

State of Texas       §  
                                  §  
Jack County           §

## **Tax Abatement Agreement between Jack County, Texas and PK Solar, LLC**

This Tax Abatement Agreement (the “**Agreement**”) is made and entered into by and between Jack County, Texas (the “**County**”), acting through its duly elected officers, and PK Solar, LLC, a Delaware limited liability company, owner of Eligible Property (as hereinafter defined) to be located on real property located in the Reinvestment Zone(s) described in this Agreement. This Agreement shall become effective upon final signature by both parties (which date shall be the “**Effective Date**”) and shall remain in effect until fulfillment of the obligations described in Paragraph IV(C), unless terminated earlier as provided herein.

### **I. Authorization**

This Agreement is authorized and governed by Chapter 312 of the Texas Tax Code, as amended, and by the Guidelines and Criteria (as defined below).

### **II. Definitions**

As used in this Agreement, the following terms shall have the meaning set forth below:

- A. “Abatement” means the full or partial exemption from the County’s Maintenance and Operations (“M&O”) and County Special Fund (“CSF”) tax rates and corresponding ad valorem taxes on property in a Reinvestment Zone(s) as provided herein.
- B. “Abatement Period” means the ten-year period described in Paragraph IV(B)(1) of this Agreement during which the Abatement will apply.
- C. “Base Year” means the Calendar Year in which the Effective Date occurs.
- D. INTENTIONALLY DELETED.
- E. “Calendar Year” means each year beginning on January 1 and ending on December 31.
- F. “Certificate” means a letter, provided by the Owner (as defined below) to the County that certifies that the Project and Improvements have achieved Commercial Operations, outlines the Project and Improvements (including those that are still under construction), and states the actual Nameplate Capacity of Generation of the Project and Improvements.
- G. “Certified Appraised Value,” means the appraised value, for property tax purposes, of Owner’s Eligible Property (including the Project and Improvements) within the

Reinvestment Zone(s) as certified by the Jack County Appraisal District (“County Appraisal District”) for each tax year.

- H. “COD” means the date that the Project and Improvements commence Commercial Operations.
- I. “Commercial Operations” means that the Project and Improvements have become commercially operational and placed into service for the purpose of generating electricity for sale on one or more commercial markets.
- J. “County Property Tax” means any and all current or future property taxes imposed by the County and includes the County’s Maintenance and Operations (M&O) and County Special Fund (“CSF”) tax rates and corresponding ad valorem taxes on property in a Reinvestment Zone(s) as provided herein.
- K. “Default Notice” means a written notice delivered by one party to the other under Paragraph IX(A) of this Agreement. Default Notices must be delivered in accordance with the requirements of Paragraph XII of this Agreement.
- L. “Eligible Property” means property eligible for Abatement under the Guidelines and Criteria, including: new, expanded, or modernized buildings and structures; fixed machinery and equipment; power generation and transmission facilities; site improvements; office space; other related fixed improvements; other tangible items necessary to the operation and administration of a project or facility; and all other real and tangible personal property permitted to receive tax abatement by Chapter 312 of the Texas Tax Code and the Guidelines and Criteria with the exception of energy storage equipment. Taxes on Eligible Property may be abated only to the extent the property’s value for a given year exceeds its value for the Base Year. Tangible personal property located in the Reinvestment Zone(s) at any time before the date the Agreement is signed is not eligible for Abatement. Tangible personal property eligible for Abatement shall not include inventory or supplies.
- M. “Force Majeure” includes events not reasonably within the control of the party whose performance is sought to be excused thereby, including the following causes and events: acts of God and the public enemy, strikes, lockouts or other industrial disturbances, inability to obtain material or equipment or labor due to an event that meets the definition of a Force Majeure, wars, blockades, insurrections, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, storms, floods, high water washouts, inclement weather, arrests and restraint of rulers and people, interruptions by government or court orders, present or future orders of any regulatory body, civil disturbances, explosions, breakage or accident to machinery or lines, freezing of lines any laws, rules, orders, acts or restraint of government or governmental body or court, including new or modified executive orders, implementation or proposed implementation of new tariffs or any modification of existing tariffs that increase costs, or the partial or entire failure of fuel or equipment supply or any other event that is beyond the reasonable control of the party claiming Force Majeure.

