



ESSEX COUNTY – STATE OF NEW YORK  
 CHELSEA M. MERRIHEW, ACTING COUNTY CLERK  
 7559 COURT ST, PO BOX 247, ELIZABETHTOWN, NY 12932

COUNTY CLERK'S RECORDING PAGE

\*\*\*THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH\*\*\*



Recording:

Cover Page	0.00
Recording Fee	0.00
Cultural Ed	0.00
Records Management - Coun	0.00
Records Management - Stat	0.00

BOOK/PAGE: 2110 / 155  
 INSTRUMENT #: 2022-5929

Total: 0.00  
 \*\*\*\* NOTICE: THIS IS NOT A BILL \*\*\*\*

Receipt#: 2022270064  
 Clerk: ND  
 Rec Date: 12/20/2022 12:59:00 PM  
 Doc Grp: D  
 Descrip: MISCELLANEOUS RECORD  
 Num Pgs: 38  
 Rec'd Frm: IDA

Party1: ESSEX COUNTY INDUSTRIAL DEV  
 AGENCY  
 Party2: C H P E L L C  
 Town: CHESTERFIELD  
 WILLSBORO  
 ESSEX  
 WESTPORT  
 MORIAH  
 CROWN POINT  
 TICONDEROGA

I hereby certify that the within and foregoing was recorded in the Essex County Clerk's Office.

Chelsea M. Merrihew  
 Acting Essex County Clerk

Record and Return To:

IDA  
 INTEROFFICE

**\*\*Notice\*\*** Information may change during the verification process and may not be reflected on this page

---

**PAYMENT IN LIEU OF TAX AGREEMENT**

**DATED AS OF NOVEMBER 1, 2021**

**CHPE LLC PROJECT**

---

RTR: I.D.A.  
Interactive

## TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I REPRESENTATIONS AND WARRANTIES.....	3
SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY ....	3
SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY .....	4
ARTICLE II COVENANTS AND AGREEMENTS.....	5
SECTION 2.01. TAX-EXEMPT STATUS OF THE PROJECT FACILITY .....	5
SECTION 2.02. TERM AND METHOD OF PAYMENT.....	6
SECTION 2.03. PILOT PAYMENTS .....	6
SECTION 2.04. CREDIT FOR TAXES PAID .....	8
SECTION 2.05. LATE PAYMENTS .....	9
ARTICLE III LIMITED OBLIGATION .....	9
SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION .....	9
ARTICLE IV EVENTS OF DEFAULT.....	10
SECTION 4.01. EVENTS OF DEFAULT .....	10
SECTION 4.02. REMEDIES ON DEFAULT .....	11
SECTION 4.03. PAYMENT OF ATTORNEYS' FEES AND EXPENSES.....	12
SECTION 4.04. REMEDIES; WAIVER AND NOTICE.....	12
ARTICLE V MISCELLANEOUS .....	13
SECTION 5.01. RESERVED .....	13
SECTION 5.02. FORM OF PAYMENTS .....	13
SECTION 5.03. COMPANY ACTS.....	13
SECTION 5.04. AMENDMENTS.....	13
SECTION 5.05. NOTICES .....	13
SECTION 5.06. BINDING EFFECT.....	14
SECTION 5.07. SEVERABILITY .....	14
SECTION 5.08. COUNTERPARTS.....	14
SECTION 5.09. APPLICABLE LAW.....	14
SECTION 5.10. ASSIGNMENT .....	14
SECTION 5.11. RIGHT TO CONTEST ASSESSMENTS.....	14
SIGNATURES.....	S-1
ACKNOWLEDGEMENTS.....	S-2
AFFECTED TAX JURISDICTIONS ACKNOWLEDGING PILOT AGREEMENT .....	Ack.1-2
EXHIBIT A – FORM OF CERTIFICATION OF AFFECTED TAX JURISDICTIONS AND LINEAR DISTANCE OF THE PROJECT FACILITY WITHIN EACH .....	A-1
EXHIBIT B – ILLUSTRATION OF THE CALCULATION OF PERCENTAGE SHARE OF PILOT PAYMENTS FOR EACH AFFECTED TAX JURISDICTION ...	B-1

## **PAYMENT IN LIEU OF TAX AGREEMENT**

This **PAYMENT IN-LIEU OF TAX AGREEMENT**, dated as of the 1<sup>st</sup> day of November, 2021 (the “Agreement”), by and between the Essex County Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York having its principal office at 7566 Court Street, PO Box 217, Elizabethtown, New York 12932 (the “Agency”), and CHPE LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 600 Broadway, Albany, New York 12207 (the “Company”);

### **W I T N E S S E T H:**

**THAT WHEREAS** Title 1 of Article 18-A of the General Municipal Law of the State of New York (“Enabling Act”) was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York (“State”); and

**WHEREAS** the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial facilities, in order to advance the job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living; and

**WHEREAS** the Enabling Act further authorizes each such agency to lease any or all of its facilities at such rentals and on such other terms and conditions as it deems advisable; and

