



## MADISON COUNTY BOARD OF SUPERVISORS

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December 8, 2021

**Delivery Via E-Mail:**

Nissan North America, Inc.  
Attention: Tim Slattery,  
Senior Manager, Government Affairs  
1 Nissan Way  
Franklin, TN 37067-6367  
[Timothy.Slattery@Nissan-Usa.com](mailto:Timothy.Slattery@Nissan-Usa.com)

**Re: Proposed Expansion of Nissan's Plant and Operations in Canton, Mississippi**

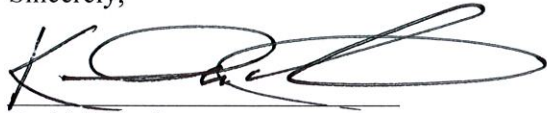
Dear Mr. Slattery,

Joey Deason with the Madison County Economic Development Authority shared with me, on a confidential basis, the information provided to him by your team concerning the proposed major expansion by Nissan of its plant and operations in Canton, Mississippi. As described to me, the expansion project is expected to result in an additional capital investment by Nissan in Madison County of more than \$575 million, and will provide new opportunities to both current and prospective employees for advanced skills training in the rapidly evolving automotive industry.

As the President of the Madison County Board of Supervisors, I wanted to personally write to you and express my excitement about this proposed new project and convey my full support to assist Nissan in whatever ways the county can participate to ensure that Nissan chooses our community to locate the new project. For example, the proposed expansion project is eligible for a new fee-in-lieu of property tax on any new or replacement equipment and any other real or personal property constructed or installed in connection with the expansion. This new fee-in-lieu arrangement would therefore extend beyond the term of the current fee-in-lieu agreement between the county and Nissan. I will certainly recommend, and am confident that the entire Board of Supervisors will formally approve, a new 10-year fee-in-lieu of ad valorem tax agreement for the expansion project.

We want Nissan's decision to move forward with the project in our community to be any easy choice. Please continue working closely with Joey Deason and his team at the Madison County Economic Development Authority, and never hesitate to let me know personally what the county can do to assist Nissan in any way.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karl M. Banks', written over a horizontal line.

Karl M. Banks  
President, Board of Supervisors  
Madison County, Mississippi

**NISSAN NORTH AMERICA, INC.  
AGREEMENT TO PAY A FEE  
IN LIEU OF AD VALOREM TAXES**

This Agreement To Make Payments in Lieu of Ad Valorem Taxes (this "Agreement") is made and entered into effective as of the \_\_\_\_ day of \_\_\_\_\_, 2022, by and among **Madison County, Mississippi** (the "County"), acting by and through its Board of Supervisors (the "County", and together with each Joinder Governmental Authority, the "Governmental Authorities" and each a "Governmental Authority"), the **County Tax Assessor** (the "Tax Assessor"), the **County Tax Collector** (the "Tax Collector"), the **Mississippi Development Authority** (the "MDA") (solely with respect to Section 2.3 hereof) and **Nissan North America, Inc.**, a Delaware corporation, together with all successors and assigns thereof (the "Company").

**RECITALS:**

1. WHEREAS, the Company owns and operates a manufacturing facility located at 300 Nissan Drive, Canton, MS 39046 in the County (the "Project Site", which is more particularly described herein), which manufactures new gasoline- and diesel-powered engine vehicles (the "Existing Facility");

2. WHEREAS, the Company intends to acquire, construct, equip, or cause to be located, acquired, constructed, equipped, and will operate, a significant expansion of the Existing Facility in order to also manufacture electric vehicles at the Project Site (the "Project", as more particularly defined herein) located in the County;

3. WHEREAS, the aggregate cost of the Project is expected to materially exceed the \$60,000,000 minimum capital investment required by MCA §§ 27-31-104 and-105(2) for the payment of a fee-in-lieu of ad valorem taxes by a manufacturing and/or processing enterprise;

4. WHEREAS, the County acknowledges that the Company would not have pursued the Project on the Project Site without the benefits made available by the Mississippi Code of 1972, as amended (the "Code") and this Agreement, and desires to encourage the Company to locate the Project in the County for the benefit of the citizens thereof and of the State of Mississippi (the "State") and their respective constituents, and the County and the Company acknowledge that the agreements contained herein constitute significant inducements which the Company has taken into account in connection with the decision to locate the Project at the Project Site;