- N. "Guidelines and Criteria" means the *Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zone(s)*, adopted by the Jack County Commissioners Court on June 9th, 2025 (the "Guidelines and Criteria"), a copy of which is attached hereto as Attachment B to this Agreement.
- O. "Lender" means any entity or person providing, directly or indirectly, with respect to the Project and Improvements any (a) senior or subordinated construction, interim or long-term debt financing or refinancing, whether that financing or refinancing takes the form of private debt, public debt, or any other form of debt (including debt financing or refinancing), (b) a leasing transaction, including a sale leaseback, inverted lease, or leveraged leasing structure, (c) tax equity financing, (d) any interest rate protection agreements to hedge any of the foregoing obligations, and/or (e) any energy hedge provider. There may be more than one Lender. Owner, at its election, may send written notice to the County with the name and notice information for any Lender.
- P. "Community Engagement Plan" means the plan attached to this Agreement as Attachment D.
- Q. "Nameplate Capacity of Generation" means the total or overall generating capacity of the photovoltaic solar panels included in the Project and Improvements on the Site (as designated in Megawatt [MW] AC units).
- R. INTENTIONALLY DELETED
- S. INTENTIONALLY DELETED
- T. "Notice of Abatement Commencement" has the meaning assigned in Paragraph IV(B)(5) of this Agreement.
- U. "Notices" means all notices, demands, or other communications of any type given shall be given in accordance with Paragraph XII, including Default Notices.
- V. "Owner," on the Effective Date, means PK Solar, LLC, a Delaware limited liability company, the entity that owns the Eligible Property for which the Abatement is being granted, and also includes any assignee or successor-in-interest of such party. An "Affiliate" of an Owner means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such Owner. For purposes of this definition, "control" of an entity means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.
- W. "Payment In Lieu of Taxes" or "PILOT" means a payment made by Owner to the County described in Paragraph IV(E) of this Agreement.
- X. "Project and Improvements" means Eligible Property meeting the definition for improvements provided by Chapter 1 of the Texas Tax Code and includes, but is not

limited to, power generation, transmission equipment, and any building, structure, or fixture erected on or affixed to the land. Attachment G attached to this Agreement includes a list of equipment that is expected to be included in the Project and Improvements. Energy storage is not a component of the Project and Improvements.

- Y. “Reinvestment Zone(s)” means 1) the reinvestment zone(s), as that term is defined in Chapter 312 of the Texas Tax Code, created by Jack County to be known as the “PK Solar Reinvestment Zone Number 1” by that certain Order Adopting and Designating a Reinvestment Zone in the Jurisdiction of Jack County, Texas, adopted and approved by the Jack County Commissioners’ Court on June 9th, 2025, a copy of which resolution is attached as Attachment A to this Agreement.
- Z. “Site” means the portion of the Reinvestment Zone(s) leased or owned by Owner and on which Owner makes the Project and Improvements and installs and constructs the Eligible Property for which the Abatement is granted hereunder. The site is described on Attachment C to this Agreement.
- AA. “Term” means the period commencing on the Effective Date of this Agreement and ending on December 31 of the fifteenth Calendar Year after the commencement of the Abatement Period.

### **III. Project and Improvements in Reinvestment Zone(s)**

Owner anticipates constructing the following Project and Improvements within the designated Reinvestment Zone(s):

- A. Photovoltaic solar powered electricity generation facility with a total Nameplate Capacity of Generation of approximately 78.6 megawatts, AC. The total Nameplate Capacity of Generation will vary but shall at a minimum equal 70 megawatts, AC.
- B. The Project and Improvements will also include any other property in the Reinvestment Zone(s) owned or leased by Owner meeting the definition of “Eligible Property” that is used to generate electricity and perform other functions related to the generation, distribution, and transmission of electrical power, or that is otherwise related to the facility or its operations, including specifically, but not limited to, the equipment listed in Attachment G to this Agreement. Parties acknowledge that energy storage is not a component of the Project and Improvements, and that any valuation attributable to energy storage shall be subject to the County’s full tax levy or a separate abatement agreement.
- D. Owner anticipates that the Project and Improvements will achieve Commercial Operations by no later than December 31, 2028. In the event that the Project and Improvements do not achieve Commercial Operations before January 1, 2029, the County’s sole remedy shall be to cancel this Agreement; provided, however, that Owner may extend the anticipated Commercial Operations date by up to an additional twelve (12) months by providing notice of the same to the County at least thirty (30) days prior to December 31, 2028, in which case County shall have not right to terminate the Agreement under this Section D until January 1, 2030. For the avoidance of doubt, nothing in this paragraph D shall be construed to exclude a

failure to achieve Commercial Operations from the notice and cure procedures set forth in Article IX herein.

#### **IV. Term and Portion of Tax Abatement; Taxability of Property**

A. The County and Owner specifically agree and acknowledge that Owner's property in the Reinvestment Zone(s) shall be taxable in the following ways before, during, and after the Term of this Agreement:

1. Property not eligible for Abatement, if any, shall be fully taxable at all times.
2. The Certified Appraised Value of property existing in the Reinvestment Zones prior to execution of this Agreement shall be fully taxable at all times.
3. Prior to commencement of the Abatement Period, the Certified Appraised Value of real and personal property owned by Owner located in the Reinvestment Zones shall be fully taxable at all times.
4. During the Abatement Period, 100% of County Property Tax on the Certified Appraised Value of the Eligible Property shall be abated for the periods and in the amounts as provided for by Paragraph IV(B) below; and
5. After expiration of the Abatement Period, 100% of the Certified Appraised Value of real and personal property owned by Owner located in the Reinvestment Zones shall be fully taxable at all times, including during the remainder of the Term.

B. The County and Owner specifically agree and acknowledge that this Agreement shall provide for tax abatement, under the conditions set forth herein, of the County Property Tax assessed on the Eligible Property in the Reinvestment Zone(s) as follows:

1. Beginning on the earlier of (a) January 1 of the first Calendar Year after the COD or (b) January 1 of the Calendar Year identified in a Notice of Abatement Commencement (as defined below) delivered by Owner (with such Calendar Year being "Year 1" of the Abatement Period) and ending upon the conclusion of ten full Calendar Years thereafter (which 10-year period shall constitute the Abatement Period), the Abatement percentage shall be 100% of County Property Taxes;
2. The foregoing percentage of County Property Tax on the Certified Appraised Value of all eligible Project and Improvements described in the Certificate (and actually in place in the Reinvestment Zone(s)) shall be abated for the entire Abatement Period, and shall be replaced by a series of Payments in Lieu of Taxes [PILOT], as further defined herein.