**WHEREAS** pursuant to and in connection with the provisions of the Enabling Act, Chapter 563 of the Laws of 1973 of the State (said chapters and the Enabling Act collectively referred to as the “Act”) created the Agency which is empowered under the Act to undertake the Project (as hereinafter defined) in order fulfill its purposes; and

**WHEREAS** the Company has submitted an application (the “Application”) to the Agency requesting that the Agency undertake a project (the “Project”) consisting of: (a)(1) the acquisition of an interest in the Company’s interim permit and easement issued by the New York State Office of General Services (“OGS”) in relation to submerged State-owned land anticipated to be located in the Towns of Chesterfield, Willsboro, Essex, Westport, Moriah, Crown Point and Ticonderoga, Essex County, New York (collectively, as may be supplemented from time to time, the “Land”), (2) the acquisition of certain machinery and equipment, including two five-inch diameter high-voltage direct current (“HVDC”) transmission cables (collectively, the “Equipment”), and (3) the construction, installation and equipping on or under the Land of a fully-buried, up to 1,250-megawatt (“MW”) HVDC electric transmission line and related infrastructure (the “Improvements”, and together with the Land and Equipment, the “Project Facility”), all of the foregoing for use by the Company as a portion of an electric transmission

line from the U.S.-Canada border to New York City, (b) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing, including exemptions from sales and use taxes, mortgage recording taxes, and real property taxes for the Project Facility (but not including special district taxes) (collectively, the “Financial Assistance”); and (c) the lease of the Project Facility by the Agency back to the Company; all as contemplated by and in furtherance of the purposes of the General Municipal Law; and

**WHEREAS** in order to induce the Company to develop the Project Facility and in order to provide the Financial Assistance to the Company, the Agency will take a leasehold interest in the Project Facility pursuant to that certain Company Lease of even date herewith (the “Company Lease”), and lease the Project Facility back to the Company pursuant to the terms and conditions of that certain Agency Lease of even date herewith (the “Agency Lease”); and

**WHEREAS** pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special *ad valorem* levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

**WHEREAS** Essex County (the “County”), the Town of Chesterfield (“Chesterfield”), the Town of Willsboro (“Willsboro”), the Town of Essex (“Essex”), the Town of Westport (“Westport”), the Town of Moriah (“Moriah”), the Town of Crown Point (“Crown Point”), the Town of Ticonderoga (“Ticonderoga”, and together with Chesterfield, Willsboro, Essex, Westport, Moriah, and Crown Point, the “Towns”), the Ausable Valley Central School District (“Ausable CSD”), the Willsboro central School District (“Willsboro CSD”), the Boquet Central School District (“Boquet CSD”), the Moriah Central School District (“Moriah CSD”), the Crown Point Central School District (“Crown Point CSD”), and the Ticonderoga Central School District (“Ticonderoga CSD”, and together with Ausable CSD, Willsboro CSD, Boquet CSD, Moriah CSD, Crown Point CSD, the “School Districts”) (the County, the Towns and the School Districts are referred to herein as the “Anticipated Tax Jurisdictions”, as such list may be modified pursuant to Section 2.02(C) of this PILOT Agreement, and as so modified, the “Affected Tax Jurisdictions”) are, barring any Project route change, the “affected tax jurisdictions” (as such term is defined in the Act) with respect to the Project; and

**WHEREAS** the Project Facility has not yet been fully designed, and engineering or construction refinements of the Project Facility may result in minor changes to the transmission line route that was described in the Application, which changes could result in the addition of one or more “affected tax jurisdiction(s)” (as such term is defined in the Act), elimination of one or more Affected Tax Jurisdiction(s), or changes in the linear distance of the Project Facility within one or more Affected Tax Jurisdiction(s), all of which will be determined following the date on which the Company has completed construction and operational testing of the Project Facility and has established that the Project Facility is capable of continuous electrical transmission at its maximum capacity and has undergone line loss testing, as evidenced by the date stated in the Company’s notice to the New York Independent System Operator that the Project Facility has become or will become commercially operational (the “Commercial Operation Date”); and

**WHEREAS** the Agency and the Company deem it necessary and proper to execute and deliver this Agreement making provision for payments in lieu of taxes by the Company for the benefit of the Affected Tax Jurisdictions; and

**WHEREAS** the Parties desire to enter into an agreement concerning the obligation of the Company to make payments in-lieu of taxes (“PILOT”) in relation to the Project;

**NOW, THEREFORE**, in consideration of the foregoing recitals and the mutual terms, conditions, limitations and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed as follows:

## **ARTICLE I**

### **REPRESENTATIONS AND WARRANTIES**

**SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY.** The Agency does hereby represent, warrant and covenant as follows:

(A) Power. The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State to enter into the transactions contemplated by this Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement hereunder.

(B) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

(D) Acknowledgement by Affected Tax Jurisdictions. Copies of resolutions of Affected Tax Jurisdictions acknowledging this Agreement, as evidenced by their signature below, are on file in the offices of the Agency. Nothing herein shall require any Affected Tax Jurisdiction to acknowledge this Agreement, except for the purpose of approving an alternate split of PILOT Payments (as defined herein), if any, and this Agreement shall remain valid and legally enforceable as between the Company and the Agency in the event one or more Affected Tax Jurisdiction(s) do not acknowledge it.

**SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY.** The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State, is duly authorized to do business in the State and has the power under the laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement, and by proper action of its members has been duly authorized to execute, deliver and perform this Agreement.

(B) Authorization. The Company is authorized and has the power under its Articles of Organization, Operating Agreement and the laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement. By proper action of its members, the Company has duly authorized the execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Company is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by (and the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its Articles of Organization or Operating Agreement or any other restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and neither the Company's entering into this Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) Governmental Consent. No consent, approval or authorization (which has not been heretofore obtained or which is not likely to be obtained in the ordinary course of business after the Closing Date, as defined in the Agency Lease) of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Agreement by the Company or as a condition to the validity of this Agreement.

## ARTICLE II

### COVENANTS AND AGREEMENTS

#### SECTION 2.01. TAX-EXEMPT STATUS OF THE PROJECT FACILITY.

(A) Assessment of the Project Facility. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of an interest in the Project Facility by the Agency and the filing by the Agency of a New York State Board of Real Property Services Form RP-412-a (a “Real Property Tax Exemption Form”) with respect to the Project Facility with the assessor of each of the Towns (each an “Assessor”), and for so long thereafter as the Agency shall have a leasehold interest in the Project Facility, the Project Facility shall be classified by the Affected Tax Jurisdictions as exempt upon the assessment rolls of the respective Affected Tax Jurisdictions prepared subsequent to the acquisition by the Agency of the leasehold interest in the Project Facility pursuant to the Company Lease and the filing of the Real Property Tax Exemption Forms. The Agency shall, promptly following acquisition by the Agency of the leasehold interest in the Project Facility pursuant to the Company Lease take such action as may be necessary to ensure that the Project Facility shall be classified as exempt upon the assessment rolls of the respective Affected Tax Jurisdictions prepared subsequent to such acquisition by the Agency. For so long thereafter as the Agency shall have such leasehold interest in the Project Facility, the Agency and the Company shall take such further action as may be necessary to maintain such exempt classification with respect to each Affected Tax Jurisdiction. The parties hereto understand that the Project Facility shall not be entitled to such tax-exempt status on the tax rolls of any Affected Tax Jurisdiction until the first tax year of such Affected Tax Jurisdiction following the tax status date of such Affected Tax Jurisdiction occurring subsequent to the date upon which the Agency acquires such leasehold interest in the Project Facility and the Real Property Tax Exemption Forms are filed with the Assessors. Pursuant to the provisions of the Agency Lease and the Company Lease, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Project Facility, until the Project Facility shall be entitled to exempt classification on the tax rolls of the respective Affected Tax Jurisdictions. The Agency will cooperate with the Company to promptly obtain and preserve the tax-exempt classification of the Project Facility. Pursuant to Section 858(15) of the Act, the Agency agrees to give each Affected Tax Jurisdiction a copy of this Agreement within fifteen (15) days of the execution and delivery hereof. In the event the Company and the Agency enter into an Agency Lease Supplement (as defined in the Agency Lease) with respect to the Project Facility, the Agency shall promptly file with the Assessors and mail to the chief elected officer of each “affected tax jurisdiction” (as such term is defined in the Act) a copy of a New York State Board of Real Property Services Form 412-a relating to the Supplemental Land (as defined in the Agency Lease), together with any and all Project-related improvements now or hereafter located thereon or therein, conveyed pursuant to such Agency Lease Supplement.

(B) Special Assessments and Special Ad Valorem Levies. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Agency Lease, the Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.



## SECTION 2.02. TERM AND METHOD OF PAYMENT

(A) Term. This Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Agreement by resolution of the Agency and the execution and delivery of this Agreement by the Company and the Agency and shall continue to remain in effect until the earlier to occur of December 31 of the calendar year in which the final PILOT Payment is owed hereunder or (2) the date on which the Agency's interest in the Project Facility is reconveyed by the Agency to the Company pursuant to the Agency Lease (the "Term"). This Agreement shall provide for payments in-lieu of general *ad valorem* taxes that would otherwise be due ("PILOT Payments") during the Term.

(B) Statements. The Agency shall submit to the Company annual statements specifying the amount and due date of the PILOT Payment due hereunder, such statements to be submitted to the Company at least thirty (30) days prior to the due date.

(C) Time of Payments. The Company agrees to pay PILOT Payments to the Agency for the benefit of the Affected Tax Jurisdictions on or before the last day of the sixth month following the month during which the Commercial Operation Date occurs (the "First Payment Due Date") and on or before each anniversary of the First Payment Due Date during the Term. The Company shall be entitled to receive receipts for such payments.

(D) Method of Payment. All payments by the Company hereunder shall be paid to the Agency in lawful money of the United States of America. The Agency shall in turn distribute the amounts so paid to the various Affected Tax Jurisdictions entitled to same.

