

EMERALD PROJECTCO DATA CENTER PROJECT ECONOMIC DEVELOPMENT
PROJECT PLAN

A Project Plan under the Oklahoma Local Development Act

62 Okla Stat. §850-859

PREPARED BY PITTSBURG COUNTY, OKLAHOMA

Board of County Commissioners

WITH THE ASSISTANCE OF

FLOYD & DRIVER, PLLC.

118 E. Main Street

Norman, Oklahoma, 73069

www.floyddriver.com

RECOMMENDED FOR APPROVAL BY REVIEW COMMITTEE:

TABLE OF CONTENTS

ARTICLE I: INTRODUCTION	4
ARTICLE II: DEFINITIONS AND INCORPORATION OF EXHIBITS	4
Section 2.1: Definitions	4
Section 2.2: Incorporation of Exhibits	9
ARTICLE III: PROJECT DESCRIPTION	9
ARTICLE IV: BOUNDARIES OF PROJECT SITES AND INCENTIVE DISTRICTS	11
ARTICLE V: ELIGIBILITY	11
ARTICLE VI: OBJECTIVES	11
ARTICLE VII: STATEMENT OF PRINCIPAL ACTIONS	12
ARTICLE VIII: ESTABLISHMENT OF INCENTIVE DISTRICTS	12
Section 8.2: Establishment of Incentive District No. 1	12
Section 8.3: Establishment of Incentive District No. 2	12
Section 8.4: Economic Development Agreement	13
Section 8.5: Term of Incentive Districts	13
Section 8.6: Abatement Percentage; Adjustment:	13
ARTICLE IX: COUNTY DESIGNATIONS AND AUTHORIZATIONS	14
Section 9.1: Designation of Principal Entity	14
Section 9.2: Designation of Implementation Officer	14
Section 9.3: Additional Public Entity.	14
Section 9.4: Implementation Authorizations and Delegation of Authority	15
Section 9.5: Tax Incentive Agreement	15
Section 9.6: Minor Amendments	15
ARTICLE X: ESTIMATED PROJECT COSTS	15
Section 10.1: Estimated Project Costs.	15
Section 10.2: Limitation on Use of Project Costs	16
Section 10.3: Phased Development	16
Section 10.4: Road Use Agreement	17
ARTICLE XI: PRIVATE INVESTMENTS AND PUBLIC INCENTIVES	17
Section 11.1: Projected Capital Expenditure.	17
Section 11.2: Projected Public Incentives	17
Section 11.3: Business Personal Property	17
ARTICLE XII: FISCAL IMPACT ON TAXING JURISDICTIONS	17
Section 12.1: Ad Valorem Taxes	17
Section 12.2: Community Betterment Payments.	18
Section 12.3: PILOT Payments, Calculation.	19
Section 12.4: General and Intangible Impacts	19
Section 12.5: Financial Impact on Business Entities.	20
ARTICLE XIII: FINANCIAL REPORTS AND AUDITS	20
Section 13.1: Annual Reports.	20
Section 13.2: Megawatt Certification	20
ARTICLE XIV: LAND USE	20

Exhibit “A”: Project Site and Incentive District Maps	22
Exhibit “B”: Project Site and Incentive District Legal Descriptions	23
Exhibit “C”: Existing Uses and Conditions	24
Exhibit “D”: Proposed Improvements and Uses	25

ARTICLE I: INTRODUCTION

Emerald ProjectCo Inc. has proposed to undertake the development of a Data Center complex, which will be located in the unincorporated areas of the County. The proposed Data Center complex may consist of up to two (2) Phases, with each Phase estimated to consist of up to \$25,000,000,000 in capital expenditure. This Project Plan will offer tax incentives to the Company for each Phase of the development to help offset its costs of infrastructure and utility capacity required to serve the Project. In exchange, the local Taxing Entities and the County will receive certain annual payments from the Company. This additional source of funding will contribute to the financing of vital public infrastructure needs and fulfill the capital and operational needs essential to the County’s and the Taxing Entities’ growth.

ARTICLE II: DEFINITIONS AND INCORPORATION OF EXHIBITS

Section 2.1: Definitions. In each and every place in and throughout this document, the Economic Development Agreement, and the Tax Incentive Agreement whenever the following terms, or any of them are used, unless the context shall clearly indicate another or different meaning or intent, they shall have the following meanings:

Defined Term	Meaning
“Abatement Percentage”	For any tax year, the percentage of Ad Valorem Taxes attributable to value within an Incentive District in excess of the Base Value that is subject to abatement, as determined based on MW Energized in accordance with Section 8.6 of this Project Plan. The Abatement Percentage determines the portion of Ad Valorem Taxes subject to abatement and does not affect the determination of assessed value, which shall be made by the County Assessor in accordance with applicable law.
“Act”	The Local Development Act, OS § 850, et seq.
“Activation Date”	The date on which any Incentive District is activated, beginning the Term for that respective Incentive District.
“Ad Valorem Tax(es)”	All taxes levied on an ad valorem basis against real property and Business Personal Property located within the Project Site by all applicable taxing jurisdictions, including the County, school districts, and any other entities authorized to levy ad valorem taxes, as reflected on the official tax rolls for the applicable tax year. Ad

