company herein shall thereafter be a reference to such Successor with respect to any rights, entitlements, and obligations occurring or arising after the date of such assignment and within the scope of such assignment.

Provided, however, that as a condition to the right to receive tax exemptions as set forth in this Agreement, any Successor shall execute and deliver to the City and all other Taxing Entities a full or partial assignment agreement (each an “**Assignment**”) in substantially the forms attached hereto as Exhibit L.1 and Exhibit L.2, as applicable, pursuant to which such Successor assumes all or a portion of the rights, entitlements, and obligations of the Company under this Agreement as provided therein; provided that the Company may reasonably modify or supplement the form of the Assignments to accurately reflect the rights, entitlements, or obligations being assigned so long as such assignment does not purport to assign any rights, entitlements, or obligations beyond those provided in this Agreement. Upon the receipt by the City and all other Taxing Entities of an Assignment, the Successor shall have all or a portion of the rights and entitlements, including without limitation, rights to tax exemptions, and obligations as the “Company” under this Agreement, in the same manner and with like effect as if the Successor had been the original Company and a signatory to this Agreement, all as specified in the Assignment.

In the event the Company transfers fee ownership by a total or partial sale of the Project Area, or any portion thereof, to a third party (“**Third Party Purchaser**”) without a corresponding full or partial assignment of this Agreement to the Third Party Purchaser in accordance with the terms of this Section 11, the City shall be entitled to terminate, dissolve, or modify the corresponding Incentive Districts and amend this Agreement.

12. Cooperation.

The Parties agree to reasonably cooperate with one another and take all actions necessary to effectuate the intent of this Agreement and the Project Plan. The City Manager shall reasonably accommodate requests by the Company for minor amendments as permitted in the Act.

13. Estoppel Certificate.

Within thirty (30) days after a request from the Company, the City and any other Taxing Entities shall execute and deliver to Company a certificate stating: (i) that this Agreement is in full force and effect, if the same is true; (ii) that Company is not in default under any of the terms, covenants or conditions of the Agreement, or, if Company is in default, specifying same; and (iii) such other matters as Company reasonably requests.

14. Notice.

Any and all notices required by this Agreement shall be addressed to the following, or other such party or address as either party designates in writing, by certified mail, postage prepaid, or by hand or overnight delivery:

If to the City:

The City of Stillwater Oklahoma
Attn: City Manager
723 S. Lewis St.
Stillwater, OK 47074

If to Stillwater Public Schools:

Board of Education of Stillwater Public Schools
Attn: Board President
314 S. Lewis St.
Stillwater, OK 74074

If to Meridian Technology Center:

Board of Education of Meridian Technology Center
Attn: Board President
1312 S. Sangre Rd.
Stillwater, OK 74074

If to the Board of County Commissioners of Payne County:

Board of County Commissioners of Payne County
Payne County Administration Building
315 W. 6th Ave., Suite 200/201
Stillwater, OK 74074

If to the Payne County Health Department:

Payne County Health Department

Attn: Director
1321 W. 7th Ave.
Stillwater, OK 74074

If to the Company:

McAfee & Taft
% Kipper LLC
Attn: Simon Bright
8th Floor, Two Leadership Square
211 N Robinson Ave
Oklahoma City, OK 73102
Email: simon.bright@mcafeetaft.com

With a copy to:

Vorys, Sater, Seymour and Pease LLP
Attn: Rebecca E. Wilson
52 E. Gay St.
Columbus, OH 43215
Email: rewilson@vorys.com

15. Amendment.

This Agreement may not be supplemented or modified except in a written agreement properly executed by the Parties. All Exhibits and documents referenced in this Agreement are incorporated into this Agreement by reference and are an integral part of this Agreement.

16. Severability.

If any provision of this Agreement is determined to be to any extent invalid, illegal, or unenforceable, it will be deemed stricken from this Agreement. All other provisions of this Agreement will remain in full force and effect. The stricken provision will then be deemed replaced with one that is valid and enforceable and that comes closest to expressing the Parties' original intent.

17. Applicable Law.

The laws of the State of Oklahoma (excluding its conflict of laws rules that would apply the laws of another jurisdiction) exclusively apply to this Agreement. Any claim arising directly or indirectly from or relating to this Agreement must be filed and maintained exclusively in a court of competent jurisdiction in the state or federal courts located in Oklahoma. The Parties submit to that jurisdiction and venue for all purposes.

18. Authority.

Each Party represents and warrants to the other that: (1) it has full authority and power to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement is fully empowered to do so; and (3) no consent or authorization is necessary from any third party.

19. Counterparts

This Agreement may be executed in multiple counterparts, each of which shall constitute an original of this instrument. It shall not be necessary for the signature of more than one party to appear on any single counterpart. The exchange of executed counterparts of this Agreement or of signature pages by facsimile or other electronic transmission shall constitute effective execution and delivery of this Agreement, and such counterparts may be used in lieu of the original for all purposes.

20. Entire Agreement

This Agreement, including its Exhibits and documents delivered by its terms and incorporated in it, together with the Economic Development Agreement and its exhibits, constitute the entire agreement between the Parties pertaining to its subject matter. All prior and contemporaneous written or oral agreements and communications between the Parties are superseded by this Agreement and the Economic Development Agreement.

21. Section Headings

Section and subsection headings are included herein for the convenience of the Parties and shall not affect the meaning or interpretation of this Agreement.

[Signatures follow on separate pages.]

CITY SIGNATURE PAGE FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

“CITY”

The City of Stillwater, Oklahoma,
a municipal corporation

ATTEST:

Teresa Kadavy, City Clerk

By: _____
William H. Joyce, Mayor

(SEAL)

Approved as to form and legality this ____ day of _____, 2025.

[Name], Special Counsel for Economic Development

SCHOOL DISTRICT SIGNATURE PAGE FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

“STILLWATER PUBLIC SCHOOLS”

Board of Education of Independent School District Number
16 of Payne County, Oklahoma

By: _____
Dr. Marshall Baker, Board President

(SEAL)

ATTEST:

By: _____
Secretary

MERIDIAN TECHNOLOGY CENTER SIGNATURE PAGE FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

“MERIDIAN TECHNOLOGY CENTER”

Board of Education of School District
Number 16 of Payne County, Oklahoma

By: _____
Sherri Huneycutt, Board President

(SEAL)

ATTEST:

By: _____
Secretary

COUNTY SIGNATURE PAGE FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

“COUNTY”

Board of County Commissioners, Payne County

By: _____
Zach Cavett, District 1 Commissioner, Chairman

By: _____
Seth Condley, District 2 Commissioner

By: _____
Rhonda Markum, District 3 Commissioner

ATTEST:

Glenna Craig, Payne County Clerk

(SEAL)

Approved as to form this ___ day of _____, 2025.