(E) Determination of Affected Tax Jurisdictions. The actual "affected tax jurisdictions" (within the meaning of such quoted term in Section 854(16) of the Act) shall be determined by the Agency following the Commercial Operation Date. Within one hundred twenty (120) days following the Commercial Operation Date, the Company shall certify to the Agency (the "Certification") the location of the Project Facility and, using the State's GIS mapping tool, the indicated "affected tax jurisdictions" (within the meaning of such quoted term in Section 854(16) of the Act) in which the Project Facility is located. Following determination by the Agency of the "affected tax jurisdictions" (within the meaning of such quoted term in Section 854(16) of the Act) for the Project Facility, those determined to be involved shall be the "Affected Tax Jurisdictions" for purposes of this Agreement. Such certification shall also state the actual linear distance of the Project Facility within each group of affected tax jurisdictions having common assessment(s). A form of such certification is attached hereto as Exhibit A.

## SECTION 2.03. PILOT PAYMENTS

(A) PILOT Payments during the Construction Period. The Company shall not be obligated to make PILOT Payments during construction of the Project Facility.

(B) PILOT Payments after the Commercial Operation Date. Following the Commercial Operation Date, the Company shall make PILOT Payments to the Agency for the benefit of the Affected Tax Jurisdictions in the amounts set forth in the table below.

PILOT Payment Year	PILOT Payment
1	\$1,532,592
2	\$1,554,814
3	\$1,577,359
4	\$1,600,231
5	\$1,623,434
6	\$1,976,369
7	\$2,005,026
8	\$2,034,099
9	\$2,063,593
10	\$2,093,515
11	\$2,477,850
12	\$2,513,779
13	\$2,550,229
14	\$2,587,207
15	\$2,624,721
16	\$3,043,177
17	\$3,087,303
18	\$3,132,069
19	\$3,177,484
20	\$3,223,557
21	\$4,087,874
22	\$4,147,148
23	\$4,207,282
24	\$5,121,944
25	\$5,196,213
26	\$5,271,558
27	\$6,239,328
28	\$7,234,055
29	\$8,256,317
30	\$8,841,369
Total	\$105,081,495

(C) Allocation of PILOT Payments. In accordance with the Act, the Agency shall allocate PILOT Payments to each Affected Tax Jurisdiction group identified in the Certification based on a percentage share established by the certified linear distance of the Project Facility within each such group in relation to the total certified linear distance of the Project Facility in the County (for each such group, the “Distance Share”). The Distance Share for each Affected Tax Jurisdiction group shall be allocated by the Agency to each Affected Tax Jurisdiction within such group based on its respective share of the combined general ad valorem tax rate for that group’s most recent set of fiscal years based on a common assessment roll as of the Commercial Operation Date (the “Tax Rate Shares”). Because some Affected Tax Jurisdictions are in multiple Affected Tax Jurisdiction groups, the Agency shall establish a

combined percentage share for each Affected Tax Jurisdiction based on the sum of the Tax Rate Shares of each such Affected Tax Jurisdiction in relation to the total PILOT Payment (the "Percentage Share of PILOT Payments"). The Percentage Share of PILOT Payments for each Affected Tax Jurisdiction shall be fixed throughout the Term and applied to annual PILOT Payments for the purpose of the Agency's allocation of PILOT Payments to the Affected Tax Jurisdictions. An illustration of the calculation of the Percentage Share of PILOT Payments is attached hereto as Exhibit B.

**SECTION 2.04. CREDIT FOR TAXES PAID.** (A) Amount of Credit. The parties hereto acknowledge and agree that the obligation of the Company to make PILOT Payments shall be in addition to any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under Agency Lease and the Company Lease. It is understood and agreed, however, that, should the Company pay in any fiscal tax year during the Term to any Affected Tax Jurisdiction any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Project Facility or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, (1) sales and use taxes, and (2) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including but not limited to water, solid waste, sewage treatment or sewer or other rents, rates or charges), then the Company's obligation to make PILOT Payments attributed to such fiscal tax year to the Agency for the benefit of such Affected Tax Jurisdiction hereunder shall be reduced by the amounts which the Company shall have so paid to such Affected Tax Jurisdiction in such fiscal tax year. To the extent the amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature paid by the Company to any Affected Tax Jurisdiction(s) are greater than the allocated share(s) of the next annual PILOT Payment(s) under this Agreement for such Affected Tax Jurisdiction(s), the amount of the credit insufficiency shall be carried forward and applied to the allocated share(s) of the next annual and future PILOT Payment(s) for such Affected Tax Jurisdiction(s).

(B) Method of Claiming Credits. If the Company desires to claim a credit against any particular PILOT Payment due hereunder, the Company shall give the governing body of the involved Affected Tax Jurisdiction and the Agency prior written notice of its intention to claim any credit pursuant to the provision of this Section 2.04, said notice to be given by the Company at least fifteen (15) days prior to the date on which such PILOT Payment is due pursuant to the provisions of Section 2.02 hereof. In the event that the governing body of the involved Affected Tax Jurisdiction desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall be a qualified real estate appraiser, experienced in valuation for the purposes of tax assessment in the general area of the Project Facility, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.04 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit. When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the

(F) Right to Cure. Prior to the exercise of any remedy by the Agency hereunder following an Event of Default, the Company, any Successor (as defined in the Agency Lease), and any Financing Party (as defined in the Agency Lease) shall have an absolute right to cure such Event of Default during the time period allowed for curing same. If the Company at any time during the term of this Agreement prior to the occurrence of an Event of Default provides a written request to the Agency that notices hereunder be provided to a Financing Party, any such Financing Party shall be afforded an additional thirty (30) days (beyond the time period allowed for the Company to cure) within which to cure an Event of Default on behalf of the Company.