	Valorem Taxes shall include all amounts due based on assessed value and applicable mill levies, but shall exclude penalties, interest, fees, and special assessments unless expressly provided otherwise in this Project Plan or the Tax Incentive Agreement. Ad Valorem Taxes shall be determined after application of any abatement, exemption, or reduction, unless otherwise specified in the definition of But-For Tax Liability.
“Ad Valorem Taxes Actually Paid”	“Ad Valorem Taxes Actually Paid” means the total amount of Ad Valorem Taxes paid with respect to the Project Site for the applicable tax year after application of any abatement, exemption, reduction, credit, or reclassification, but excluding penalties, interest, fees, and special assessments unless expressly provided otherwise.
“Annual Reports”	Annual Reports required by the Act, 62 O.S. §860(F) and §867(B).
“Base Value”	The amount of Ad Valorem Taxes assessed on the Project Site prior to Activation Date of an Incentive District.
“But-For Tax Liability”	For any tax year, the total amount of ad valorem taxes that would have been due and payable with respect to the Project Site in the absence of any abatement, exemption, reduction, credit, or reclassification, determined as follows: (i) Valuation Basis The assessed fair cash value of all real property and Business Personal Property located within the Project Site, as determined by the County Assessor in accordance with applicable law, without giving effect to any exemption, abatement, or special classification; (ii) Inclusion of Business Personal Property Business Personal Property shall be included regardless of ownership, leasing structure, or whether such property is owned by the Company, any affiliate, tenant, or third party, and shall be valued as the greater of (A) actual assessed value; or (B) Deemed BPP Value as defined herein; (iii) Mill Levy The applicable ad valorem mill levy shall be the total mill levy actually imposed on the Project Site for the applicable tax year by all taxing jurisdictions; (iv) No Reduction for Tax Mitigation Actions But-For Tax Liability shall be calculated without regard to any protest, appeal, settlement, reclassification, or other action that reduces assessed value or tax liability; (v) Consistency of Methodology If the method of valuation applied by the County Assessor materially changes, the Parties shall use a commercially reasonable method to determine equivalent value consistent with prior methodology, with the intent of preserving the original economic assumptions of this Project Plan. But-For Tax Liability shall serve as the baseline for determining Required Payments and PILOT obligations.

“Business Personal Property” or “BPP”	“Business Personal Property” or “BPP” means all tangible personal property located within the Project Site and used in connection with the ownership, operation, or use of the Data Center, whether owned, leased, or otherwise utilized by the Company or any tenant, operator, or affiliate, including without limitation: (i) servers, processors, storage devices, racks, and related information-technology equipment (ii) networking equipment, switches, routers, and communication systems; (iii) power distribution units, backup power systems, uninterruptible power supplies, and related electrical equipment not constituting real property; (iv) cooling systems, environmental control systems, and related equipment not constituting real property; (v) security systems, monitoring equipment, and control systems; and (vi) any other machinery, equipment, or tangible personal property used in the processing, storage, transmission, or management of digital information. Business Personal Property shall be included regardless of ownership structure and shall include property owned by third parties, affiliates, or tenants and used within the Project Site. Business Personal Property shall exclude real property improvements and fixtures classified as real property under Oklahoma law. For purposes of calculating Required Payments and PILOT obligations, Business Personal Property shall be included in determining But-For Tax Liability, regardless of any exemption, depreciation, ownership structure, or classification. Business Personal Property shall be valued as the greater of (i) actual assessed value, or (ii) Deemed BPP Value.
“Certificate of Occupancy”	A final, unrestricted certificate provided by the Company to the County signifying final completion of a Phase of the Project.
“Commencement Date”	The date of issuance of a Certificate of Occupancy or other evidence of operational readiness acceptable to the County Commissioners of a Phase pursuant to the Project Plan.
“Community Betterment Payment”	An annual payment to the County and Taxing Entities, as described herein.
“Company”	Emerald ProjectCo Inc.
“County”	Pittsburg County, Oklahoma.
“County Commissioners”	The Board of County Commissioners of Pittsburg County, Oklahoma.

“Data Center”	One or more buildings, structures, or integrated facilities within the Project Site used primarily for the processing, storage, management, transmission, or hosting of digital information or computing services, including the information-technology infrastructure and support systems necessary for continuous and secure operation of such functions, together with customary ancillary facilities associated with technology-infrastructure campuses including but not limited to electrical equipment such as substations, transformers, circuit breakers, transmission lines and ancillary buildings such as offices and storage warehouses. The term “Data Center” is intended to encompass present and future forms of computer-processing or digital-service infrastructure performing substantially similar functions, regardless of changes in technology, ownership, tenancy, or operational model. ¹
“Deemed Business Personal Property Value”	A value assigned to Business Personal Property for purposes of calculating payments and PILOT obligations, based on a rolling five (5) year refresh assumption, regardless of actual depreciation, ownership, or replacement.
“Designated County Trust”	A public trust established or to be established by the County pursuant to the Oklahoma Public Trust Act, 60 O.S. §176 <i>et seq.</i> to be utilized for lawful economic development purposes.
“Economic Development Agreement”	The Economic Development Agreement dated _____, 2026, by and between the County and the Company related to the of the Project
“Implementation Officer”	The County Commissioner for the County Commission District in which the Project Site is located, and any successors in office, who is charged with the Implementation of this Project Plan, the Economic Development Agreement, and the Tax Incentive Agreement
“Incentive”	The partial reduction and abatement of Ad Valorem Taxes assessed on the Data Centers and the Project located within an Incentive District in excess of the Base Value.
“Incentive District”	The incentive districts established by this Project Plan pursuant to Article VIII in which Ad Valorem Taxes will be partially abated.
“MW Energized”	The amount of electrical capacity, measured in megawatts, that is (i) physically connected to the electrical grid, (ii) capable of continuous delivery to information-technology load within the Data

¹ The Taxing Entities acknowledge that the Company desires to build 2 Phases, with a Data Center in each of the Incentive Districts but may construct fewer Data Centers resulting in fewer Phases.