_____, District Attorney

HEALTH DEPARTMENT SIGNATURE PAGE FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

“HEALTH DEPARTMENT”

Payne County Health Department

By: _____
Kerri Marks- Chair

By: _____
Joe Payne-Vice Chair

By: _____
Zach Cavett

By: _____
Caryl Talley

By: _____
Darren “Todd” Green, MD

(SEAL)

ATTEST:

By: _____
Secretary

COMPANY SIGNATURE PAGE FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

“COMPANY”

Kipper LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

COUNTY ASSESSOR ACKNOWLEDGEMENT FOR
LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

Reviewed and Acknowledged:

“COUNTY ASSESSOR”

By: _____

Name: _____

Title: _____

Exhibit Table of Contents

Exhibit A: Description of the Property

Exhibit B: Copy of Stillwater Planning Commission Resolution

Exhibit C: Copy of Stillwater Local Development Act Review Committee Resolution

Exhibit D: Copy of Project Plan Ordinance

Exhibit E: Copy of Stillwater Public Schools Agreement Adoption Resolution

Exhibit F: Copy of Meridian Technology Center Agreement Adoption Resolution

Exhibit G: Copy of County Agreement Adoption Resolution

Exhibit H: Copy of Health Department Agreement Adoption Resolution

Exhibit I: Incentive District Base Values

Exhibit J: PILOT Escalation Schedule

Exhibit K: Annual Reporting Form

Exhibit L.1: Form of Assignment and Assumption Agreement (Project Site Transfer)

Exhibit L.2: Form of Assignment and Assumption Agreement (Exempt Property)

Exhibit A

Description of the Property

Total Project Area or Property Legal Description

A tract of land located in the Northeast Quarter (NE/4), Northwest Quarter (NW/4), and Southwest Quarter (SW/4), and Southeast Quarters (SE/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on March 13, 2024 as follows:

COMMENCING at the SW/C, SW/4, S36-T20-R2E monumented by a 1" Rail Road Spike; thence with a BASIS OF BEARING of N 00°41'24" W along the west line of the SW/4 a distance of 2638.58 feet to the NW/C, SW/4, SEC36-T20N-R3E monumented by a 1/2" Rebar AND the POINT OF BEGINNING;

Thence along the west line of the NW/4 with a bearing of N 00°42'47" W a distance of 2630.81 feet to the NW/C, NW/4 SEC36-T20N-R2E monumented by a Railroad Spike;

Thence with a bearing of N 89°13'38" E along the north line of the NW/4 a distance of 2629.53 feet to the NE/C, NW/4 SEC36-T20N-R2E monumented by a 1/2" Rebar;

Thence with a bearing of N 89°18'29" E along the north line of the NE/4 a distance of 2630.74 feet to the NE/C, NE/4, SEC36-T20N-R2E monumented by a Mag Nail;

Thence with a bearing of S 00°49'51" E along the east line of the NE/4 a distance of 2122.35 feet to a point on the East Line of NE/4, SEC36-T20N-R2E, also being a point on the Northerly Rail Road R/W line of Eastern Oklahoma Railway particularly described in Book 7, Page 208;

Thence in a southwesterly direction with a non-tangent curve turning to the right with a radius of 2793.96 feet, having a chord bearing of S 27°41'11" W and a chord distance of 761.36, and an arc length of 763.73 feet to a point on said Northerly Rail Road R/W Line;

Thence with a bearing of N 54°28'57" E a distance of 20.00 feet to a point on said Northerly Rail Road R/W Line;

Thence in a southwesterly direction with a non-tangent curve turning to the right with a radius of 2773.96 feet, having a chord bearing of S 40°33'13" W and a chord distance of 487.07 feet, and an arc length of 487.70 to a point on said Northerly Rail Road R/W Line monumented by a 1/2" Rebar w/ cap PLS 1802;

Thence with a bearing of S 44°24'34" E a distance of 20.00 feet to a point on said Northerly Rail Road R/W Line monumented by a 1/2" Rebar w/ cap PLS 1802;

Thence in a southwesterly direction with a non-tangent curve turning to the right with a radius of 2793.69 feet, having a chord bearing of S 51°55'38" W and a chord distance of 616.73, and an arc length of 617.99 feet to a point on said Northerly Rail Road R/W Line monumented by a 1/2" Rebar w/ cap PLS 1802;

Thence with a bearing of S 59°21'10" W a distance of 1676.22 feet to a point on said Northerly Rail Road R/W Line;

Thence with a bearing of S59°21'10" W a distance of 614.77 feet to a point on said Northerly Rail Road R/W Line;

Thence in a southwesterly direction with a tangent curve turning to the left with a radius of 2915.05 feet, having a chord bearing of S 55°26'11" W and a chord distance of 387.62 feet, and an arc length of 387.91 feet to a point on said Northerly Rail Road R/W Line monumented by a 1/2" Rebar w/ cap Hitech;

Thence with a bearing of N 00°47'43" W along the west line of the east 60 acres of the SW/4 a distance of 2333.99

feet to a point on the north line of the SW/4, SEC36-T20N-R2E monumented by a 1/2" pipe; Thence along said north line of said SW/4 with a bearing of S 89°28'48" W a distance of 1645.64' back to the POINT OF BEGINNING.

Less and Except:

A tract of land located in the Northwest Quarter (NW/4) and Northeast Quarters (NE/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

BEGINNING at the Northeast Corner of the Northwest Quarter of said Section 36, Thence along the North line of the Northeast Quarter of said Section 36 N 89° 18' 29" E, a distance of 452.85 feet;

Thence departing said North line S 00° 00' 42" W, a distance of 1143.51 feet;

Thence S 89° 59' 34" W, a distance of 1,189.48 feet;

Thence N 00° 00' 04" E, a distance of 1,128.25 feet to a point on the North line of the Northwest Quarter of said Section 36;

Thence along said North line N 89° 13' 38" E, a distance of 736.95 feet back to the POINT OF BEGINNING.

Containing 16,844,572 square feet OR 386.698 acres more or loss

Incentive District 1 Legal Description

A tract of land located in the Northeast Quarter (NE/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

BEGINNING at the Northeast Corner of the Northeast Quarter of said Section 36, Thence along the East line of the said Northeast Quarter S 00° 49' 50" E, a distance of 1542.63 feet; Thence departing said East line, S 89° 59' 44" W, a distance of 2,200.10 feet; Thence N 00° 00' 01" E, a distance of 1,516.34 feet to a point on the North line of said Northeast Quarter; Thence along said North line N 89° 18' 29" E, a distance of 2,177.89 feet back to the POINT OF BEGINNING.