3. The Base Year value for the proposed Project and Improvements is agreed to be zero.
  4. Owner shall provide County with a copy of the publicly available Standard Generation Interconnection Agreement (SGIA) submitted to ERCOT within thirty (30) days after the COD.
  5. Owner shall provide a Certificate evidencing the commencement date of Commercial Operations to the County and to the County Appraisal District within sixty (60) days after the COD. The Certificate shall describe any ancillary facilities not required for Commercial Operations that are still under construction on the date that the Certificate is delivered, and if the Certificate indicates any such facilities exist, Owner will deliver an amended Certificate to the County within thirty (30) days after all Project and Improvement construction is complete. If they meet the definition of "Eligible Property," such ancillary facilities, once completed, shall become part of the Project and Improvements eligible for the Abatement under this Agreement.
  6. If Owner, at its sole election, desires that the Abatement Period begin prior to January 1 of the first Calendar Year after the COD, then Owner may deliver a notice to the County and County Appraisal District stating such desire (such notice being referred to herein as a "Notice of Abatement Commencement"). If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: "Owner elects for the Abatement Period to begin on January 1, \_\_\_\_"; the year stated in the Notice of Abatement Commencement shall be the first year of the Abatement Period, and the Abatement Period shall extend for 10 years beyond such date. Owner shall only be permitted to deliver a Notice of Abatement Commencement if it anticipates achieving COD during the next Calendar Year. Owner shall still be required to deliver the Certificate on or before the date required in the preceding paragraph.
  7. Notwithstanding any statement or implication in this Agreement to the contrary, the parties agree that the Abatement granted in this Agreement shall in no event extend beyond 10 years.
  8. Owner shall be under no obligation to build the Project and Improvements, and in the case that Owner does not, no Abatement shall be provided.
- C. Owner agrees that the Project and Improvements, once constructed, will remain in place for at least the remainder of the Term, provided that nothing herein prevents Owner from replacing equipment or fixtures comprising the Project and Improvements prior to that date or from conducting routine maintenance, including the replacement of certain Project and Improvement equipment as it deteriorates. IN THE EVENT OF A BREACH OF THIS PARAGRAPH IV(C), THE SOLE REMEDY OF THE COUNTY, AND OWNER'S SOLE LIABILITY, WILL BE FOR OWNER TO PAY TO THE COUNTY THE FULL AMOUNT OF ACTUAL TAXES ABATED AT ANY TIME UNDER THIS AGREEMENT ON THE

REMOVED PROJECT AND IMPROVEMENTS, INCLUDING RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE, PLUS ALL PENALTIES AND INTEREST, AT THE STATUTORY RATE FOR DELINQUENT TAXES AS DETERMINED BY SECTIONS 26.15 AND 33 OF THE TAX CODE, AS AMENDED, LESS ANY PAYMENTS IN LIEU OF TAXES MADE AT ANY TIME TO THE COUNTY FOR THE REMOVED PROJECT AND IMPROVEMENTS.

- D. During the Abatement Period, County shall request that the County Appraisal District annually determine both (i) the Certified Appraised Value of Owner's Eligible Property in the Reinvestment Zone(s) and (ii) the taxable value (taking into account the terms of the Abatement in this Agreement) of Owner's Eligible Property in the Reinvestment Zone(s). The County Appraisal District shall record both the Certified Appraised Value and the abated taxable value of the Eligible Property in the County appraisal records. The Certified Appraised Value listed in the County appraisal records shall be the standard used for calculating the amount of taxes to be recaptured by the County in the event that the County is entitled to recapture abated taxes under this Agreement. Notwithstanding any of the foregoing, Owner at all times shall have the right to appeal, challenge, or protest appraisals of the Site, Improvements, and Eligible Property, including any portion thereof. Owner acknowledges that the outcome of any appeal, challenge, or protest appraisals on the Project and Improvements will have no effect on the annual PILOT payments as identified in Paragraph IV(E) of this Agreement
- E. If the Project and Improvements are constructed and the COD is achieved, Owner agrees to make a PILOT to the County in the amount set forth in the table below for each corresponding year of the Abatement Period. The PILOT described in this Paragraph IV(E) shall be due on January 31<sup>st</sup> of the Calendar Year following the Calendar Year for which the Abatement applies, and Owner shall pay a late charge of \$300 per day for PILOTs received after January 31<sup>st</sup>. By way of illustration, if Year 1 of the Abatement Period is 2028, then the PILOT owed for 2028 shall be due and payable on January 31, 2029. There shall be a total of NINE (9) PILOTS under this Agreement, not including the PILOT for Year 1, which shall be zero as set forth in the table below.