	Center, and (iii) available for commercial or operational use, as certified annually by the Company and subject to verification.
“Phases”, “Phase”	A discrete stage or portion of the Project identified in the Project Plan, Development Agreement, or related financing documents, representing a separately planned or implemented segment of: site preparation, land development, or infrastructure installation within the Project Site; construction or expansion of facilities constituting part of the Data Center; or financing, reimbursement, or administrative implementation associated with a defined portion of the Project. A Phase may be undertaken sequentially or concurrently with other Phases and may correspond to: a specific geographic portion of the Project Site, a defined scope of infrastructure or development activity, a separate financing or reimbursement component, or a scheduled stage of construction or occupancy. Each Phase shall be treated as part of the single integrated Project for purposes of eligibility under the Act, unless expressly provided otherwise in this Project Plan. The identification, modification, or completion of any Phase shall not expand the scope of the Project, Data Center, or Project Costs, but solely governs the timing, sequencing, and administration of development and financing activities within the Project Site.
“PILOT Payment”	Annual payments in lieu of Ad Valorem Taxes, PILOT Payment shall be calculated such that total payments to the County and Taxing Entities are not less than the Required Payment.
“Project”	“Project” means the implementation of development within the Project Site necessary to enable construction and operation of the Data Center, consisting solely of: (i) land acquisition, assembly, and site preparation, including grading, remediation, and related enabling activities; (ii) construction and installation of public infrastructure and site improvements serving the Project Site, including utilities, roads, drainage, water, wastewater, electrical, and telecommunications infrastructure; and (iii) financing, administrative, and implementation activities authorized under the Act to carry out the foregoing. The term “Project” describes the public-purpose development activities undertaken within the Project Site and does not include the ownership, leasing, operation, or internal equipping of the Data Center, which are encompassed within the definition of “Data Center.”
“Project Plan”	This Project Plan approved by the County Commissioners on _____ [XX], 2026 establishing the Incentive Districts.

“Project Site”	The areas identified in Exhibits A and B attached hereto on which the Project will be located.
“Required Payment”	For any tax year, the amount of Ad Valorem Taxes that would be due and payable with respect to the Project Site after application of the Abatement Percentage determined pursuant to Section 8.6, but without giving effect to any exemption, reduction, credit, reclassification, or other adjustment not expressly provided for in this Project Plan. Required Payment represents the intended tax obligation of the Company under the Incentive as structured in this Project Plan.
“Resolution”	Resolution No. _____ adopted by the County on _____, 2026, approving the Project Plan.
“Road Use Agreement”	An agreement dated by and between the Company and the County pertaining to the Company’s obligation to mitigate damages to County Roads.
“Tax Incentive Agreement”	The Local Development Act Tax Incentive Agreement dated _____, 2026, by and among the County, the Company, and the Taxing Entities.
“Taxing Entities”	Kiowa Public Schools, Pittsburg County, Pittsburg County Health Department, Kiamichi Technology Center, and the Southern Oklahoma Public Library System.
“Term”	A term of twenty-five years from each ad valorem Incentive District’s Activation Date.

Section 2.2: Incorporation of Exhibits. The Parties acknowledge and agree that the recitals set forth above and the Exhibits attached hereto are a material part of this Project Plan and are incorporated herein by reference:

Exhibit A: Project Site and Incentive District Maps

Exhibit B: Project Site and Incentive District Legal Descriptions

Exhibit C: Existing Uses and Conditions

Exhibit D: Proposed Improvements and Uses

ARTICLE III: PROJECT DESCRIPTION

This Project Plan, adopted under the provisions of and in accordance with the Act and Article 4, Section 6C of the Oklahoma Constitution, is designed to provide the economic incentives

necessary to stimulate at least Twenty-Five Billion Dollars (\$25,000,000,000.00) in initial investment by the Company in the County per Phase of the Project.

The Company intends to proceed with the Project in two (2) Phases, each of which will be undertaken in accordance with this Project Plan and the Economic Development Agreement. Phases may be developed and Incentive Districts may be activated independently and in any order, as determined by the County Commissioners in their discretion. Nothing in this Project Plan shall be construed to require the development or activation of any Phase based on the development, completion, or performance of any other Phase.

A Data Center or portion of the Project may be located within one or more Incentive Districts. In such event, the County Commissioners may, in their discretion, determine whether to activate one or more Incentive Districts based on the location, configuration, and operation of such Data Center. Nothing herein shall be construed to require the simultaneous activation of multiple Incentive Districts or to require activation of any Incentive District solely because a Data Center spans multiple Incentive Districts.

The County Commissioners may allocate MW Energized, assessed value, and other relevant metrics among Incentive Districts in a reasonable manner based on the physical location, infrastructure, and operational characteristics of the Project. Such allocation determinations by the County Commissioners shall be final and binding for purposes of applying the Abatement Percentage and calculating payments under the Project Plan and related agreements.