Containing 3,347,887 square feet OR 76.857 acres more or less.

Incentive District 2 Legal Description

A tract of land located in the Southeast Quarter (SE/4) and Northeast Quarter (NE/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

COMMENCING at the Northeast Corner of the Northeast Quarter of said Section 36, Thence along the East line of the said Northeast Quarter S 00° 49' 50" E, a distance of 1542.63 feet to the POINT OF BEGINNING;

Thence S 00° 49' 52" E, a distance of 579.72 feet to a point being a non-tangent curve to the right also being a point on the Northeasterly Railroad Right-Of-Way line recorded at Book 7, Page

208 in the records of Payne County Clerk's Office; Thence along the Northwesterly Right-Of-Way line for the next six (6) calls:

- (1) Along said curve to the right having a radius of 2,799.14 feet, an arc length of 763.70 feet, and having a chord bearing of S 27° 41' 41" W, a chord length of 761.34 feet to a point of non-tangency;
 - (2) Thence N 54° 28' 57" W, a distance of 20.00 feet to a non-tangent curve to the right;
 - (3) Thence along curve to the right having a radius of 2773.96 feet, an arc length of 487.70 feet, and having a chord bearing of S 40° 33' 14" W, a chord length of 487.07 feet to a point of non-tangency;
 - (4) Thence S 44° 24' 34" E, a distance of 20.00 feet to a non-tangent curve to the right;
 - (5) Thence along curve to the right having a radius of 2793.69 feet, an arc length of 617.99 feet, and having a chord bearing of S 51° 55' 38" W, a chord length of 616.73 feet to a point of non-tangency;
 - (6) Thence S 59° 19' 00" W, a distance of 1,221.25 feet;
- Thence departing from said Northwesterly Right-Of-Way line N 00° 00' 12" E, a distance of 1,155.08 feet;
- Thence N 00° 00' 00" W, a distance of 1,075.36 feet;
- Thence N 00° 00' 00" E, a distance of 399.42 feet;
- Thence N 89° 59' 44" E, a distance of 2,200.12 feet back to the POINT OF BEGINNING.

Containing 4,111,928 square feet OR 94.397 acres more or less.

Incentive District 3 Legal Description

A tract of land located in the Southeast Quarter (SE/4) and Southwest Quarter (SW/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

COMMENCING at the Southwest Corner of the Northwest Quarter of said Section 36;

Thence along the South line of said Northwest Quarter S 89° 28' 48" E, a distance of 1645.61 feet;

Thence along the West line of Lot Four (4) Richmond Road & Highway 177 Addition, S 00° 48' 02" E, a distance of 334.80 feet to the POINT OF BEGINNING;

Thence N 89° 59' 20" E, a distance of 1,399.15 feet; Thence S 00° 00' 12" W, a distance of 1,155.08 feet to a point on the Northwesterly line of a Railroad Right-Of-Way recorded at Book 7, Page 208 in the records of Payne County Clerk's Office; Thence continuing along said Northwesterly line S 59° 19' 00" W, a distance of 1,223.40 feet to a non-tangent curve to the left;

Thence along said curve having a radius of 2915.00 feet, an arc length of 387.91 feet, and having a chord bearing of S 55° 26' 11" W, a chord length of 387.62 feet to a point of non-tangency;

Thence departing said Northwesterly line N 00° 47' 43" W, a distance of 1999.19 feet back to the POINT OF BEGINNING.

Containing 2,172,023 square feet OR 49.878 acres more or less.

Incentive District 4 Legal Description

A tract of land located in the Southeast Quarter (SE/4) and Southwest Quarter (SW/4) and Northeast Quarter (NE/4) and Northwest Quarter (NW/4) of Section Thirty-Six (36), Township

Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

COMMENCING at the Southwest Corner of the Northwest Quarter of said Section 36; Thence along the South line of said Northwest Quarter S 89° 28' 48" E, a distance of 1622.33 feet to the POINT OF BEGINNING;

Thence N 00° 00' 46" W, a distance of 740.78 feet; Thence N 89° 59' 20" E, a distance of 1427.27 feet;

Thence S 00° 00' 00" W, a distance of 1075.36 feet; Thence S 89° 59' 20" W, a distance of 1399.15 feet;

Thence N 00° 48' 02" W, a distance of 334.80 feet; Thence continuing along said South line S 89° 28' 48" W, a distance of 23.28 feet back to the POINT OF BEGINNING.

Containing 1,526,135 square feet OR 35.035 acres more or less.

Incentive District 5 Legal Description

A tract of land located in the Northwest Quarter (NW/4) and Northeast Quarters (NE/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

COMMENCING at the Northeast Corner of the Northwest Quarter of said Section 36, Thence along the North line of the Northeast Quarter of said Section 36, N 89° 18' 29" E, a distance of 452.85 feet;

Thence departing said North line and along the East line of Lot Seven (7) in Richmond Road & Highway 177 Addition, S 00° 00' 42" W, a distance of 1143.51 feet to the POINT OF BEGINNING;

Thence S 00° 02' 04" E, a distance of 372.20 feet; Thence S 00° 00' 00" W, a distance of 399.42 feet;

Thence S 89° 59' 20" W, a distance of 1,427.27 feet; Thence N 00° 00' 17" E, a distance of 210.20 feet;

Thence N 90° 00' 00" E, a distance of 237.55 feet; Thence N 00° 00' 00" W, a distance of 562.17 feet;

Thence N 89° 59' 34" E, a distance of 1,189.48 feet to the POINT OF BEGINNING.

Containing 968,675 square feet OR 22.238 acres more or less.

Incentive District 6 Legal Description

A tract of land located in the Northwest Quarter (NW/4) of Section Thirty-Six (36), Township Twenty (20) North, Range Two (2) East of the Indian Base and Meridian (I.B. & M.), Payne County, Oklahoma, being more particularly described as metes and bounds by Darrel Ray Mason OKLS1690 on August 3, 2024 as follows:

BEGINNING at the Northwest Corner of the Northwest Quarter of said Section 36, Thence along the North line of said Section 36 N 89° 13' 38" E, a distance of 1,892.59 feet;

Thence departing from said North line S 00° 00' 03 " W, a distance of 1690.42 feet;

Thence S 89° 56' 04" W, a distance of 237.57 feet;
Thence S 00° 00' 00" W, a distance of 209.93 feet;
Thence S 00° 00' 46" E, a distance of 740.78 feet to a point on the South line of the Northwest Quarter of said Section 36; Thence along said South line S 89° 28' 48" W, a distance of 1622.33 feet to the Southwest corner of the Northwest Quarter; Thence departing said South line and along the West line of the Northwest Quarter of said Section 36 N 00° 42' 47" W, a distance of 2630.81 feet back to the POINT OF BEGINNING.