**SECTION 4.03. PAYMENT OF ATTORNEYS' FEES AND EXPENSES.**

Pursuant to Section 874(6) of the Act, if the Company should default in performing any of its obligations, covenants or agreements under this Agreement and the Agency or any Affected Tax Jurisdiction should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Affected Tax Jurisdiction, as the case may be, not only the amounts adjudicated due hereunder, together with the late payment penalty and interest due thereon, but also the reasonable and documented fees and disbursements of such attorneys and all other reasonable and documented expenses, costs and disbursements so incurred, whether or not an action is commenced.

**SECTION 4.04. REMEDIES; WAIVER AND NOTICE.** (A) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay. No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required. In order to entitle the Agency to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement.

(D) No Waiver. In the event any provision contained in this Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing.

extent of the credit claimed by the Company, but only to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.04) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable and shall be paid by the Company within thirty (30) days of said decision.

**SECTION 2.05. LATE PAYMENTS.** (A) First Month. Pursuant to Section 874(5) of the Act, if the Company shall fail to make any payment required by this Agreement when due, the Company shall pay the same, together with a late payment penalty equal to five percent (5%) of the amount due.

(B) Thereafter. If the Company shall fail to make any payment required by this Agreement when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the Agency for the benefit of the involved Affected Tax Jurisdiction(s) until such payment in default shall have been made in full, and the Company shall pay the same to the Agency for the benefit of the involved Affected Tax Jurisdiction(s) together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the greater of (a) one percent (1%) per month, or (b) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full.

### ARTICLE III

#### LIMITED OBLIGATION

**SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION.** (A) No Recourse. (1) All obligations, covenants, and agreements of the Agency contained in this Agreement shall be deemed to be the obligations, covenants, and agreements of the Agency and not of any member, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Agreement, or otherwise based upon or in respect of this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Agreement, it being expressly understood that this Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Agreement under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Agreement or implied

therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Agreement by the Agency. (2) The obligations and agreements of the Company contained herein shall be deemed the obligations and agreements of the Company, and not of any member, officer, agent, servant or employee of the Company in his individual capacity, and the members, officers, agents, servants and employees of the Company shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby.

(B) Limited Obligation. The obligations, covenants and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State or Essex County, New York, and neither the State nor Essex County, New York shall be liable thereon, and further such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility (except for revenues derived by the Agency with respect to the Unassigned Rights, as defined in the Agency Lease).

(C) Further Limitation. Notwithstanding any provision of this Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity and an agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

**ARTICLE IV**

**EVENTS OF DEFAULT**

**SECTION 4.01. EVENTS OF DEFAULT.** Any one or more of the following events shall constitute an event of default under this Agreement, and the terms “Event of Default” or “default” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(A) Failure of the Company to pay when due any amount due and payable by the Company pursuant to this Agreement and continuance of said failure for a period of thirty (30) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of ninety (90) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such ninety (90) day period and if the Company shall have commenced action to cure the breach of covenant,

condition or agreement within said ninety (90) day period and thereafter diligently and expeditiously proceeds to cure the same, such ninety (90) day period shall be extended for so long as the Company shall require in the exercise of due diligence to cure such default it being agreed that no such extension shall be for a period in excess of one hundred and twenty (120) days in the aggregate from the date of default without the prior written consent of the Agency; or

(C) Any warranty, representation or other statement by or on behalf of the Company contained in this Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Agreement and (1) shall be materially adverse to the Agency at the time when the notice referred to below shall have been given to the Company and (2) if curable, shall not have been cured within thirty (30) days after written notice of such incorrectness shall have been given to a responsible officer of the Company, provided that if such incorrectness cannot reasonably be cured within said thirty-day period and the Company shall have commenced action to cure the incorrectness within said thirty-day period and, thereafter, diligently and expeditiously proceeds to cure the same, such thirty-day period shall be extended for so long as the Company shall require, in the exercise of due diligence, to cure such default.

**SECTION 4.02. REMEDIES ON DEFAULT.** (A) General. Whenever any Event of Default shall have occurred with respect to this Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Affected Tax Jurisdiction, then with respect to such Event of Default such Affected Tax Jurisdiction) may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Agreement.

(B) Cross-Default. In addition, an Event of Default hereunder shall constitute an event of default under Article X of the Agency Lease, Section 4.1 of the Company Lease or Article VII of the Project Agreement. Upon the occurrence of an Event of Default hereunder resulting from a failure of the Company to make any payment required hereunder, the Agency shall have as a remedy therefor under the Agency Lease, among other remedies, the right to terminate the Agency Lease and convey the Project Facility to the Company.

(C) Separate Suits. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises.

(D) Venue. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Agreement may be brought in the courts of record of the State, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

(E) No Acceleration. Upon the occurrence and during the continuation of an Event of Default hereunder, the Agency shall not have the right to accelerate future PILOT Payments under this Agreement not yet due and payable as of the date of such exercise of remedies.