Each developed Phase is expected to include a Data Center comprised of approximately 600 MW Energized of total power capacity and will occupy approximately _____ square feet when completed. The following table represents a good-faith estimate of the relationship between MW Energized, cumulative investment, and resulting assessed value within each Phase of the Project. For purposes of illustration, an assumed mill levy of 120 mills (12.0%) is used.

MW Buildout, Tax Base, and Revenue Profile – Per Phase (600 MW ENERGIZED)

MW Energized	% Capacity	Cumulative Investment (\$)	Estimated Assessed Value (\$)	Estimated Value But-For Tax (\$)	Illustrative Required Payment (After Abatement) (\$)
0 MW	0%	\$0	Land value only	Minimal	N/A
100 MW	17%	\$6,000,000,000	\$4,500,000,000	\$54,000,000	\$27,000,000
200 MW	33%	\$11,000,000,000	\$8,500,000,000	\$102,000,000	\$30,600,000
300 MW	50%	\$15,000,000,000	\$12,000,000,000	\$144,000,000	\$43,200,000

400 MW	67%	\$19,000,000,000	\$15,500,000,000	\$186,000,000	\$27,900,000
500 MW	83%	\$22,500,000,000	\$18,000,000,000	\$216,000,000	\$32,400,000
600 MW	100%	\$25,000,000,000	\$20,000,000,000	\$240,000,000	\$36,000,000

*Illustrative Required Payment reflects the application of the Abatement Percentage to the But-For Tax Liability in accordance with Section 8.6 and the definition of Required Payment. The purpose of this MW Energized Buildout and Investment Profile is to demonstrate the anticipated relationship between operational capacity, capital deployment, and taxable value for purposes of evaluating the structure and impact of the Incentives provided under this Project Plan.

The Abatement Percentage applicable to the Project is determined solely in accordance with Section 8.6 and is based on MW Energized as of January 1 of each tax year. Actual assessed value shall be determined by the County Assessor in accordance with applicable law, and actual investment and development timing may vary. Nothing in this Section shall be construed as establishing, guaranteeing, or limiting assessed value, tax liability, or Required Payments, all of which shall be governed exclusively by the Tax Incentive Agreement and applicable law.

In addition to stimulating new private investment, this Project Plan also aims to ensure that the Taxing Entities receive direct revenue as a result of the Project in the form of Ad Valorem Taxes in excess of the Base Value and Community Betterment Payments, as further described herein and in the Economic Development Agreement and the Tax Incentive Agreement. Furthermore, the County and the Taxing Entities will receive revenues in the form of PILOT Payments. PILOT Payments shall be required for any tax year during the Term in which Ad Valorem Taxes Actually Paid with respect to the Project Site are less than the Required Payment.

Because of the potential scope of the Company's investment, the Project is likely to promote further private investment and economic development from related businesses throughout the area, including new businesses that locate to the area and existing local businesses that supply goods or services to the Project.

The combination of increased revenue to the Taxing Entities and private economic development from the Project is likely to enhance the value of other real property in the area and to promote the general public interest.

ARTICLE IV: BOUNDARIES OF PROJECT SITES AND INCENTIVE DISTRICTS

The Project Site contains approximately 2,000 acres of land located in the County. The Project Site is intended to be divided into two (2) Incentive Districts, where the Incentives described herein will be provided, with one (1) Incentive District encompassing each Phase of the Project. The Incentive Districts are adjacent, and the boundaries of the combined Incentive Districts are

identical to the boundaries of the Project Site. Depictions of both the Project Site and each Incentive District are included in **Exhibit “A”** to this Project Plan. The Project Site can be generally described as a portion of land located in the south of the County, near the town of Kiowa. Detailed legal descriptions of the boundaries of the Project Site and each Incentive District are included in **Exhibit “B”** to this Project Plan.

ARTICLE V: ELIGIBILITY

The entirety of the Project Site and Incentive Districts are within a reinvestment area, as defined by the Oklahoma Local Development Act. Public improvements are required to reverse economic stagnation or decline, to serve as a catalyst for expanding employment, to attract investment, and to preserve and enhance the tax base.

ARTICLE VI: OBJECTIVES

The principal objectives of this Project Plan and the Incentive Districts are:

- A. To attract the Project and the accompanying investment and development to the County, which would not occur without the Incentives described in this Project Plan.
- B. To generate new revenues for the County or a Designated County Trust and the Taxing Entities in the form of new Ad Valorem Tax revenues in excess of the Base Value and of annual Community Betterment Payments as more particularly described in the Economic Development Agreement and the Tax Incentive Agreement.
- C. To provide security for the County and the Taxing Entities in the form of annual PILOT Payment. PILOT Payment shall be required for any tax year during the Term in which Ad Valorem Taxes Actually Paid with respect to the Project Site are less than the Required Payment.
- D. To achieve the County’s economic development goals and objectives.
- E. To spur economic development in the surrounding area and generate additional wealth for local and regional businesses through the Company’s consumption of local services.
- G. To create and attract new temporary and permanent high-quality jobs to the community.

ARTICLE VII: STATEMENT OF PRINCIPAL ACTIONS

Implementation actions for this Project Plan, including all necessary, appropriate and supportive steps will consist principally of (i) offering Incentives available under the Act to support the Project, which are designed to attract and expand investment and quality employment opportunities within the Project Site, (ii) administering this Project Plan, and (iii) enhancing the County’s and Taxing Entities’ capabilities to fund capital projects and operational requirements.