Containing 4,717 996 square feet OR 108.310 acres more or less.

Map of Property and Incentive Districts

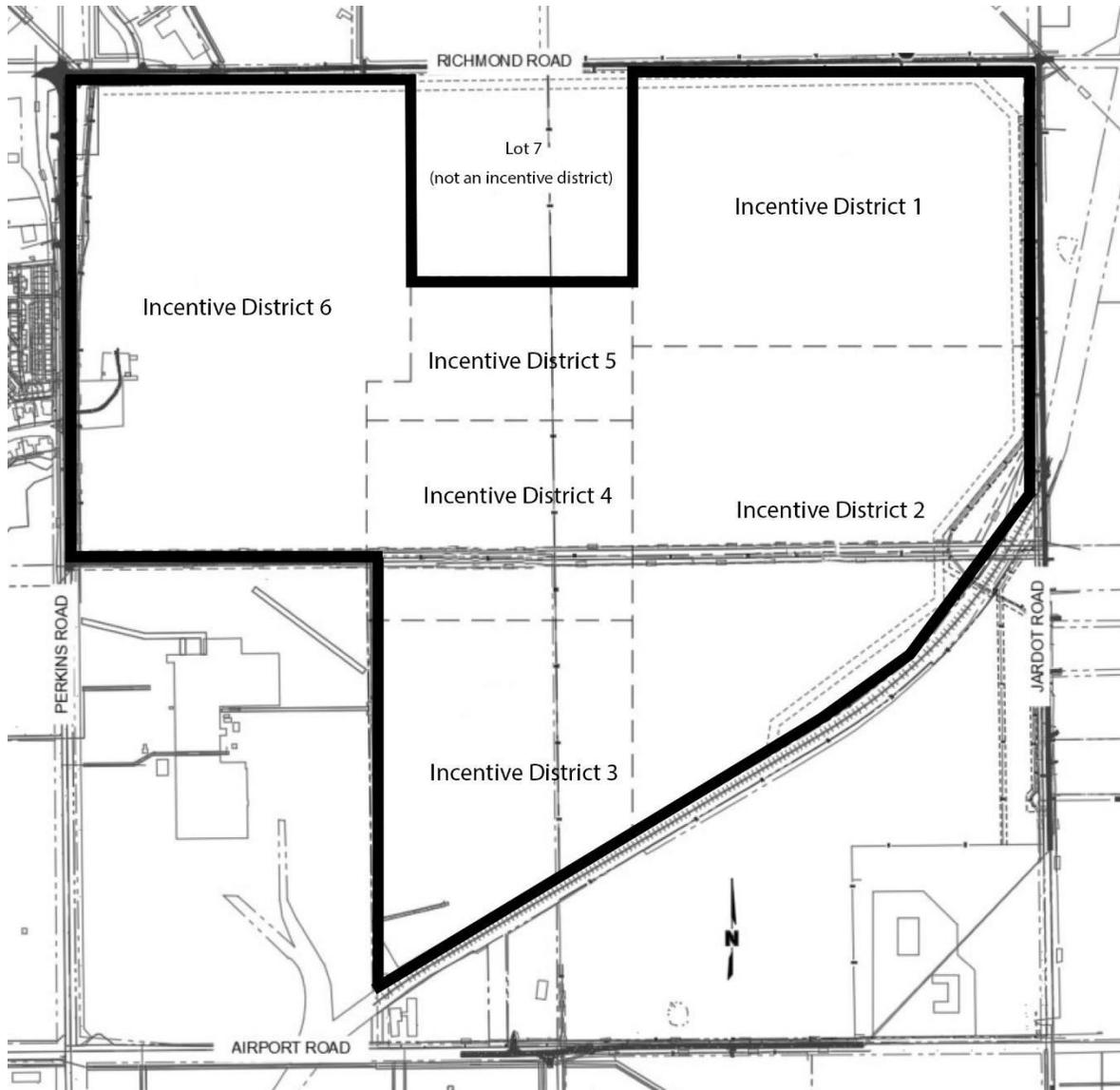


Exhibit B

Copy of Stillwater Planning Commission Resolution

RESOLUTION NO. PC-2024-1

RESOLUTION DETERMINING THAT THE STILLWATER DATA CENTER ECONOMIC DEVELOPMENT PROJECT PLAN IS IN CONFORMANCE WITH THE STILLWATER 2030 C3 COMPREHENSIVE PLAN AND RECOMMENDING TO THE CITY OF STILLWATER APPROVAL AND ADOPTION OF THE STILLWATER DATA CENTER ECONOMIC DEVELOPMENT PROJECT PLAN

WHEREAS, it is an objective of the City of Stillwater, Oklahoma (“City”) to promote economic development within its boundaries in order to attract investment, enhance the tax base, stimulate economic growth, and improve the quality of life in and around the City; and

WHEREAS, development within the City will promote the public good, general welfare, economic security, and prosperity of the City and its inhabitants; and

WHEREAS, the Stillwater Data Center Economic Development Project Plan (the “Project Plan”) is a project plan as defined under the Oklahoma Local Development Act, 62 O.S. §850, *et seq.* (“Act”); and

WHEREAS, the provisions of the Act provide procedures for developing a qualified area such as the project area described in the Project Plan; and

WHEREAS, the Project Plan establishes a project area and six (6) incentive districts, creates a budget of estimated project costs to support and implement public funding initiatives and economic development activities within the City utilizing funding sources created under the Project Plan, and offers incentives to attract the development of a data center campus within the proposed project area, which is comprised of real property located south of East Richmond Road, north of East Airport Road, east of North Perkins Road (Hwy-177) and west of North Jardot Road, in the City of Stillwater, Payne County, State of Oklahoma; and

WHEREAS, the Project Plan provides an economic structure and incentives authorized by the Act necessary to generate private investment; and

WHEREAS, the Project Plan is designed to achieve the City’s development objectives, stimulate private investment, increase quality jobs, and enhance the tax base for the City; and

WHEREAS, consistent with the Local Development Act, the Planning Commission has reviewed the Stillwater 2030 C3 Comprehensive Plan, as amended from time to time, and the Project Plan; and

WHEREAS, the Project Plan is appropriate and desirable in order to support efforts to achieve the objectives of the Stillwater 2030 C3 Comprehensive Plan, as amended from time to time; and

WHEREAS, the Planning Commission finds it appropriate and desirable to recommend to the City Council of the City that it approve and adopt the Project Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF STILLWATER, OKLAHOMA:

1. That the Stillwater Data Center Economic Development Project Plan is hereby declared to be in conformance with the Stillwater 2030 C3 Comprehensive Plan, as amended from time to time; and
2. That the Planning Commission recommends to the City Council of the City of Stillwater that it approve and adopt the Stillwater Data Center Economic Development Project Plan.