5. WHEREAS, the County has negotiated with the Company for the payment of a fee-in-lieu of taxes, including taxes levied for school purposes, in accordance with MCA §§ 27-31-104 and/or -105(2) and subject to the terms and conditions of this Agreement (the "Fee-in-Lieu");

6. WHEREAS, MDA has committed State and/or federal program funds to incentivize the Company to locate its new business (namely, the Project as defined herein) in the County and create and maintain jobs in the State; and

7. WHEREAS, the Company and the County intend that this Agreement will constitute their binding and definite agreement concerning such payments in lieu of ad valorem taxes pursuant to MCA §§ 27-31-104 and/or -105(2) in connection with the Project and the Property (as defined herein).

NOW, THEREFORE, the parties hereto agree as follows, it being understood that the MDA's agreement and/or approval shall be limited to those specific issues set forth in the "MDA Approval" attached hereto:

**SECTION 1. Definitions; Terminology of Agreement.**

1.1 "Additional Participant" shall mean any Affiliate or any other Person owning or having an interest in any Co-Located Property that is subject to appraisal by the Tax Assessor or is otherwise subject to ad valorem taxation.

1.2 "Affiliate" means any Person which Controls, is Controlled by, or is under common Control with the Company.

1.3 "Agreement" has the meaning ascribed to such term in the Preamble hereof.

1.4 "Applicable Accounting Rules" shall mean, with respect to any FIL participant, the accounting principles generally recognized as applicable to such FIL Participant and the business thereof, and pursuant to which such FIL Participant regularly prepares and maintains its financial and accounting books and records and which specifically incorporate Generally Accepted Accounting Principles or International Financial Reporting Standards.

1.5 "Assessment Year" means the calendar year beginning on the First Assessment Date and each succeeding calendar year during the FIL Term.

1.6 "Capital Investment" shall mean expenditures by the Company or any other FIL Participant for the Project from any source or combination of sources, specifically including expenditures for any Property, which may be capitalized under Applicable Accounting Rules, whether or not the Company or such other FIL Participant, as applicable, elects to capitalize the same, as reflected in the financial statements of the Company or such other FIL Participant, as applicable, including, without limitation, all costs associated with the acquisition, installation and/or construction of, or capital leasehold interest in, any buildings and other real property, real property improvements, fixtures, machinery and equipment, materials handling equipment, automation equipment, office furniture and equipment, landscaping, fire protection, depreciable fixed assets, engineering and design costs and any other costs associated with the foregoing that may be capitalized under Applicable Accounting Rules. For avoidance of doubt, Capital Investment is defined and used in this Agreement for the purposes of determining compliance with the minimum capital investment requirement of MCA § 27-31-104, as well as the terms "Minimum Capital Investment" and "Investment Commitment" as used herein, and shall not govern the determination of or value of any Property for purposes of determining Taxes Otherwise Payable for the Company or any other FIL Participant, which shall be determined in accordance with and governed by state ad valorem tax laws.

1.7 "Co-Located Property" means Property located at the Project Site which is owned by or taxable to a Person other than the Company and which used in, necessary for or otherwise related to the establishment or operation of the Project, including, but not limited to, such Persons performing one or more of the following services or functions at the Project Site:

- (a) terminalling, storage, handling and processing services for raw materials, work in process, finished goods and other items;

- (b) provision, production or processing of any products consumed or service utilized as part of any manufacturing process by the Company or any other Additional Participant on the Project Site;
- (c) manufacturing, maintenance, operation and other servicing of equipment and machinery used in the Project;
- (d) provision of any logistics services that support the manufacturing operations of the Company or any Additional Participant on the Project Site;
- (e) performing any additional processing, manufacturing or remanufacturing of any finished goods or by-products produced or derived from the operations of the Company or any Additional Participant on the Project Site.

Co-located Property does not include the taxable any interests of a Lessor that are subject to appraisal by the Tax Assessor or are otherwise subject to ad valorem taxation, but does include the any taxable interests of an Additional Participant, as lessee, sublessee or licensee of Leasehold Interests, that are subject to appraisal by the Tax Assessor or is otherwise subject to ad valorem taxation.

1.1 “College School District” means Holmes Community College.

1.2 “Commercial Operation Date” or “COD” shall mean the date on which the Company begins the manufacture of one or more model of electric vehicles at the Project Site for sale to dealerships and/or consumer or commercial customers, excluding manufacturing for facility and equipment testing and commissioning.