## ARTICLE V

### MISCELLANEOUS

#### SECTION 5.01. RESERVED.

**SECTION 5.02. FORM OF PAYMENTS.** The amounts payable under this Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

**SECTION 5.03. COMPANY ACTS.** Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

**SECTION 5.04. AMENDMENTS.** This Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

**SECTION 5.05. NOTICES.** (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) delivered in person or by courier to the applicable address stated below, (2) when received by telecopy or three (3) business days after deposit in the United States, by United States mail (registered or certified mail, postage prepaid, return receipt requested, properly addressed), or (4) when delivered by such other means as shall provide the sender with documentary evidence of such delivery, or when delivery is refused by the addressee, as evidenced by the affidavit of the person who attempted to effect such delivery.

(B) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

**IF TO THE COMPANY:** CHPE LLC  
600 Broadway  
Albany, New York 12207  
Attention: William Helmer, Esq.

**WITH A COPY TO:** Swartz Moses PLLC  
1583 East Genesee Street  
Skaneateles, NY 13152  
Attention: Peter Swartz, Esq.

**IF TO THE AGENCY:** County of Essex Industrial Development Agency  
7566 Court Street  
Elizabethtown, New York 12932  
Attention: Director



**WITH A COPY TO:**

Jennifer Briggs  
Briggs Law Firm LLP  
2296 Saranac Avenue  
Lake Placid, New York 12946

(C) Change of Address. The Agency and the Company may, by notice given hereunder, designate any further or different addresses to which, or the manner by which, subsequent notices, certificates and other communications shall be sent.

**SECTION 5.06. BINDING EFFECT.** This Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Agreement are intended to be for the benefit of the Agency and the respective Affected Tax Jurisdictions.

**SECTION 5.07. SEVERABILITY.** If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

**SECTION 5.08. COUNTERPARTS.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**SECTION 5.09. APPLICABLE LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State.

**SECTION 5.10. ASSIGNMENT.** This Agreement may be assigned by the Company in connection with assignment of the Agency Lease provided for pursuant to section 9.2 thereof.

**SECTION 5.11. RIGHT TO CONTEST ASSESSMENTS.** If assessments are placed on the Project Facility during the Term, the Company shall have the rights of an owner of taxable property to challenge any such assessment, including seeking judicial review of an assessment pursuant to Article 7 of the Real Property Tax Law.

**IN WITNESS WHEREOF**, the Agency and the Company have caused this Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written,

ESSEX COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By:   
Name: Darren Darrah  
Title: Chairman

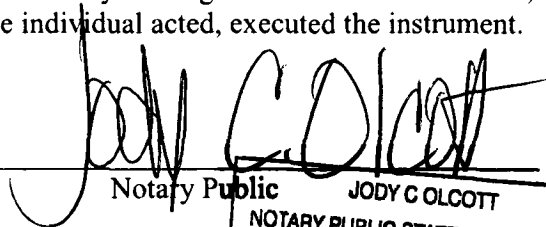
CHPE LLC

By: \_\_\_\_\_  
Name: Todd Singer  
Title: Chief Financial Officer

[Signature Page to PILOT Agreement]

STATE OF NEW YORK )  
 ) ss:  
COUNTY OF ESSEX )

On the 15 day of December, 2021, before me, the undersigned, personally appeared Darren Darrah, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
Notary Public JODY C OLCOTT  
NOTARY PUBLIC STATE OF NEW YORK  
QUALIFIED IN ESSEX COUNTY  
NO - 010L6049649  
MY COMM. EXPIRES OCTOBER 23, 2022

STATE OF NEW YORK )  
 ) ss:  
COUNTY OF \_\_\_\_\_ )

On the \_\_\_ day of December, 2021 before me, the undersigned, personally appeared Todd Singer, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

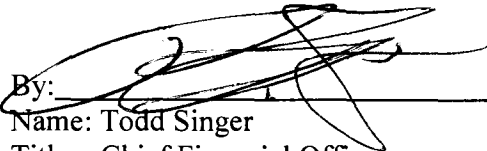
[Notary Page to PILOT Agreement]

**IN WITNESS WHEREOF**, the Agency and the Company have caused this Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written,

ESSEX COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Name: Darren Darrah  
Title: Chairman

CHPE LLC

By:  \_\_\_\_\_  
Name: Todd Singer  
Title: Chief Financial Officer

[Signature Page to PILOT Agreement]

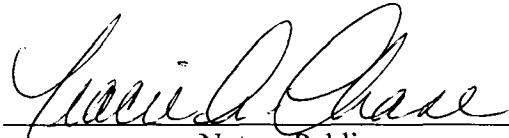
STATE OF NEW YORK    )  
                                  ) ss:  
COUNTY OF ESSEX     )

On the \_\_\_ day of December, 2021, before me, the undersigned, personally appeared Darren Darrah, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

STATE OF NEW YORK    )  
                                  ) ss:  
COUNTY OF Albany    )

On the 16<sup>th</sup> day of December, 2021 before me, the undersigned, personally appeared Todd Singer, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, exe instrument.