PASSED AND APPROVED this 16th day of July, 2024.



Anna K. Phillips
Chairperson

ATTEST:

Jerex Kadany
City Clerk

Exhibit C

Copy of Stillwater Local Development Act Review Committee Resolution

**FINDINGS OF THE DATA CENTER ECONOMIC DEVELOPMENT
PROJECT PLAN REVIEW COMMITTEE**

WHEREAS, the Local Development Act, 62 O.S. § 850, et seq. (“Act”) was passed by the Oklahoma Legislature to implement Section 6C of Article X of the Oklahoma Constitution, and empowers the governing bodies of cities, towns, and counties to provide incentives, exemptions and other forms of relief from taxation for historic preservation, reinvestment, or enterprise areas that are exhibiting economic stagnation or decline; and

WHEREAS, the City Council of the City of Stillwater (“City Council”) may consider the creation of one or more tax incentive districts to facilitate, support, encourage, or incentivize public and private economic development to carry out development or redevelopment of areas within the City of Stillwater (“City”) qualifying under the Act; and

WHEREAS, by adoption of Resolution No. CC-2024-8 on April 1, 2024, the City Council declared an intent to consider the creation and adoption of a proposed project plan and potential incentive districts pursuant to the Act to help facilitate a data center project located generally north of E. Airport Road, south of E. Richmond Road, east of N. Perkins Road and west of N. Jardot Road (the “Project Area”), and established this Review Committee to review, make findings with respect to the eligibility and financial impacts of, and to make a recommendation to the City Council concerning the proposed project plan and incentive district; and

WHEREAS, the membership of the Review Committee consists of representatives from every taxing jurisdiction whose taxes or special assessments might be impacted by the project plan and incentive districts plus three members representing the public-at-large who were selected by the other Review Committee members at an initial meeting held on July 9, 2024, from a list of seven names submitted by Mayor Will Joyce, chairperson of the Review Committee; and

WHEREAS, the Review Committee has completed its review of the proposed Data Center Economic Development Project Plan (“Project Plan”), and such other information as it has deemed relevant, and makes the following findings:

A. Findings Regarding Project Plan; Eligibility of the Project Area and Incentive Districts.

1. The Project Area and the proposed Incentive Districts “1”, “2”, “3”, “4”, “5”, and “6”, City of Stillwater (“Incentive Districts”) proposed in the proposed Data Center Economic Development Project Plan are entirely within a state designated enterprise zone and therefore meet the definition of an “enterprise area” under the Local Development Act (62 O.S. § 853(5), (6)). Enterprise Areas qualify for use of the tools of the Local Development Act pursuant to 62 O.S. §856(B)(4)(a).
2. The Project Area and the Incentive Districts proposed in the proposed Data Center Economic Development Project Plan comply with the statutory definition of a “reinvestment area” under the Local Development Act (62 O.S. § 853(17)) due to the fact that the area lacks public improvements necessary to reverse economic stagnation and to attract major investment in the area. Reinvestment Areas qualify

for use of the tools of the Oklahoma Local Development Act pursuant to 62 O.S. §856(B)(4)(a).

3. The level of investment, development, and economic growth desired by the City is difficult, but possible, within the Project Area and Incentive Districts if the provisions of the Local Development Act are utilized.
4. The incentives to be provided through the Incentive Districts are a necessary component in stimulating the proposed investment in the Project Area and Incentive Districts, which would not have occurred without the provision of the incentive pursuant to the Act.
5. The incentives to be provided through the Incentive Districts will be used in conjunction with existing programs and efforts and other locally implemented economic development efforts.

B. Findings Regarding Financial Impacts on the Affected Taxing Jurisdictions and Business Activities within the Project Area and Incentive Districts.

1. As described in Section IX of the Project Plan, substantial public costs that may arise will be funded directly by the private development within the Incentive Districts.
2. The development anticipated by the project may result in a modest increase in demand for services by or in costs to the affected taxing jurisdictions, but that the PILOT Payments to be paid by the Company to the affected taxing jurisdictions, as described in Section X.B. of the Project Plan and other positive impacts will offset any increased costs for additional service demands upon those affected taxing jurisdictions.
3. The public revenue anticipated to result from the development described in the Project Plan includes increased tax revenue from economic growth and benefits outside of the Incentive Districts.
4. The economic benefits of the Project Plan for the affected taxing jurisdictions and the community as a whole offset any adverse financial impacts of the Project Plan on the affected taxing jurisdictions.
5. The aggregate impacts of the affected taxing jurisdictions and on business activities from implementation of the Project Plan are positive and include the achievement of the objectives set forth in Section V of the Project Plan.

RESOLUTION RECOMMENDING APPROVAL

WHEREAS, the Data Center Economic Development Project Plan Review Committee (“Review Committee”), comprised of a representative of the City of Stillwater, a representative of the Stillwater Planning Commission (“Planning Commission”), a representative of each of the affected taxing jurisdictions, namely including Payne County, Stillwater Planning Commission, Stillwater Public Schools, Payne County Health Department, and Meridian Technology Center, and three members of the public at large, one of whom is a representative of the business community in the City of Stillwater, has reviewed the Project Plan; and

WHEREAS, the findings of the Review Committee demonstrate that the proposed Project Area and Incentive Districts meet the conditions for eligibility; and

WHEREAS, the findings of the Review Committee demonstrate that the probable financial impacts on the affected taxing jurisdictions and business activities within the Project Area and Incentive Districts are positive; and

WHEREAS, the findings of the Review Committee demonstrate that approval of the Project Plan by the City of Stillwater is appropriate, including revised legal descriptions of the Project Area and Incentive Districts based on final, updated surveys.

NOW, THEREFORE, BE IT RESOLVED by the Data Center Economic Development Project Plan Review Committee that approval of the proposed Data Center Economic Development Project Plan, including creation of the proposed Incentive Districts “1”, “2”, “3”, “4”, “5”, and “6”, City of Stillwater, as set forth in the Project Plan, is hereby recommended.

ADOPTED by the Data Center Economic Development Project Plan Review Committee this 10 day of July, 2024, and **SIGNED** by its Chairperson.

APPROVED:



CHAIRPERSON

I, Ashlyn Garis, acting Secretary of the Data Center Economic Development Project Plan Review Committee, certify that the foregoing resolution was duly adopted at a special meeting of the Data Center Economic Development Project Plan Review Committee, held at Stillwater City Hall, 723 S. Lewis, Room 2073, in Stillwater, Oklahoma, on the 10 day of July, 2024; that said meeting was held in accordance with the Open Meeting Act of the State of Oklahoma; that any notice required to be given of such meeting was properly given; that a quorum was present at all times during such meeting; and that said resolution was adopted by a majority of those present.