ARTICLE VIII: ESTABLISHMENT OF INCENTIVE DISTRICTS

This Project Plan creates two (2) Incentive Districts, identified herein as Incentive Districts “1” and “2” and as illustrated on **Exhibit “A”** attached hereto. Pursuant to 62 O.S. §856(B)(2), the County Commissioners are authorized to defer determination of the Activation Date of each Incentive District. All Incentive Districts must be activated within ten (10) years of the date of the Resolution adopting this Project Plan.

Section 8.1: Establishment of Base Value. Pursuant to 62 O.S. § 862, the County Assessor shall, within ninety (90) days of the passage of the Resolution, determine the total assessed value of all taxable real property within the Incentive Districts, and certify the total assessed value as the Base Value for each Incentive District.

Section 8.2: Establishment of Incentive District No. 1. This Project Plan establishes Incentive District No. 1. The County Commissioners may, in their discretion, activate Incentive District 1 following satisfaction of the following conditions: (i) issuance of a Certificate of Occupancy for a Data Center within Incentive District 1 or other evidence of substantial completion or operational readiness acceptable to the County, (ii) not less than One Hundred (100) MW Energized has been achieved within Incentive District 1, and (iii) assessed value within Incentive District 1 equals or exceeds Five Billion Dollars (\$5,000,000,000). In no event shall Incentive District No. 1 be activated before January 1, 2028. Satisfaction of the foregoing conditions shall not require activation, and activation shall occur only upon formal action of the County Commissioners.

Section 8.3: Establishment of Incentive District No. 2. This Project Plan establishes Incentive District No. 2. The County Commissioners may, in their discretion, activate Incentive District 2 following satisfaction of the following conditions: (i) issuance of a Certificate of Occupancy for a Data Center within Incentive District No. 2 or other evidence of substantial completion or operational readiness acceptable to the County; (ii) not less than One Hundred (100) MW Energized has been achieved within Incentive District No. 2; and (iii) assessed value within Incentive District No. 2 equals or exceeds Five Billion Dollars (\$5,000,000,000). In no event shall Incentive District No. 2 be activated prior to January 1, 2028. Satisfaction of the foregoing conditions shall not require activation, and activation shall occur only upon formal action of the County Commissioners

Section 8.4: Economic Development Agreement. Concurrent with the approval of this Project Plan, the County and the Company shall enter into an Economic Development Agreement providing for the development of Phase 1 and Phase 2. The Economic Development Agreement shall provide for the joint and complementary endeavors of the parties with respect to the Project, and the continuing efforts of the parties to stimulate and implement economic development activities for the benefit of the community.

Section 8.5: Term of Incentive Districts. Each Incentive District shall have a Term of twenty-five (25) years from its Activation Date.

Section 8.6: Abatement Percentage; Adjustment: The Incentive provided under this Project Plan shall consist of a partial abatement of Ad Valorem Taxes, the percentage of which shall be

determined annually based on MW Energized within the applicable Incentive District as of January 1 of each tax year.

The applicable Abatement Percentage shall be as follows:

MW Energized (Cumulative) Abatement Percentage

Less than 100 MW	0%
100 - 200 MW	50%
200 - 400 MW	70%
400 - 600 MW	85%

The Abatement Percentage shall be recalculated annually and shall apply only for the applicable tax year. If MW Energized declines below a threshold corresponding to a given Abatement Percentage, the Abatement Percentage shall be reduced for the subsequent tax year. For purposes of this Section, MW Energized must be continuously maintained, subject to reasonable allowances for temporary outages or maintenance not exceeding thirty (30) days. Failure to maintain MW Energized thresholds for more than ninety (90) days shall result in an automatic reduction of the Abatement Percentage for the subsequent tax year. Notwithstanding the foregoing, no Abatement shall apply unless assessed value within the applicable Incentive District equals or exceeds Five Billion Dollars (\$5,000,000,000). For illustrative purposes regarding the relationship between MW Energized and anticipated investment and value, see Article III Table “MW Buildout and Investment Profile”.

For the avoidance of doubt, the determination of the assessed value of real and personal property within each Incentive District shall be made in accordance with applicable Oklahoma law and standard appraisal practices, as determined by the County Assessor. The Abatement Percentage set forth in this Project Plan, which is based on MW Energized, shall apply only to the portion of Ad Valorem Taxes attributable to value in excess of the Base Value and shall not affect the methodology used to determine such assessed value.

Section 8.7: Minor Adjustments to Incentive District Boundaries. Because the Project Site plan is subject to change, if a Data Center is constructed that is located within the boundaries of multiple Incentive Districts, then the County, Taxing Entities, and Company agree to the following: First, 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 in accordance with 62 O.S. § 858(D), the County Commissioners will administratively adjust the Incentive District boundaries via a minor amendment without any further legislative action required. If such an adjustment of the Incentive District boundaries cannot be made, then the exemption for all Incentive Districts in which the Data Center is located may be activated by the County

Commissioners in their discretion following the issuance of a Certificate of Occupancy or other evidence of operational readiness acceptable to the County Commissioners for the Data Center. Any subsequently constructed qualifying Project buildings, including Data Centers, that are completed within an Incentive District for which the Activation Date has already commenced, will still be subject to the Ad Valorem Tax exemption for the remaining Term of that Incentive District.