<u>Year of Abatement Period</u>	PK Solar, LLC
	Utility Scale Solar
	PILOT
Year 1	\$0
Year 2	\$151,116
Year 3	\$151,116
Year 4	\$151,116
Year 5	\$151,116
Year 6	\$151,116
Year 7	\$151,116
Year 8	\$151,116
Year 9	\$151,116
Year 10	\$151,116
<b>TOTAL</b>	<b>\$1,360,040</b>

- F. Annual PILOT remittances shall be made payable to Jack County, shall note the Project's name and corresponding PILOT year, and be mailed as follows:

County Judge  
 Jack County Courthouse  
 Attn. County Judge – PILOT Remittance  
 100 Main Street  
 Suite 206  
 Jacksboro, Texas 76458  
 Phone: 940-567-2241  
 Email: judge@jackcounty.org

- G. Within thirty (30) days of County's execution of this agreement, Owner shall remit to County a fee of \$15,000.00 which shall be used to offset soft costs incurred by County related to the project.
- H. Owner shall, during Years 1 through 10 of the Abatement Period, make an annual charitable contribution in the amount of \$25,000 to Jack County, Texas emergency management services to be used to bolster emergency preparedness in the County.

**V. Decommissioning**

The County and Owner agree that the intent and purpose of Section V is to return and restore the land to its previous state. The County acknowledges that Owner has entered into confidential agreements with each landowner whose property will be utilized by the Project and Improvements within the Reinvestment Zone (“Landowner Agreement”) that requires that Owner decommission the Project and Improvements. In addition, Owner must comply with all applicable laws and regulations. For lease agreements executed after August 31, 2021, this includes compliance with the facility removal and financial assurance provisions in Title 6, Chapter 302 of the Texas Utilities Code (the “Utilities Code”), following the expiration or earlier termination of the Project. For lease agreements executed after September 1, 2025, this includes compliance with the facility collection, reuse, removal, recycling, disposal, financial assurance, and landowner notice provisions in Title 6, Chapter 303 of the Texas Utilities Code (the “Utilities Code”), following the expiration or earlier termination of the Project. The text of Title 6, Chapters 187, 302, and 303 of the Texas Utilities Code is provided in Attachment F.

## **VI. Covenants**

During the term of this Agreement, Owner shall:

- A. Separately identify labor and materials in any contracts for construction of the Project and Improvements in the taxable amount of \$250,000 or more for the purposes of determining sales and use tax pursuant to Section 151.056(b) of the Texas Tax Code resulting in the value of the materials being separately identified from other costs and designating the County as the situs of any sales and use tax paid and related thereto.
- B. Make a good faith effort to require all contractors and vendors of materials to be used in the construction of the portion of the Project and Improvements located within Jack County to make Jack County, Texas the situs of sales and use taxes.
- C. Limit Project and Improvement construction activities to daylight hours.
- D. In coordination with and to the reasonable satisfaction of Jack County Commissioner Precinct 3, conduct on-site dust control throughout the construction of the Project and Improvements in accordance with prudent industry practices typically undertaken for projects in similar conditions.
- E. During Commercial Operations, limit routine Project and Improvement noise levels during daylight hours to a sustained maximum of 85 dba and limit Project and Improvement noise levels during non-daylight hours to a to a sustained maximum of 50 dba. Noise level readings shall be as measured from any existing residence or business.
- F. Install and utilize Project and Improvement lighting compliant with International “Dark Sky” Association guidelines and standards.

G. During construction of the Project and Improvements, all related trucking shall be restricted from the use of engine brakes within five miles of the Site, except in the event of an emergency.

H. Deliver to County:

1. Forty-five (45) days prior to the commencement of construction of the Project and Improvements.
  - i. An exterior buffer and screening plan providing a minimum five-hundred-foot distance containing vegetative screening between any existing residence or business and the Project and Improvements.
  - ii. Engineering drawings illustrating pre and post development topographic information.
  - iii. Hydrology studies listing required drainage structures that provide protection against excessive erosion damage.
  - iv. Emergency Training, Access, Support and Damaged Equipment Removal Plan to include immediate site access for the provision of emergency services including fire protection, a training and communications plan that provides instruction to County personnel and immediate access to Owner's product support team, along with internal site-road layouts and relevant site-road construction drawings that document Owner's plans to provide all-weather access to the Project and Improvements and remove damaged equipment within nine months of equipment placed out of service.
  - v. Project's Vegetation Control Plan to include fire risk mitigation at the perimeter of the Project and Improvements along with approved vegetation control measures utilizing ruminant animal grazing and / or broad leaf herbicides that preserve grass ground cover.
  - vi. Project's Geotechnical Report.
  - vii. Project's Phase 1 Environmental Site Assessment.
  - viii. Project's Stormwater Pollution Prevention Plan.
  - ix. Copies of any Material Safety Data Sheets ("MSDS") or warnings that are relevant to the handling, installation, or maintenance of the solar panels and copies of any other information provided by the manufacturers that detail materials used in the manufacturing of the solar panels.
  - x. In the event water is to be utilized as the primary fire suppression method, provide minimum water requirements along with a letter from the water supplier stating that sufficient water supply, storage, and flow capacity is available for fire suppression purposes.