  
\_\_\_\_\_  
Notary Public  
TRACIE A. CHASE  
Notary Public, State of New York  
Qualified in Albany Co. No. 01CH4989574  
My Commission Expires 12/9/2025

[Notary Page to PILOT Agreement]

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY:   
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: Charles Harrington  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

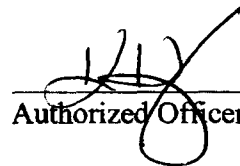
**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY:  \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer



**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

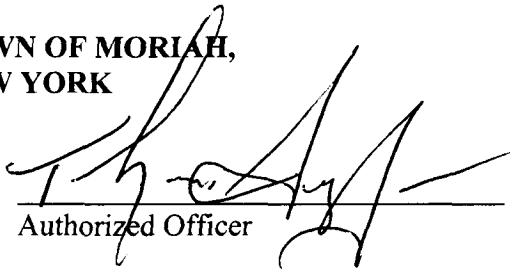
**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY:   
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

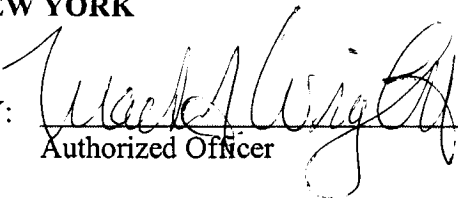
**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY:  \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY:  \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

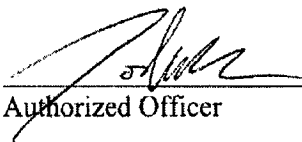
BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY:  \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: Shari R. Brannock  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: Whitney Loran  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: *Cynthia L. Johnston*  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer


**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY:  \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer



**ACKNOWLEDGED BY:**

**TOWN OF CHESTERFIELD,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**BOQUET VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF CROWN POINT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**CROWN POINT CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF ESSEX,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**MORIAH CENTRAL SCHOOL  
DISTRICT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF MORIAH,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TICONDEROGA CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF TICONDEROGA,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**WILLSBORO CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**TOWN OF WESTPORT,  
NEW YORK**

BY: \_\_\_\_\_  
Authorized Officer

**AUSABLE VALLEY CENTRAL SCHOOL  
DISTRICT, NEW YORK**

BY:   
Authorized Officer

TOWN OF WILLSBORO,  
NEW YORK

BY:   
\_\_\_\_\_  
Authorized Officer

ESSEX COUNTY, NEW YORK

BY:   
\_\_\_\_\_  
Authorized Officer

**EXHIBIT A**

**FORM OF CERTIFICATION OF AFFECTED TAX JURISDICTIONS AND LINEAR DISTANCE OF THE PROJECT FACILITY WITHIN EACH**

CHPE LLC hereby certifies that the Champlain Hudson Power Express electric transmission facility (the “Project”) commenced commercial operation on \_\_\_\_\_, \_\_\_\_ (the “Commercial Operation Date”), and that, as of the Commercial Operation Date, the Project is located within the jurisdictional boundaries of the following “affected tax jurisdictions” (as such term is defined in the New York General Municipal Law) and has the following linear distances within the following groups of affected tax jurisdictions sharing common assessment(s) on a portion of the Project:

Essex County

- Town of Chesterfield [Anticipated but to be confirmed]
- Town of Willsboro [Anticipated but to be confirmed]
- Town of Essex [Anticipated but to be confirmed]
- Town of Westport [Anticipated but to be confirmed]
- Town of Moriah [Anticipated but to be confirmed]
- Town of Crown Point [Anticipated but to be confirmed]
- Town of Ticonderoga [Anticipated but to be confirmed]
- Ausable Valley Central School District [Anticipated but to be confirmed]
- Willsboro Central School District [Anticipated but to be confirmed]
- Boquet Valley Central School District [Anticipated but to be confirmed]
- Moriah Central School District [Anticipated but to be confirmed]
- Crown Point Central School District [Anticipated but to be confirmed]
- Ticonderoga Central School District [Anticipated but to be confirmed]
- [Any additional affected tax jurisdiction(s)]

Linear Distance within each affected tax jurisdiction group:

<b>County</b>	<b>Town</b>	<b>School District</b>	<b>Linear Distance (Miles)</b>
Essex	Chesterfield	Ausable CSD	
Essex	Willsboro	Ausable CSD	
Essex	Willsboro	Willsboro CSD	
Essex	Essex	Willsboro CSD	
Essex	Westport	Willsboro CSD	
Essex	Westport	Boquet CSD	
Essex	Moriah	Moriah CSD	
Essex	Crown Point	Crown Point CSD	
Essex	Ticonderoga	Ticonderoga CSD	
Essex	[ ]	[ ]	

**EXHIBIT B**

**ILLUSTRATION OF THE CALCULATION OF PERCENTAGE SHARE OF PILOT PAYMENTS FOR EACH AFFECTED TAX JURISDICTION**

The Agency and the Company acknowledge and agree that the allocation of PILOT Payments among the Affected Tax Jurisdictions will be based on the respective linear distance of the Project Facility within each of the Affected Tax Jurisdictions, determined as of the Commercial Operation Date, and the respective tax rates of each of the Affected Tax Jurisdictions for the assessment roll year in which the Commercial Operation Date occurs.