ARTICLE IX: COUNTY DESIGNATIONS AND AUTHORIZATIONS

Section 9.1: Designation of Principal Entity. The County is designated and authorized as the principal public entity to carry out and administer the provisions of this Project Plan, the Economic Development Agreement and to exercise all powers necessary or appropriate thereto pursuant to 62 O.S. § 854, including all powers set forth in this Project Plan and the Tax Incentive Agreement.

Section 9.2: Designation of Implementation Officer. _____ or any successor in office or any designee, shall be designated as the initial Implementation Officer and charged with implementation of the Project Plan in accordance with the provisions, authorizations, and respective delegations of responsibilities contained in this Project Plan.

Section 9.3: Additional Public Entity. The County may designate and authorize an additional public entity, including without limitation a Designated County Trust, to exercise any powers necessary or appropriate to implementing this Project Plan, including borrowing and financing undertakings in support thereof, and to carry out any powers described in 62 O.S. §854 except for those powers indicated in 62 O.S. §854, paragraphs 1, 4, and 7, which are to be reserved by the County. Additionally, the County may direct the Company to remit any payments due to the County directly to a Designated County Trust.

Section 9.4: Implementation Authorizations and Delegation of Authority. The County is authorized to enter into the Economic Development Agreement with the Company, and the Tax Incentive Agreement with the Company and other Taxing Entities. The County officers and the County Commissioners are authorized to provide such information, to execute, certify or furnish documents, and to take any measures necessary and incidental to carrying out the provisions of this Project Plan, and to make minor amendments to this Project Plan.

Section 9.5: Tax Incentive Agreement. Within sixty (60) days of the adoption of this Project Plan, the Company shall enter into a Tax Incentive Agreement with the County and every Taxing Entity, as required by 62 O.S. § 865(A) and (B), providing for PILOT Payment, Community Betterment Payments, and other payments. Notwithstanding anything herein contained to the contrary, including the Activation Dates set forth in Article VIII for the Incentive Districts, the County shall not determine the activation date of any Incentive District until the Tax Incentive Agreement has been approved and executed by every Taxing Entity whose taxes will be subject to the incentives provided under this Project Plan, as required by 62 O.S. § 865(A) and (B).

Section 9.6: Minor Amendments. The County reserves the right to approve minor amendments to the Project Plan, as provided in the 62 O.S. § 858(D), where desirable and appropriate to implement

and achieve the objectives of this Project Plan, as long as any such amendment does not change the character or purpose of the plan. These minor amendments include adding to the area of any Incentive District, so long as the additions, considered on a cumulative basis during the twenty-five (25) year term of each Incentive District, do not exceed five (5) percent of the area of the Incentive District.

ARTICLE X: ESTIMATED PROJECT COSTS

Section 10.1: Estimated Project Costs.

In accordance with 62 O.S. § 858(A)(3), the following represents a good-faith estimate of Project Costs associated with development of the Project. Project Costs are identified in categories consistent with 62 O.S. § 853(14). The Project is anticipated to be developed in two (2) Phases, each consisting of approximately 600 MW Energized of Data Center capacity, together with supporting infrastructure and improvements. All Project Costs are provided for informational and statutory compliance purposes only. No Project Costs shall be reimbursed, funded, or otherwise paid from ad valorem taxes, increment revenues, or any other public funds unless expressly authorized by separate agreement.

ESTIMATED PROJECT COSTS – PER PHASE (600 MW ENERGIZED)

§ 853(14) Category	Description	Estimated Cost (\$)
(a) Land Acquisition	Land, easements, rights-of-way	
(b) Site Preparation	Clearing, grading, excavation, remediation	
(c) Public Infrastructure	Roads, drainage, water, wastewater	
(d) Utilities & Electrical Infrastructure	Substations, transmission, interconnection	
(e) Buildings & Improvements	Data center shells and structural components	
(f) Mechanical, Electrical & Cooling Systems	HVAC, chillers, backup systems	
(g) Technology Infrastructure	Internal systems supporting operations	
(h) Business Personal Property (BPP)	Servers, racks, networking equipment	
(i) Engineering & Design	Architecture, engineering, planning	
(j) Legal & Professional Services	Legal, financial, consulting	
(k) Financing Costs	Interest during construction, issuance costs	
(l) Permitting & Entitlements	Permits, inspections, approvals	
(m) Environmental Compliance	Environmental mitigation and monitoring	

(n) Administrative Costs	Project management and administration
(o) Contingency	Escalation and contingency reserves

Total Estimated Project Cost (Per Phase): \$25,000,000,000

The inclusion of Business Personal Property within Project Costs is for purposes of statutory compliance only and shall not be interpreted as authorizing reimbursement, financing, or public funding of such property.

Section 10.2: Limitation on Use of Project Costs. The inclusion of Project Costs in this Project Plan is solely for compliance with 62 O.S. § 858(A)(3). No Project Costs identified herein shall be reimbursed, financed, or otherwise paid from ad valorem tax revenues, increment revenues, or any other public funds. Nothing in this Project Plan shall be interpreted to create any right of reimbursement, payment, or financing of Project Costs by the City, County, or any other public entity.

Section 10.3: Phased Development. The Project is anticipated to be developed in two (2) Phases each of which may include similar categories of Project Costs. The timing and allocation of Project Costs among phases may vary based on construction sequencing, technological requirements, and operational considerations. The identification of Project Costs herein shall not be interpreted as requiring that any specific cost be incurred within any specific phase.