- B. The County represents that (i) the County has formally elected to be eligible to grant property tax abatements under Chapter 312 of the Tax Code; (ii) the Reinvestment Zone(s) has been designated and this Agreement has been approved in accordance with Chapter 312 of the Texas Tax Code and the Guidelines and Criteria as both exist on the effective date of this Agreement; (iii) no interest in the Project and Improvements is held, leased, or subleased by a member of the County Commissioners Court, (iv) that the property within the Reinvestment Zone(s) and the Site is located within the legal boundaries of the County and outside the boundaries of all municipalities located in the County, and (v) the County has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning the Reinvestment Zone(s) and this Agreement.

### **VIII. Maintenance of County Infrastructure and Access to and Inspection of Property by County Employees**

- A. Owner shall, by contract, cause its prime contractor and major equipment suppliers to restrict their travel to and from the Project and Improvements site to the County roads listed in Attachment E (the "County Roads"). The County acknowledges and approves that (i) the Owner will need to cross the County Roads with heavy construction equipment during the construction, operation, maintenance, and decommissioning of the Project, and (ii) Owner may need to place certain electrical cables for the Project and Improvements across certain County Roads for the collection, distribution, dispatch, and transmission of electricity to and from various parts of the Project and Improvements, in which case Owner and County agree to negotiate in good faith a crossing agreement for such cables. Owner shall use commercially reasonable efforts to require its prime contractor to restrict all subcontractor travel to and from the Project and Improvements to the County Roads. Owner will be wholly responsible for damage to the County Roads and rights-of-way (including bridges, culverts, ditches, etc.) if damage is caused directly thereto as a result of the construction of the Project and Improvements, or directly as a result of operations and maintenance activity conducted on the Project and Improvements, including:

1. Actual costs incurred by the County to maintain roads and rights-of-way utilized for construction of the Project and Improvements in an effort to keep the road safe for the traveling public will be tracked by Jack County and damage caused by Owner shall be reasonably documented by Jack County, discussed with Owner, and invoiced to Owner, who shall remit payment within thirty (30) days of receipt of billing;
2. Charges to Owner shall be based on an agreed upon methodology designed to evaluate the isolated impact of the Owner's use of the roads and rights-of-way and will be limited to actual repair costs incurred by the County and reasonably documented and invoiced to Owner. These costs will include all construction costs as well as all related professional services for the repair work,

not to exceed 110% of a cost estimate delivered to Owner by a qualified third-party road construction contractor. Owner shall remit payment within thirty (30) days of receipt of billing.

3. If applicable, costs associated with the issuance of a County driveway permit, which shall be required in the event the Project and Improvements are accessed directly by a County Road, shall be paid by Owner within thirty days of receipt of billing. Owner agrees to promptly submit a completed County driveway permit application to the precinct Commissioner at the appropriate time prior to construction.

4. Subject to County approval, Owner may conduct dust control and grading activities on County Roads utilized for the Project and Improvements.

5. Notwithstanding the foregoing, the County hereby preserves all rights and remedies provided under Chapter 251 of the Texas Transportation Code.

- B. Owner shall allow the County's employees and consultants access to the Site for the purpose of inspecting the Project and Improvements erected to ensure that the same are conforming to the minimum specifications of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner forty-eight (48) hours' notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Project and Improvements. All such inspections shall be made with one (1) or more representatives of Owner present and in accordance with all applicable safety standards.

#### **IX. Default, Remedies and Limitation of Liability**

- A. No party may terminate this Agreement unless (i) such party provides a written Default Notice to the other party specifying a material default in the performance of a material covenant or obligation under this Agreement and (ii) such failure is not excused by the occurrence an event of Force Majeure or cured by the other party within sixty (60) days after the delivery of the Default Notice, or if such failure cannot be cured within such sixty (60)-day period, the other party shall have such additional time, up to 365 days, to cure such default as is reasonably necessary as long as such party has commenced remedial action to cure such failure and continues to diligently and timely pursue the completion of such remedial action before the expiration of the maximum 365-day cure period. Notwithstanding the preceding portions of this paragraph, if any default arises from a violation of law resulting from a change in law or a change in the interpretation or enforcement of law by a governmental entity, then such default shall not give rise to the termination of this Agreement so long as the defaulting party acts in accordance with a commercially reasonable plan of action to minimize the effect of such default prepared by the defaulting party and delivered to the other party. If Owner believes that any alleged termination is improper, Owner may file suit in the proper court challenging such termination. OWNER'S SOLE REMEDY WILL BE REINSTATEMENT OF THIS AGREEMENT AND SPECIFIC PERFORMANCE BY THE COUNTY, TO INCLUDE REFUND OF ANY PROPERTY TAXES PAID IN EXCESS OF THE

PILOT AMOUNT. In the event of default by Owner which remains uncured after all applicable notice and cure periods, the County may pursue the remedies provided for in Paragraph IX(D) and (E) below or the preceding Paragraph IV(C), as applicable.