ACTING SECRETARY

Exhibit D

Copy of Project Plan Ordinance

Exhibit E

Copy of Stillwater Public Schools Agreement Adoption Resolution

Exhibit F

Copy of Meridian Technology Center Agreement Adoption Resolution

Exhibit G

Copy of County Agreement Adoption Resolution

Exhibit H

Copy of Health Department Agreement Adoption Resolution

Exhibit I

Incentive District Base Value Assessments

The Base Value for each Incentive District is equal to the total market value of real and personal property within the Incentive District multiplied by the assessment ratio. Within 90 days of the adoption of the Project Plan, the County Assessor has certified the Base Value for each Incentive District, as set forth in the table below. The Parties acknowledge that the County Assessor has taken into consideration the prospective purchase price of the property at \$10,500 per acre in calculating Base Value. The Company will reasonably cooperate with the County Assessor to provide documentation required to verify the prospective purchase price to the reasonable satisfaction of the County Assessor.

<u>Parcel</u>	<u>Acreage</u>	<u>Percentage of Total Project Area Acreage</u>	<u>TID Base Value</u>
<u>Total Project Area</u>	<u>386.698</u>	<u>100%</u>	
<u>Incentive District 1</u>	<u>76.857</u>		
<u>Incentive District 2</u>	<u>94.397</u>		
<u>Incentive District 3</u>	<u>49.878</u>		
<u>Incentive District 4</u>	<u>35.035</u>		
<u>Incentive District 5</u>	<u>22.238</u>		
<u>Incentive District 6</u>	<u>108.310</u>		

Exhibit J

PILOT and Community Betterment Payment Escalation Schedule (per Data Center)

The following tables illustrate the estimated PILOT and Community Betterment Payment escalation schedule for Phase 1 and Phase 2, assuming that 2027 is the first PILOT Commencement Year for the first Data Center and 2033 is the first PILOT Commencement Year for the second Data Center.

Phase 1 PILOT and Community Betterment Payments						
Calendar Year		Stillwater Public Schools PILOT	Tech. Center PILOT	County PILOT	Health Dept. PILOT	Community Betterment Payments
Year	2024	Project Plan Approval				
Year	2025	Construction Year				
Year	2026	Earliest Possible Construction Completion Year				
Year 1	2027	\$ 624,023	\$ 135,599	\$ 89,985	\$ 17,961	\$ 132,432
Year 2	2028	\$ 630,263	\$ 136,955	\$ 90,884	\$ 18,141	\$ 133,756
Year 3	2029	\$ 636,566	\$ 138,325	\$ 91,793	\$ 18,322	\$ 135,094
Year 4	2030	\$ 642,932	\$ 139,708	\$ 92,711	\$ 18,506	\$ 136,445
Year 5	2031	\$ 649,361	\$ 141,105	\$ 93,638	\$ 18,691	\$ 137,809
Year 6	2032	\$ 655,854	\$ 142,516	\$ 94,575	\$ 18,878	\$ 139,187
Year 7	2033	\$ 662,413	\$ 143,941	\$ 95,520	\$ 19,066	\$ 140,579
Year 8	2034	\$ 669,037	\$ 145,381	\$ 96,476	\$ 19,257	\$ 141,985
Year 9	2035	\$ 675,727	\$ 146,834	\$ 97,440	\$ 19,450	\$ 143,405
Year 10	2036	\$ 682,485	\$ 148,303	\$ 98,415	\$ 19,644	\$ 144,839
Year 11	2037	\$ 689,310	\$ 149,786	\$ 99,399	\$ 19,840	\$ 146,287
Year 12	2038	\$ 696,203	\$ 151,284	\$ 100,393	\$ 20,039	\$ 147,750
Year 13	2039	\$ 703,165	\$ 152,797	\$ 101,397	\$ 20,239	\$ 149,228
Year 14	2040	\$ 710,196	\$ 154,325	\$ 102,411	\$ 20,442	\$ 150,720
Year 15	2041	\$ 717,298	\$ 155,868	\$ 103,435	\$ 20,646	\$ 152,227
Year 16	2042	\$ 724,471	\$ 157,426	\$ 104,469	\$ 20,853	\$ 153,749
Year 17	2043	\$ 731,716	\$ 159,001	\$ 105,514	\$ 21,061	\$ 155,287
Year 18	2044	\$ 739,033	\$ 160,591	\$ 106,569	\$ 21,272	\$ 156,840

Phase 1 PILOT and Community Betterment Payments

Calendar Year		Stillwater Public Schools PILOT	Tech. Center PILOT	County PILOT	Health Dept. PILOT	Community Betterment Payments
Year 19	2045	\$ 746,424	\$ 162,197	\$ 107,635	\$ 21,484	\$ 158,408
Year 20	2046	\$ 753,888	\$ 163,819	\$ 108,711	\$ 21,699	\$ 159,992
Year 21	2047	\$ 761,427	\$ 165,457	\$ 109,798	\$ 21,916	\$ 161,592
Year 22	2048	\$ 769,041	\$ 167,111	\$ 110,896	\$ 22,135	\$ 163,208
Year 23	2049	\$ 776,731	\$ 168,782	\$ 112,005	\$ 22,357	\$ 164,840
Year 24	2050	\$ 784,499	\$ 170,470	\$ 113,125	\$ 22,580	\$ 166,489
Year 25	2051	\$ 792,344	\$ 172,175	\$ 114,256	\$ 22,806	\$ 168,153
TOTAL						
		\$ 17,624,406	\$ 3,829,755	\$ 2,541,450	\$ 507,285	\$ 3,740,303