1.3 “Company” has the meaning ascribed to such term in the Preamble hereof.

1.4 “Control” (including the correlative meanings of the terms “Controlled by” and “under common Control with” and “Controlling”) means with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

1.5 “County” has the meaning ascribed to such term in the Preamble hereof.

1.6 “Effective Date” has the meaning ascribed to such term in the Preamble hereof.

1.7 “Fee-in-Lieu” means that tax abatement provided for in MCA § 27-31-104.

1.8 “FIL Amount” shall mean the Fee-in-Lieu payment obligation of the Company and of each other FIL Participant for a particular Assessment Year as required by MCA § 27-31-104 and in the amount or amounts set forth in this Agreement.

1.9 “FIL Payment” shall mean the payment by the Company of each annual FIL Amount made in lieu of all Taxes Otherwise Payable by the Company in accordance herewith. If Leasehold Interests or Co-Located Property become subject to the Fee-in-Lieu granted herein pursuant to Section 13.1, the term FIL Payment shall also refer to the payment by each Lessor or Additional Participant, as applicable, of each annual FIL Amount owed by such FIL Participant.

1.10 “FIL Participant” shall mean: (i) the Company, and (ii) any Lessor or Additional Participant which has become or becomes subject to the Fee-in-Lieu granted by this Agreement pursuant to Section 13.1.

1.11 “FIL Term” shall mean the number of Assessment Years of the Fee-in-Lieu abatement granted herein.

1.12 “First Assessment Date” shall have the meaning ascribed to such term in Section 6.

1.13 “Full-Time Jobs” shall mean a job (1) that offers a minimum of 1,820 hours of an employee’s time per year (*i.e.*, 35 hours per week on average) for an entire normal work year of the qualified business or industry’s operations (including any employees who take unpaid time off or are on short term or long term disability); (2) for which the principal site of employment of the employee holding such job must be at the Project Site; and (3) the employee holding such job receives salary or wages subject to Mississippi income tax withholdings. For a job to qualify as a “Full-Time Job”, the employer must also maintain and make available to the Mississippi Department of Employment Security its employment records to verify employment data. Third-party services which do not directly relate to the Company business operations, such as janitorial, security or grounds maintenance services, are not considered Full-Time Jobs.

1.14 “Governmental Authority” has the meaning ascribed to such term in the Preamble hereof.

1.15 “Investment Commitment” has the meaning ascribed to such term in Section 12.3(a).

1.16 “Jobs Maintenance Commitment” has the meaning ascribed to such term in Section 12.3(b).

1.17 “Joinder Agreement” means a joinder agreement in substantially the form attached hereto as **Exhibit D** or such form mutually approved by the Company, the County, and the municipality or township to be party thereto, as well as approved or otherwise certified by MDA for any purposes required by applicable law.

1.18 “Joinder Governmental Authority” means any municipality or township with the authority to levy upon any Property any ad valorem taxes or any other special tax levies on behalf of itself and/or any school district or community college district, which municipality or township duly approves and then executes and delivers a Joinder Agreement; provided that all references in this Agreement to “Governmental Authority” and “Governmental Authorities” shall not include or be deemed to refer to any Joinder Governmental Party unless and until such Joinder Governmental Party duly approves, executes and delivers to the Company and the County a Joinder Agreement; provided further that upon such approval, execution and delivery thereby of a Joinder Agreement, such Joinder Governmental Party shall, upon and following the effective date of such Joinder Agreement, be deemed for all purposes hereunder to be a Governmental Authority for purposes of this Agreement.

1.19 “K-12 School District” means the Canton Public School District.

1.20 “Leasehold Interests” means the interests of Persons other than the Company or any Additional Participant, together with the interests of the Company or such Additional Participant, in Property which is leased, subleased, or licensed to be used in connection with or which is necessary for or are otherwise related to the establishment or operation of the Project at the Project Site, including

without limitation: (a) Property leased by the Company or an Additional Participant under a capital lease or other type of financing lease; and (b) the cost of leasehold interests which could be capitalized on the financial statements of the Company or an Additional Participant, if the investment had been made by the Company or such Additional Participant.

1.21 “Lessor” shall mean a Person, other than the Company and any Additional Participants, which is the lessor, sublessor or licensor of Leasehold Interests.

1.22 “MCA § \_\_\_\_\_” means a section of the Mississippi Code of 1972, as amended.