- B. The County shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of Force Majeure. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as possible be remedied with all reasonable dispatch. The party prevented or hindered from performing shall give prompt (but in no event later than twenty (20) business days after the occurrence of such event) notice and reasonably full particulars of such event to the other party and shall take all reasonable actions within its power to remove the basis for nonperformance (including securing alternative supply sources) and after doing so shall resume performance as soon as possible. The settlement of strikes or lockouts or resolution of differences with workers shall be entirely within the discretion of the affected party, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts, or differences by acceding to the demands of the opposing party in such strike, lockout or difference when such course is inadvisable in the reasonably exercised discretion of the affected party.
- C. The County shall notify Owner and any Lender (but only if the County has been provided with the name and notice information of the Lender) of any default by delivery of a Default Notice in the manner prescribed herein. The Default Notice shall specify the basis for the declaration of default, and Owner shall have the periods of time specified in Paragraph IX(A) above to cure any default. If Owner provides notice to the County of the existence of a Lender under Paragraph XI(E) and includes the Lender's contact information, then the County shall be required to deliver a copy of any Default Notice to the Lender at the same time that it delivers the Default Notice to Owner. Such Lender shall have the right to cure any Owner default on Owner's behalf and shall be entitled to the same cure periods provided for Owner under this Agreement.
- D. As required by section 312.205 of the Texas Tax Code, if an Owner default remains uncured after all applicable notice and cure periods, the County shall be entitled to cancel the Agreement and recover the property tax revenue abated under this Agreement through the cancellation date, plus penalties and interest at the statutory rate for delinquent taxes as determined by Sections 26.15 and 33 of the Tax Code, as amended, less any and all PILOTs made by Owner to County under this Agreement. Owner agrees to pay such amounts within sixty (60) days after the cancellation of this Agreement and further agrees that any amounts paid after this sixty (60) day period shall include a daily late fee of \$300.00 up to the date payment in full is received by County.

E. LIMITATION OF LIABILITY: CANCELLATION OF THE AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE) AND RECAPTURE OF PROPERTY TAXES ABATED ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN PARAGRAPH IX(D) OF THIS AGREEMENT OR PARAGRAPH IV(C) OF THIS AGREEMENT (BUT LESS ANY AND ALL PILOTS MADE BY OWNER PRIOR TO CANCELLATION), ALONG WITH ANY COURT COSTS, ATTORNEYS' FEES, PENALTIES AND INTEREST AT THE STATUTORY RATE FOR DELINQUENT TAXES AS DETERMINED BY SECTIONS 26.15 AND 33 OF THE TAX CODE, AS AMENDED, SHALL BE THE COUNTY'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO TAKE ANY ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED UNDER THIS AGREEMENT. OWNER AND COUNTY AGREE THAT THE LIMITATIONS CONTAINED IN THIS PARAGRAPH ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY AND ALL PROPERTY TAX WHICH WOULD HAVE BEEN ASSESSED AGAINST THE PROPERTY AND IMPROVEMENTS FROM THE EFFECTIVE DATE AND WHICH WOULD HAVE BEEN DUE AND PAYABLE TO COUNTY AS IF THIS AGREEMENT NEVER EXISTED, INCLUDING ALL PENALTIES AND INTEREST RELATED TO LATE PAYMENT OF TAXES THROUGH THE DATE PAYMENT IS RECEIVED BY COUNTY. SHOULD COUNTY NOT RECEIVE SUCH PAYMENT WITHIN SIXTY (60) DAYS OF TERMINATION OF THIS AGREEMENT, COUNTY MAY MAKE WRITTEN DEMAND TO OWNER FOR CUMULATIVE PAYMENT OF UNPAID TAXES, PENALTIES, AND INTEREST PAYABLE UNDER THE PROVISIONS OF THIS PARAGRAPH. IF COUNTY DOES NOT RECEIVE FULL PAYMENT WITHIN THIRTY (30) DAYS AFTER DEMAND WAS POSTMARKED, COUNTY MAY, AT COUNTY'S SOLE ELECTION, AND AS A REMEDY FOR NON-PAYMENT, FILE SUIT AGAINST OWNER TO RECOVER ALL ATTORNEYS' FEES AND ALL COSTS OF COLLECTION, IN ADDITION TO AMOUNTS PAYABLE HEREUNDER, PENALTIES, AND INTEREST AND RECEIVE ADJUDICATION THEREOF.

F. Any Default Notice delivered to Owner and any Lender under this Agreement shall prominently state the following at the top of the notice:

NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE COUNTY. FAILURE TO CURE THIS DEFAULT WITHIN THE TIME PERIODS PROVIDED BY THE AGREEMENT SHALL RESULT IN CANCELLATION OF THE TAX ABATEMENT AGREEMENT AND, IF PERMITTED, RECAPTURE OF TAXES ABATED PURSUANT TO THE AGREEMENT.

## **X. Compliance with State and Local Regulations**

Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any order, rule, statute, or regulation of the County or the State of Texas.