Section 10.4: Road Use Agreement. If Company requires use of any County owned or maintained roads for oversize or overweight loads, the Company shall enter into a Road Use Agreement setting forth the conditions and payments to the County in consideration for the County's consent to the oversize or overweight loads.

ARTICLE XI: PRIVATE INVESTMENTS AND PUBLIC INCENTIVES

Section 11.1: Projected Capital Expenditure. The total estimated capital expenditure is expected to be at least twenty-five billion Dollars (\$25,000,000,000) for each Phase. Capital expenditure in the Project Site is expected to consist of the construction, operation, and maintenance of the Project.

Section 11.2: Projected Public Incentives. The Incentives provided under this Project Plan shall consist of a partial abatement of Ad Valorem Taxes as determined annually pursuant to Section 8.6. Notwithstanding the foregoing, the Company shall be obligated to make payments for each tax year equal to the Required Payment. All Ad Valorem Taxes Actually Paid shall be credited against the Required Payment, and the Company shall pay any deficiency through PILOT Payments in accordance with Article XII.

Section 11.3: Business Personal Property. Business Personal Property shall be included in all calculations regardless of ownership or leasing structure. For purposes of determining But-For Tax

Liability and Required Payments, BPP shall be determined as the greater of: (i) actual assessed value; or (ii) Deemed BPP Value. The Company shall not, whether directly or indirectly, reduce payment obligations through depreciation, ownership structuring, or exemption of Business Personal Property.

ARTICLE XII: FISCAL IMPACT ON TAXING JURISDICTIONS

Section 12.1: Ad Valorem Taxes: Ad Valorem Taxes collected shall be disbursed to the County and the Taxing Entities. The table below illustrates an example dispersion of Ad Valorem Taxes based on the expected capital expenditure for Phase 1:

Taxing Entity	Initial Annual Payment for Phase 1	Share of Total Collections
Kiowa Public Schools	<u>\$11,000,000</u>	<u>55%</u>
Pittsburg County	<u>\$3,800,000</u>	<u>19%</u>
Health Department	<u>\$600,000</u>	<u>3%</u>
Kiamichi Technology Center	<u>\$3,400,000</u>	<u>17%</u>
Southern Oklahoma Public Libraries System	<u>\$1,000,000</u>	<u>5%</u>
Total	\$20,000,000	100%

Section 12.2: Community Betterment Payments.

(a) Obligation. In addition to all other obligations under this Project Plan, the Company shall make annual Community Betterment Payments (“CBP”) to the County for the purpose of supporting community and public benefit initiatives.

(b) Initial Payment. For calendar year 2027, the Company shall make a CBP in the amount of One Hundred Thousand Dollars (\$100,000).

(c) Subsequent Payments. For each calendar year thereafter, the CBP shall be determined based on the MW Energized within the applicable Incentive District and shall increase in accordance with the MW-based tiers set forth below, which correspond to the Abatement Percentages established in Section 8.6. The following table illustrates the application of Community Betterment Payments based on MW Energized:

MW Energized	Abatement Percentage (%)	CBP (Annual)
<u>0–100 MW</u>	<u>0%</u>	<u>\$100,000</u>
<u>100-200MW</u>	<u>50%</u>	<u>\$500,000</u>
<u>200-400 MW</u>	<u>70%</u>	<u>\$1,500,000</u>
<u>400-600 MW</u>	<u>85%</u>	<u>\$3,000,000</u>

*The actual Community Betterment Payment for any year shall be determined based on the MW Energized for such year in accordance with this Section.

(d) Structure. The CBP is intended to scale with the development and operation of the Project and shall reflect the increasing level of economic activity associated with higher MW Energized capacity.

(e) Relationship to Other Payments. Community Betterment Payments are separate from and in addition to Required Payments and any PILOT Payments and shall not be credited against or offset such obligations.

(f) Determination. The applicable CBP for each year shall be determined based on the MW Energized achieved during such year, consistent with the methodology used for determining Abatement Percentage under Section 8.6.

(g) Timing. Community Betterment Payments shall be as provided in the Tax Incentive Agreement.

(h) Periodic Adjustment. Beginning in calendar year 2032, and every five (5) years thereafter, the Community Betterment Payment Amounts set for the in this Section shall be adjusted based on the percentage increase, if any, in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, as published by the United States Bureau of Labor Statistics (or any successor index), measured from January 1, 2027 to January 1 of the applicable adjustment year.

Any such adjustment shall be applied proportionally to each MW Energized tier set forth in Table 12.2. In no event shall the Community Betterment Payment amounts be reduced as a result of such adjustment.

Section 12.3: PILOT Payments, Calculation. PILOT Payment shall be required for any tax year during the Term in which Ad Valorem Taxes Actually Paid are less than the Required Payment. For any such tax year, the Company shall make PILOT Payment equal to the difference between: (i) the Required Payment; and (ii) the Ad Valorem Taxes Actually Paid. All Ad Valorem Taxes Actually Paid shall be credited against the Required Payment, and PILOT Payments shall be required only to the extent necessary to ensure that total payments equal the Required Payment. PILOT Payment shall be due and payable as provided in the Tax Incentive Agreement.

Section 12.4: General and Intangible Impacts. The general and intangible impacts on the affected taxing jurisdictions from implementation of this Project Plan are positive and include the achievement of the objectives set forth in the Project Plan.