For purposes of illustration, the following tables describe the anticipated linear distance of the Project Facility within each Anticipated Tax Jurisdiction, an illustration of effective full value tax rates of the Anticipated Tax Jurisdictions (using tax rates based on the 2020 assessment rolls), and an illustration of the Percentage Share of PILOT Payments and Year 1 PILOT Payment share for each Anticipated Tax Jurisdiction (using tax rates based on the 2020 assessment rolls):

- (a) Anticipated linear distance of the Project Facility within each Anticipated Tax Jurisdiction group (to be finalized as of the Commercial Operation Date):

<b>County</b>	<b>Town</b>	<b>School District</b>	<b>Anticipated Linear Distance (Miles)</b>
Essex	Chesterfield	Ausable Valley CSD	5.908745
Essex	Willsboro	Ausable Valley CSD	0.050868
Essex	Willsboro	Willsboro CSD	10.606800
Essex	Essex	Willsboro CSD	4.764811
Essex	Westport	Willsboro CSD	2.258266
Essex	Westport	Boquet Valley CSD	9.764902
Essex	Moriah	Moriah CSD	5.389630
Essex	Crown Point	Crown Point CSD	8.482602
Essex	Ticonderoga	Ticonderoga CSD	9.263979
<b>Total</b>			<b>56.490603</b>

- (b) Illustrative effective full value tax rates of the Anticipated Tax Jurisdictions (to be updated as of the Commercial Operation Date):

<b>County</b>	<b>Town</b>	<b>School District</b>	<b>Roll Year</b>	<b>County</b>	<b>Town</b>	<b>School District</b>
Essex	Chesterfield	Ausable Valley CSD	2020	0.33%	0.52%	1.76%
Essex	Willsboro	Ausable Valley CSD	2020	0.34%	0.35%	1.75%
Essex	Willsboro	Willsboro CSD	2020	0.34%	0.35%	1.22%
Essex	Essex	Willsboro CSD	2020	0.34%	0.54%	1.22%
Essex	Westport	Willsboro CSD	2020	0.33%	0.39%	1.22%
Essex	Westport	Boquet Valley CSD	2020	0.33%	0.39%	1.41%
Essex	Moriah	Moriah CSD	2020	0.35%	0.82%	1.75%
Essex	Crown Point	Crown Point CSD	2020	0.33%	0.67%	1.04%
Essex	Ticonderoga	Ticonderoga CSD	2020	0.33%	0.75%	1.07%

- (c) Illustrative PILOT Payment Shares and Percentage Shares by Anticipated Tax Jurisdiction (to be finalized as of the Commercial Operation Date and the percentage shares to be fixed for the Term):

<b>Anticipated Tax Jurisdiction</b>	<b>Illustrative Percentage Share of PILOT Payments</b>	<b>Illustrative Year 1 PILOT Payment Share</b>
Essex County	15.3%	\$233,753
Town of Chesterfield	2.5%	\$37,867
Town of Willsboro	3.0%	\$46,006
Town of Essex	2.1%	\$31,719
Town of Westport	3.8%	\$58,715
Town of Moriah	3.6%	\$54,730
Town of Crown Point	4.6%	\$70,586
Town of Ticonderoga	5.6%	\$85,711
Ausable Valley CSD	8.4%	\$129,431
Willsboro CSD	17.3%	\$265,228
Boquet Valley CSD	11.1%	\$170,517
Moriah CSD	7.6%	\$116,673
Crown Point CSD	7.1%	\$108,887
Ticonderoga CSD	8.0%	\$122,770
<b>Total</b>	<b>100.0%</b>	<b>\$1,532,592</b>

STATE OF NEW YORK )  
 )  
COUNTY OF ESSEX ) SS.:

**AFFIDAVIT  
Exemption from Recording Fees**

Jody Olcott, being duly sworn, deposes and says as follows:

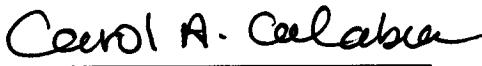
1. I am the Co-Director & Chief Financial Officer of the Essex County Industrial Development Agency (hereinafter "the County Agency") with offices at 7566 Court Street, Elizabethtown, Essex County, New York.

2. The County Agency is providing CHPE LLC. with economic development incentives located in the towns of Chesterfield, Willsboro, Essex, Westport, Moriah, Crown Point and Ticonderoga (Lake Champlain).

3. This affidavit is submitted to support a claim that the recording fees for the following documents are exempt/waived due to the above stated facts:(a) Memorandum of Agency Lease (b) Memorandum of Company Lease and (c) Payment in Lieu of Taxes Agreement.

Essex County Industrial Development Agency  
By:   
\_\_\_\_\_  
Jody Olcott, Co-Director & CFO

Sworn to before me this 20  
day of December 2, 2022.

  
\_\_\_\_\_  
Notary Public

CAROL A. CALABRESE  
NOTARY PUBLIC, STATE OF NY  
NO.-01CA6139350  
QUALIFIED IN ESSEX COUNTY  
MY COMM. EXPIRES JAN. 9, 2026