## **XI. Assignment of Agreement**

- A. The rights and responsibilities of Owner hereunder may be assigned, in whole or in part, only after obtaining the County's prior consent, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, that it is the intention of the parties that Owner may freely assign all or a portion of this Agreement to an affiliated entity without any such need for prior consent. Any assignment by Owner to an unaffiliated entity under this paragraph without first obtaining the consent of the County shall be a default under this Agreement subject to the notice provisions of Article IX above. Owner shall give thirty (30) days' written notice of any such intended assignment to the County, and the County shall respond with its consent or refusal within thirty-five (35) days after receipt of Owner's notice of assignment. If the County responds to Owner's notice of assignment with a refusal, the parties agree to work together in good faith to resolve the County's objections to the assignment. Owner's assignment of the Agreement to an unaffiliated entity shall be final only after the execution of a formal assignment document between Owner and the assignee, the delivery of notice of the execution of such assignment agreement to the County, and payment to the County of an administrative fee in the amount of \$15,000.00. Neither Owner's notice of an intended assignment nor the County's formal consent to an intended assignment shall constitute an assignment of the Agreement, and Owner's request for a consent to assignment shall not obligate Owner to assign the Agreement. Under no circumstances may the rights and responsibilities of Owner be assigned to an entity that is exempt from paying ad valorem taxes to County.
- B. No assignment under Paragraph XI(A) shall be allowed if (a) the County has declared a default hereunder that has not been cured within all applicable notice and cure periods, or (b) the assignee is delinquent in the payment of ad valorem taxes owed to the County or any other taxing jurisdiction in the County.
- C. Upon any assignment and assumption under Paragraph XI(A) of Owner's entire interest in the Agreement, Owner shall have no further rights, duties, or obligations under the Agreement. Upon any assignment and assumption under Paragraph XI(A) of only a portion of Owner's interest in the Agreement (for example, if only portion of the Project and Improvements is transferred by Owner to a third party), then (i) each of Owner and each assignee of a portion of this Agreement shall be considered an Owner party under this Agreement, (ii) the County shall cause the property taxes owed by each of the Owner parties to be separately assessed, and (iii) neither of the Owner parties shall have any further rights, duties, or obligations under the Agreement as to the portion of the Project and Improvements owned by another Owner party.
- D. In addition to its rights under Paragraph XI(A), Owner may, without obtaining the County's consent, mortgage, pledge, or otherwise encumber its interest in this Agreement or the Project and Improvements to a Lender for the purpose of financing the operations of the Project and Improvements or constructing the Project and Improvements or acquiring additional equipment following any initial phase of construction. Owner's

encumbering its interest in this Agreement may include an assignment of Owner's rights and obligations under this Agreement for purposes of granting a security interest in this Agreement. In the event Owner takes any of the actions permitted by this subparagraph, it may provide written notice of such action to the County with such notice to include the name and notice information of the Lender. The County agrees to reasonably cooperate with Owner and Lenders in the execution of any financing consents, estoppels or amendments requested by the Lenders as a condition of their financing. Owner will pay County an administration fee of \$1,000 for each estoppel or notice of compliance provided by County.

## **XII. Notice**

All Notices (including Default Notices) shall be given in accordance with this Section. All Notices shall be in writing and delivered, by commercial delivery service to the office of the person to whom the Notice is directed (provided that that delivery is confirmed by the courier delivery service); by United States Postal Service (USPS), postage prepaid, as a registered or certified item, return receipt requested in a proper wrapper and with proper postage; by recognized overnight delivery service as evidenced by a bill of lading, or by electronic mail. Notices delivered by commercial delivery service shall be deemed delivered on receipt or refusal; notices delivered by USPS shall be deemed to have been given upon deposit with the same; electronic mail notices shall be effective upon receipt by the sender of an electronic confirmation. All Default Notices shall be given by at least two (2) methods of delivery and in a manner consistent with Paragraph IX(F). All Notices (including Default Notices) shall be mailed or delivered to the following addresses:

To the Owner:                    PK Solar, LLC  
   1 Bridge Street  
   Suite 11  
   Irvington, New York 10533  
   Attention: President  
   Telephone: (214) 803-7477  
   Email address: [thomas.leahy@nadara.com](mailto:thomas.leahy@nadara.com)

To the County:                    County Judge  
   Jack County Courthouse  
   100 Main Street, Suite 206  
   Jacksboro, Texas 76458  
   Phone: 940-567-2241  
   Email: [judge@jackcounty.org](mailto:judge@jackcounty.org)

Any party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

## **XIII. Severability**

In the event any section or other part of this Agreement is held invalid, illegal, factually insufficient, or unconstitutional, the balance of this Agreement shall stand, shall be

enforceable and shall be read as if the parties intended at all times to delete said invalid sections or other part. In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law, or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overly broad, and for the portion of the term of the Abatement not deemed longer than allowed by law. Any provision required by the Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

#### **XIV. Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any dispute hereunder shall be exclusively in the courts of the County.

#### **XV. Amendment**

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual written consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

#### **XVI. Guidelines and Criteria**

This Agreement is entered into by the parties consistent with the Guidelines and Criteria.

#### **XVII. Entire Agreement**

This Agreement contains the entire and integrated Tax Abatement Agreement between the County and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed in reliance upon any representation or promise, except those contained herein.

#### **XVIII. Relationship of the Parties**

Owner enters into this Agreement as, and shall continue to be, an independent contractor. Under no circumstances shall Owner, or any of Owner's employees, look to Jack County as his/her employer, or as a partner, agent, or principal. Neither Owner nor any of Owner's employees shall be entitled to any benefits accorded to Jack County's employees, including without limitation worker's compensation, disability insurance, vacation, or sick pay. Owner shall be responsible for providing, at Owner's expense and election, and in Owner's name, unemployment, disability, worker's compensation, and other insurance that Owner elects to provide, as well as all licenses and permits that are usual or necessary in connection with the Project and Improvements.