Phase 2 PILOT and Community Betterment Payments

Calendar Year		Stillwater Public Schools PILOT	Tech. Center PILOT	County PILOT	Health Dept. PILOT	Community Betterment Payments
Year 1	2033	\$ 662,413	\$ 143,941	\$ 95,520	\$ 19,066	\$ 140,579
Year 2	2034	\$ 669,037	\$ 145,381	\$ 96,476	\$ 19,257	\$ 141,985
Year 3	2035	\$ 675,727	\$ 146,834	\$ 97,440	\$ 19,450	\$ 143,405
Year 4	2036	\$ 682,485	\$ 148,303	\$ 98,415	\$ 19,644	\$ 144,839
Year 5	2037	\$ 689,310	\$ 149,786	\$ 99,399	\$ 19,840	\$ 146,287
Year 6	2038	\$ 696,203	\$ 151,284	\$ 100,393	\$ 20,039	\$ 147,750
Year 7	2039	\$ 703,165	\$ 152,797	\$ 101,397	\$ 20,239	\$ 149,228
Year 8	2040	\$ 710,196	\$ 154,325	\$ 102,411	\$ 20,442	\$ 150,720
Year 9	2041	\$ 717,298	\$ 155,868	\$ 103,435	\$ 20,646	\$ 152,227
Year 10	2042	\$ 724,471	\$ 157,426	\$ 104,469	\$ 20,853	\$ 153,749
Year 11	2043	\$ 731,716	\$ 159,001	\$ 105,514	\$ 21,061	\$ 155,287
Year 12	2044	\$ 739,033	\$ 160,591	\$ 106,569	\$ 21,272	\$ 156,840
Year 13	2045	\$ 746,424	\$ 162,197	\$ 107,635	\$ 21,484	\$ 158,408
Year 14	2046	\$ 753,888	\$ 163,819	\$ 108,711	\$ 21,699	\$ 159,992
Year 15	2047	\$ 761,427	\$ 165,457	\$ 109,798	\$ 21,916	\$ 161,592
Year 16	2048	\$ 769,041	\$ 167,111	\$ 110,896	\$ 22,135	\$ 163,208
Year 17	2049	\$ 776,731	\$ 168,782	\$ 112,005	\$ 22,357	\$ 164,840
Year 18	2050	\$ 784,499	\$ 170,470	\$ 113,125	\$ 22,580	\$ 166,489
Year 29	2051	\$ 792,344	\$ 172,175	\$ 114,256	\$ 22,806	\$ 168,153
Year 20	2052	\$ 800,267	\$ 173,897	\$ 115,399	\$ 23,034	\$ 169,835
Year 21	2053	\$ 808,270	\$ 175,636	\$ 116,553	\$ 23,265	\$ 171,533

Phase 2 PILOT and Community Betterment Payments						
Calendar Year		Stillwater Public Schools PILOT	Tech. Center PILOT	County PILOT	Health Dept. PILOT	Community Betterment Payments
Year 22	2054	\$ 816,352	\$ 177,392	\$ 117,719	\$ 23,497	\$ 173,249
Year 23	2055	\$ 824,516	\$ 179,166	\$ 118,896	\$ 23,732	\$ 174,981
Year 24	2056	\$ 832,761	\$ 180,958	\$ 120,085	\$ 23,969	\$ 176,731
Year 25	2057	\$ 841,089	\$ 182,767	\$ 121,286	\$ 24,209	\$ 178,498
TOTAL		\$ 18,708,662	\$ 4,065,362	\$ 2,697,801	\$ 538,494	\$ 3,970,407

Exhibit K

Annual Reporting Form

City of Stillwater – TID Annual Reporting Form

Project Name: _____

Project Location: _____

Incentive District: # _____

Reporting Period: _____ to _____

Reporting Criteria	
Entities receiving exemptions	
Description of exempted property and improvements	
Fair market value of property exempted	
Exemption term remaining	

EXHIBIT L.1

TO LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

Form of Assignment and Assumption Agreement to be utilized if all or a portion of the Project Area and all development thereon is transferred

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (the “**Assignment Agreement**”) is made and entered into by and between Kipper LLC (the “**Company**”) and _____, a _____ (the “**Successor**”). Except as otherwise provided herein, capitalized terms used herein shall have the same meanings as in the Local Development Act Tax Incentive Agreement between Kipper, LLC, a Delaware limited liability company (“**Company**”), the City of Stillwater, Oklahoma, a municipal corporation (the “**City**”), the Board of Education Independent School District Number 16 of Payne County, Oklahoma (“**Stillwater Public Schools**”), the Board of Education of Meridian Technology Center (the “**Technology Center**”), the Board of County Commissioners of Payne County (the “**County**”), and the Board of the Payne County Health Department (the “**Health Department**”) (collectively, Stillwater Public Schools, Meridian Technology Center, the County, and the Health Department are the “**Taxing Entities**”) (the Company, the City and the Taxing Entities are collectively referred to as the “**Parties**”, each a “**Party**”), dated _____ (the “**Tax Incentive Agreement**,” a copy of which is attached hereto as Exhibit A and incorporated herein).

WITNESSETH:

WHEREAS, on _____, the City adopted the Project Plan Ordinance, approving the Project Rohan Economic Development Project Plan in order to provide ad valorem property tax abatements for the Project on the Property (both as defined in the Tax Incentive Agreement), and at the same time passed six (6) Incentive District Ordinances approving six (6) Incentive Districts on the Property, all as specified in the Incentive District Ordinances and the Tax Incentive Agreement; and

WHEREAS, on _____, the Company and the Taxing Entities entered into the Tax Incentive Agreement setting forth the terms and conditions of the Incentive District Exemptions; and

WHEREAS, by virtue of a transfer of [a portion of] the Property, the Successor on _____, 20__ (the “**Transfer Date**”) has or will succeed to the interest of the Company (or a successor to the Company) in [all of the Property] [a portion of the Property] as identified on Exhibit B, including all personal and real property thereon (the “**Transferred Property**”); and

WHEREAS, the Successor wishes to obtain all of the benefits and incur all of the obligations of the Tax Incentive Agreement with respect to the Transferred Property, as well as any additional property later developed, located or installed within or on the Transferred Property, and, as agreed in the Tax Incentive Agreement, the City and other Taxing Entities shall make these benefits available to the Successor on the terms set forth in the Tax Incentive Agreement as long as the Successor executes this Assignment Agreement.

NOW, THEREFORE, in consideration of the circumstances described above, the covenants contained in the Tax Incentive Agreement, and the benefit to be derived by the Successor from the execution hereof, the Parties hereto agree as follows:

1. From and after the Transfer Date, the Company hereby assigns (a) all of the obligations, agreements, covenants and restrictions set forth in the Tax Incentive Agreement to be performed and observed by the Company with respect to the Transferred Property, and (b) all of the benefits, rights and entitlements of the Tax Incentive Agreement with respect to the Transferred Property. From and after the Transfer Date, the Successor hereby (i) agrees to be bound by, assume and perform, or ensure the performance of, all of the obligations, agreements, covenants and restrictions set forth in the Tax Incentive Agreement to be performed and observed by the Company with respect to the Transferred Property; and (ii) certifies to the validity, as to the Successor as of the Transfer Date, of all of the representations, warranties and covenants made by or required of the Company that are contained in the Tax Incentive Agreement; provided, however, that to the extent such representations, warranties and covenants are related to the Property, the Successor's certification is limited to the Transferred Property (if less than the Property). Such obligations, agreements, covenants, restrictions, representations, and warranties include, but are not limited to, those contained in the following Sections of the Tax Incentive Agreement: Section 2 ("Project"), Section 4 ("Tax Abatement Terms"), Section 5 ("Payments in Lieu of Taxes"), Section 6 ("Annual Report"), Section 8 ("Default"), Section 9 ("Remedies"), and Section 11 ("Successors and Assigns").