1.23 “MDA” has the meaning ascribed to such term in the Preamble hereof.

1.24 “Minimum Capital Investment” shall mean a Capital Investment of at least Sixty million Dollars (\$60,000,000) in the Project as required by MCA § 27-31-104(a);

1.25 “Permanent Facility Closure” means any permanent cessation of commercial operations of the Existing Facility and/or the Project (*i.e.*, new automobiles, whether electric or powered by gasoline or diesel engines, cease to be manufactured at the Project Site), which shall be evidenced by either (a) any decision by the Company to cease such commercial operations thereon permanently, or (b) any actual cessation of such commercial operations for twelve (12) or more consecutive months other than as a result of a casualty loss event provided that the Company makes reasonable efforts thereafter to repair and/or rebuild damaged portions of the Existing Facility and/or Project, as applicable, and/or recommence operations thereof.

1.26 “Person” means any individual, general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust, or foreign business organization, and the heirs, executors, administrators, legal representatives, successors, and assigns of such “Person” where the context so permits.

1.27 “Prior FILOT Agreement” means that certain Agreement To Make Payments in Lieu of Ad Valorem Taxes, dated \_\_\_\_\_, by and among the Company and the County with respect to the Existing facility and expansions thereof.

1.28 “Project” means all (i) Property acquired, developed, constructed, installed, operated and maintained, including buildings and other real property improvements, machinery, equipment and other personal property placed into service on the Project Site to expand, equip and retool the Existing Facility in order produce electric vehicle at such location, together with (ii) all other Property acquired, developed, constructed, installed, operated and maintained, including buildings and other real property improvements, machinery, equipment and other personal property placed into service on the Project Site as an expansion of the Existing facility during the calendar year in which the Commercial Operations Date occurs, and (iii) in both of the preceding instances, all such Property later acquired, developed, constructed, installed, operated and maintained, including buildings and other real property improvements, machinery, equipment and other personal property placed into service on the Project Site in each succeeding Assessment Year during the FIL Term.

1.29 “Project Completion Date” shall mean the earlier of the following dates: (a) the Commercial Operation Date, or (b) the date that the Company notifies the Tax Assessor in writing that the Company desires that the Term of this Agreement commence on the January 1 following the date of such written notification ; provided, however, if the Tax Assessor determines that, pursuant to applicable State laws, any Property other than land is subject to ad valorem tax assessment in any year prior to the later

of the dates described in the preceding items (a) and (b), the Company shall have the right, but not the obligation, to designate January 1 of such year as the Project Completion Date for purposes of this Agreement, which designation by the Company, if applicable, shall be delivered in writing to the Taxing Assessor prior to June 1 of such year.

1.30 Reserved.

1.31 "Project Site" means the real property described in **Exhibit "C"** attached hereto.

1.32 "Property" means shall mean all property interests, including the real property such as the Project Site, real property interests such as easements, real property improvements, and personal property, which would otherwise be subject to ad valorem taxation to the Company, a Lessor or an Additional Participant but for this Agreement and which are used in, necessary for or related to the establishment or operation of the Project at the Project Site, including buildings, fencing, foundations, supporting structures, infrastructure related to the Project, and personal property associated with the Project such as manufacturing machinery and equipment, materials handling equipment, special tooling, automation, office furniture and equipment and any and all repair parts for and replacements of any of the forgoing. Property includes all otherwise taxable Leasehold Interests and Co-Located Property owned by or taxable to any FIL Participant.

1.33 "School District" or "School Districts" shall collectively mean the College School District and the K-12 School District.

1.34 "School Taxes" shall mean all Taxes levied and assessed by the County for School District purposes, together with any other Taxes levied for school purposes by any Joinder Governmental Authority.

1.35 "State" means the State of Mississippi.

1.36 "Tax Assessor" has the meaning ascribed to such term in the Preamble hereof.

1.37 "Tax Collector" has the meaning ascribed to such term in the Preamble hereof.

1.38 "Taxes" shall mean all ad valorem taxes, special levies and assessments in the nature of ad valorem or property taxes, and State taxes levied or assessed under MCA § 27-39-329, applicable to any Property and levied by any Governmental Authority.

1.39 "Taxes Otherwise Payable" means all Taxes that would, but for this Agreement and the Fee-in-Lieu granted herein, be leviable, assessable and collectible for any Assessment Year of the FIL Term with respect to or upon the Property.