### **XIX. Community Engagement Plan**

Owner shall comply with the provisions of the Community Engagement Plan. Owner shall provide monthly summaries to the County identifying the contracting and job opportunities related to the Project and Improvements during construction.

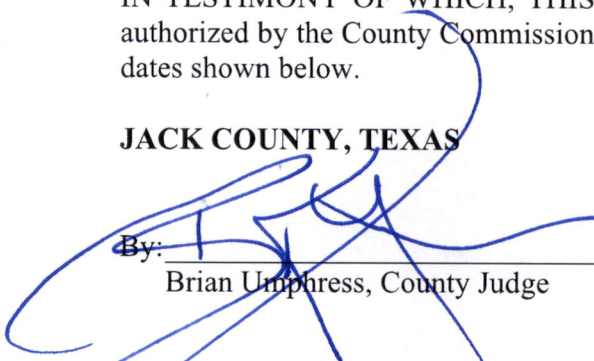
### **XX. Counterparts**

This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which when so executed and delivered shall be an original but such counterparts together shall constitute one and the same instrument.

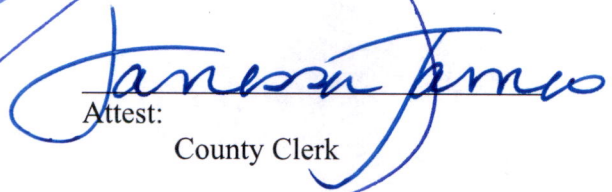
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IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the County as authorized by the County Commissioners Court and executed by the Owner on the respective dates shown below.

**JACK COUNTY, TEXAS**

By:   
Brian Umphress, County Judge

Date: 4/27/24

  
Attest:  
County Clerk



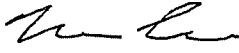
*[Signatures continue next page]*

**OWNER:**

**PK Solar, LLC**

**By Nadara Development US, LLC, its sole member**

**By Nadara North America, Inc., its Sole Member**

By:  \_\_\_\_\_

Date: May 15 2026

Print Name: Thomas Leahy

Print Title: President

**Attachment A**

Attached is the Order Designating the  
Jack County PK Solar Reinvestment Zone Number 1

**Attachment B**

Attached is a copy of the Guidelines and Criteria for Granting Tax Abatements.

**Attachment C**

Attached is a Description of the Site.

**Attachment D**

Attached is the Community Engagement Plan.

## **Attachment E**

List of County Roads to be Utilized by  
Owner during the development of the Project and Improvements

1. Barton Chapel Road
2. Rock Creek Road
3. Halsell Ranch Road

**Attachment F**

Attached is Title 6, Chapters 187, 302, and 303 of the Texas Utilities Code

## **Attachment G**

Attached is the List of Anticipated Equipment for the Project and Improvements

- Solar Modules and Racking
- Substation
- Transmission Line
- Inverters & Transformers
- Foundations
- Roadways, Paving, and Fencing
- Meteorological Towers & Equipment
- Interconnection Facilities
- Power Conditioning Equipment
- Combiner Boxes
- Operations & Maintenance Building
- DC & AC Collection Wires and Cables
- SCADA Equipment

**IN THE COMMISSIONERS COURT  
OF  
JACK COUNTY, TEXAS**

FILED FOR RECORD

\_\_\_\_\_ O'CLOCK \_\_\_\_\_ M

MAY 11 2026

**ORDER APPROVING TAX ABATEMENT AGREEMENT  
BETWEEN JACK COUNTY, TEXAS AND  
PK SOLAR, LLC**

VANESSA JAMES, County Clerk  
JACK COUNTY, TEXAS

BY \_\_\_\_\_ DEPUTY

WHEREAS, Jack County (the "County") desires to promote the retention and expansion of primary employment in the County and contribute to the economic development of the County; and

WHEREAS, the Commissioners Court has designated the Jack County PK Solar Reinvestment Zone Number 1 (the "Reinvestment Zone") as authorized by Chapter 312 of the Texas Tax Code to encourage and facilitate such development; and

WHEREAS, PK Solar, LLC (the "Applicant") has made application to the County Commissioners Court to develop a project using solar panels in the Reinvestment Zone; and

WHEREAS, the request for tax abatement meets the requirements of the County's Tax Abatement Guidelines and Criteria reauthorized on June 9, 2025; and

WHEREAS, the Applicant and Jack County have agreed upon the terms of a Tax Abatement Agreement:

THEREFORE, BE IT ORDERED BY THE COMMISSIONERS COURT OF JACK COUNTY, TEXAS:

1. That the findings and recitals in the preamble of this Order are found to be true and correct and are hereby ratified, approved and adopted.
2. That the Tax Abatement Agreement attached hereto and made a part hereof is hereby approved and the County Judge of Jack County, Texas and the

County Clerk are hereby authorized to execute and deliver the Tax Abatement Agreement on behalf of the County.

*[Remainder of this page intentionally left blank]*

PASSED, APPROVED AND ADOPTED on this 27th day of April 2026.

A large, stylized handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Brian Umphress, Jack County Judge