2. Pursuant to Section 11 of the Tax Incentive Agreement, the Company and Successor acknowledge that the City and other Taxing Entities have permitted this assignment to Successor as provided herein, such that Successor shall have all of the benefits, rights, and entitlements, including without limitation the right to utilize Incentive District Exemptions for all Transferred Property and any other property within or on the Transferred Property, in the same manner and with like effect as if the Successor had been an original signatory (i.e., the Company) to the Tax Incentive Agreement.

3. The City, on behalf of each of the Taxing Entities, acknowledges through the Transfer Date that the Tax Incentive Agreement is in full force and effect, confirms the Company has complied with the Tax Incentive Agreement with respect to the Transferred Property, and releases the Company from liability for any defaults occurring after the Transfer Date with respect to the Transferred Property.

4. Notices to the Successor with respect to the Tax Incentive Agreement shall be given as stated in Section 14 thereof, addressed as follows:

[Successor Name
Successor Mailing Address
Successor Email Address]

IN WITNESS WHEREOF, the parties have caused this Assignment Agreement to be executed by their duly authorized representatives to be effective as of _____.

COMPANY

Kipper, LLC a [state limited liability company]

By: _____

Print Name: _____

Title: _____

SUCCESSOR

[Name of Successor]

By: _____

Print Name: _____

Title: _____

ACKNOWLEDGED AND AGREED

The City of Stillwater, Oklahoma

By: _____

Print Name: _____

Title: City Manager

EXHIBIT A
TO ASSIGNMENT AND ASSUMPTION AGREEMENT

Copy of the Tax Incentive Agreement

EXHIBIT B
TO ASSIGNMENT AND ASSUMPTION AGREEMENT

Description of the Transferred Property

EXHIBIT L.2
TO LOCAL DEVELOPMENT ACT TAX INCENTIVE AGREEMENT

**Form of Partial Assignment and Assumption Agreement to be utilized for any Successor
that will own exempt property within the Project Area**

PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT

This PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT (the “**Partial Assignment Agreement**”) is made and entered into by and between Kipper LLC (the “**Company**”) and _____, a _____ (the “**Successor**”), effective this ____ day of ____, [Year] (the “**Effective Date**”). Except as otherwise provided herein, capitalized terms used herein shall have the same meanings as in the Local Development Act Tax Incentive Agreement between Kipper, LLC, a Delaware limited liability company (“**Company**”), the City of Stillwater, Oklahoma (the “**City**”) and the Board of Education of the Independent School District Number 16 of Payne County, Oklahoma (“**Stillwater Public Schools**”), the Board of Education of (“**Meridian Technology Center**”), the Board of County Commissioners of Payne County (the “**County**”), and the Board of the Payne County Health Department (the “**Health Department**”) (collectively, Stillwater Public Schools, the Technology Center, the County, and the Health Department are the “**Taxing Entities**”) (the Company, the City and the Taxing Entities are collectively referred to as the “**Parties**”, each a “**Party**”), dated _____ (the “**Tax Incentive Agreement**,” a copy of which is attached hereto as Exhibit A and incorporated herein).

WITNESSETH:

WHEREAS, on _____, the City adopted the Project Plan Ordinance, approving the Project Rohan Economic Development Project Plan in order to provide ad valorem property tax abatements for the Project on the Property (both as defined in the Tax Incentive Agreement), and at the same time passed Incentive District Ordinances approving six (6) Incentive Districts on the Property, all as specified in the Incentive District Ordinances and the Tax Incentive Agreement; and

WHEREAS, on _____, the Company and the Taxing Entities entered into the Tax Incentive Agreement setting forth the terms and conditions of the Incentive District Exemptions; and

WHEREAS, the Successor will own certain real or personal property constituting a portion of the Project, as described more particularly on Exhibit B attached hereto and incorporated herein, and which property may be supplemented or replaced from time to time (“**Successor Property**”); and

WHEREAS, the Successor wishes to obtain a portion of the benefits of the Tax Incentive Agreement, and, as agreed in the Tax Incentive Agreement, the City and other Taxing Entities shall make these benefits available to the Successor on the terms set forth in the Tax Incentive Agreement as long as the Successor executes this Partial Assignment Agreement.

NOW, THEREFORE, in consideration of the circumstances described above, the covenants contained in the Tax Incentive Agreement, and the benefit to be derived by the Successor from the execution hereof, the Parties hereto agree as follows:

1. From and after the Effective Date, the Company hereby assigns a portion of the benefits of the Tax Incentive Agreement, including without limitation, the right to utilize Incentive District Exemptions for all Successor Property, subject to the terms and conditions of the Tax Incentive Agreement.

2. From and after the Effective Date, the Company hereby (i) agrees to remain bound by and perform all obligations, agreements, covenants and restrictions set forth in the Tax Incentive Agreement to be performed and observed by the Company; and (ii) certifies to the validity of all of the representations, warranties and covenants made by or required of the Company that are contained in the Tax Incentive Agreement. Such obligations, agreements, covenants, restrictions, representations, and warranties of the Company include, but are not limited to, those contained in the following Sections of the Tax Incentive Agreement: Section 2 (“Project”), Section 4 (“Tax Abatement Terms”), Section 5 (“Payments in Lieu of Taxes”), Section 6 (“Annual Report”), Section 8 (“Default”), Section 9 (“Remedies”), and Section 11 (“Successors and Assigns”).

3. Pursuant to Section 11 of the Tax Incentive Agreement, the Company and Successor acknowledge that the City and other Taxing Entities have permitted this assignment to Successor, such that Successor shall certain, benefits, entitlements, and rights as provided herein, including without limitation, the right to Incentive District Benefits for all Successor Property, in the same manner and with like effect as if the Successor had been an original signatory (i.e., the Company) to the Tax Incentive Agreement.

4. Notices to the Successor with respect to the Tax Incentive Agreement shall be given as stated in Section 14 thereof, addressed as follows:

[Successor Name
Successor Mailing Address
Successor Email Address]

IN WITNESS WHEREOF, the parties have caused this Partial Assignment Agreement to be executed by their duly authorized representatives to be effective as of _____.

COMPANY

Kipper, LLC a [state limited liability company]

By: _____

Print Name: _____

Title: _____

SUCCESSOR

[Name of Successor]

By: _____

Print Name: _____

Title: _____

EXHIBIT A
TO PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT

Copy of the Tax Incentive Agreement

EXHIBIT B
TO PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT

Description of Successor Property