- a. County. It is anticipated that the County will realize additional valorem tax revenues. The Project will create new employment opportunities including temporary construction jobs and permanent jobs at the new facility created by the Project. It is estimated that the County will achieve an estimated \$70,000,000 in additional Ad Valorem Taxes over the life of the agreement per Phase.

- b. Health Department. It is anticipated that the Health Department will realize additional Ad Valorem Taxes of approximately \$12,600,000 over the life of the Incentive Districts per Phase.
- c. Kiowa Public Schools. It is anticipated that Kiowa Public Schools will realize additional Ad Valorem Taxes of approximately \$204,000,000 over the life of the Incentive Districts per Phase.
- d. Kiamichi Technology Center. It is anticipated that Kiamichi Public Schools will realize additional Ad Valorem Taxes of approximately \$60,600,000 over the life of the Incentive Districts per Phase.
- e. Southern Oklahoma Public Library System. It is anticipated that Southern Oklahoma Public Library System will realize additional Ad Valorem Taxes of approximately \$20,000,000 over the life of the Incentive Districts per Phase.

Additionally, the various taxing jurisdictions may realize additional ad valorem tax revenue from additional development outside the boundaries of the Incentive Districts.

Section 12.5: Financial Impact on Business Entities. The Project is expected to have a positive economic impact on business activities within the County, region, and state due to expenditures with local contractors and wider economic benefits. Primarily due to the relatively low number of permanent employees anticipated, overall long term employment opportunities created will be minimal, which mitigates the impact on the affected Taxing Entities, however, there is not likely to be a large, long-term population growth which would create additional demands on the Taxing Entities and County public services.

The Project is anticipated to create 40 ongoing jobs per Phase, along with thousands of construction jobs and significant expenditures with local contractors during both the construction and the operation of each Phase, all of which may draw additional payroll/income to the area per Phase. Most importantly, the additional tax revenues and wider economic benefits from the Project will enable the County to enhance quality of life through public improvements and accelerate investment and development activities through approved economic development plans.

ARTICLE XIII: FINANCIAL REPORTS AND AUDITS

Section 13.1: Annual Reports. The activities undertaken by the County pursuant to this Project Plan shall be accounted for and publicly reported by the appropriate and necessary annual fiscal year audits and reports. Annual Reports on the operation of each Incentive District shall be prepared and submitted to the Oklahoma Department of Commerce and each Taxing Entity pursuant to 62 O.S. §§ 860(F) and 867(B). A summary of these Annual Reports shall be published in a newspaper of general circulation in Pittsburg County, as required by 62 O.S. § 867(C).

Section 13.2: Megawatt Certification: Company shall annually certify MW Energized, supported by utility or engineer verification. The County shall have audit rights to verify MW Energized, assessed value, and BPP. Failure to certify MW Energized shall result in application of the lowest Abatement tier.

ARTICLE XIV: LAND USE

Current land uses and conditions of the real property in the Project Site are shown on the map attached as **Exhibit “C”**, “Existing Uses and Conditions.” The proposed improvements to and the proposed uses of the Project Site are shown on **Exhibit “D”**, “Proposed Improvements and Uses.”

Exhibit “A”: Project Site and Incentive District Maps



Exhibit “B”: Project Site and Incentive District Legal Descriptions

Legal Descriptions of Incentive Districts

Phase 1

- SE SE LESS RY: SEC 27-3-13
- SW, SUBJ TO HWY ROW: SEC 26-3-13
- SE, LESS HWY: SEC 26-3-13
- W2: W2 NE: SEC 25-3-13

Phase 2

- ALL THAT PT OF SE SE NE LYG S & E OF CO RD: SEC 33-3-13 TR IN SE LYG S & E OF CO RD, BEG SE/C OF SE, N ALG E LN SE 16.50', S8
- ALL THAT PT OF W2 SW NW LYG S & E OF CO RD: SEC 34-3-13
- TR IN N2 SEC 34-3-13 DESC AS BEG @ A PT 1320' S00 06 57E ALG SEC LN & 465.04' N89 59 03E FROM NW/C OF SEC 34, 462.75' N39 13
- TR IN NW NW SEC 34-3-13 DESC AS BEG NW/C OF SEC 34, S00 06 57E ALG W LN 1320', N89 59 03E ALG S LN OF NW NW 465.04', N39 13 0
- UND 1/2 INT TR IN SEC 34-3-13 BEG @ NE/C OF SEC, S 2330' TO N ROW OF HWY 69, S53 09 53W 531.54', S53W 90.8', S54 14 40W 451.7
- UND 1/2 INT ALL THAT PT OF NW LYING N & W OF NEW HWY 69: SEC 35-3-13 (UND 50% INT)
- ALL S2 LYG S & E OF HWY 69 LESS 2.79 AC HWY: SEC 34-3-13
- W2 SE SW: SEC 35-3-13
- SW NE SE: W2 SE SE: E2 SE SW: SW SE: NWLY DIAG 1/2 OF SE SE SE LESS RD: SEC 35-3-13
- NW SW: NE SW: NW SE, LESS 0.14 AC HWY: SEC 35-3-13
- ALL THAT PT OF NW LYING S & E OF NEW HWY 69 LESS 4.36 ACS TO HWY: SEC 35-3-13
- N2 NE SE: NE: SEC 35-3-13

Depiction of Incentive Districts



Exhibit “C”: Existing Uses and Conditions

For Discussion Purposes

Exhibit "D": Proposed Improvements and Uses

For Discussion Purposes