1.40 "Taxing Authorities" means the Governmental Authorities, the Tax Assessor and the Tax Collector.

## **SECTION 2. Qualification, Fee-in-Lieu Grant and Approval.**

2.1 Qualification. The Governmental Authorities agree that the Company and the Project are eligible for the Fee-in-Lieu abatement granted herein pursuant to MCA §§ 27-31-104(1)(a) and (b) for each of the following reasons: (i) the Company and the Project are a "new enterprise" of the type enumerated



in MCA § 27-31-101, which specifically includes “manufacturing [and] processing;” and (ii) the Company and Project constitute a “private company” defined in MCA § 57-61-5(e), which specifically includes “industrial [and] manufacturing ... enterprises.” The Taxing Authorities further agree that all other FIL Participants are also eligible for such Fee-in-Lieu as participants in the Project.

2.2 Authorization and Grant of Fee-in-Lieu. The County, pursuant to a resolution duly approved and adopted by its Board of Supervisors, and other Joinder Government Party party hereto, pursuant to a resolution duly approved and adopted by its governing board, each in the respective form and manner required by law, hereby contracts for and grants to the Company and the Project, together with all other FIL participants, if any, for the Fee-in-Lieu as described herein for the FIL Term, conditioned upon and subject to (i) the Minimum Capital Investment first being made, (ii) MDA granting its approval as provided in Section 2.3 and (iii) the other terms and conditions of this Agreement.

2.3 MDA Approval. Upon execution of this Agreement by the Taxing Authorities and the Company, the Certificate of Final Approval attached hereto as **Exhibit “A”** will be submitted to the MDA as provided in MCA § 27-31-104(3). By virtue of such approval, MDA agrees that the Company and the Project, together with all other FIL Participants, if any, are eligible for the Fee-in-Lieu granted herein and gives its statutorily-required final approval for the Fee-in-Lieu granted herein.

2.4 Binding Commitments. Pursuant to MCA §§ 27-31-104(4) and 27-31-107, this Agreement constitutes a binding obligation of each party hereto (including any future Inducer governing board) upon execution of this Agreement by each of the Taxing Authorities and the Company, and approval by MDA, up to and through the FIL Term, and no application or approval under MCA § 27-31-107 is or shall be required.

**SECTION 3. Property Subject to Fee-in-Lieu.** All Property installed or subject to appraisal by the Tax Assessor or otherwise subject to ad valorem taxation at the Project Site prior to or during the FIL Term, other than that which is otherwise exempt from ad valorem taxation, shall be included in and subject to the Fee-in-Lieu granted hereby for a period of up to ten (10) Assessment Years as provided in and subject to Section 6, specifically including Property owned by or taxable to FIL Participants.

**SECTION 4. Scope of Abatement.** The Fee-in-Lieu granted herein shall abate and be in lieu of all Taxes Otherwise Payable and the obligations herein of the FIL Participants to make their respective FIL Payments shall be in lieu of any obligation thereof to pay Taxes Otherwise Payable.

**SECTION 5. Amount of Fee-in-Lieu.** Subject to any adjustments or any suspension of the Fee in Lieu made in accordance with Section 12, the FIL Amount payable by each FIL Participant for each Assessment Year of the FIL Term shall be a stated one-third (1/3) of the Taxes Otherwise Payable by such FIL Participant for that year as provided in MCA § 27-31-104(5) and not a stated or fixed dollar amount. For the avoidance of any doubt, all parties hereto understand and agree that the Company shall in no way be liable for any FIL Amount due and payable hereunder by any Lessor or Additional Participant.

**SECTION 6. Fee-in-Lieu Term.**

6.1 Total FIL Term. The FIL Term shall be for **thirty (30)** Assessment Years commencing on the first January 1st on or after which both of the following events have occurred (the “First Assessment Date”), subject to **Exhibit “B”** attached hereto: (i) the Minimum Capital Investment has been made; and (ii) the Project Completion Date. If real property improvements or personal property are subject to any Taxes in any year which begins prior to the Project Completion Date, then the Company may elect to

designate January 1 of that year as the First Assessment Date and begin the FIL Term on that First Assessment Date. Notice of the Company's election shall be provided to the Taxing Authorities.

6.2 FIL for Individual Items of Property Limited to Ten Years. As provided in MCA § 27-31-104(4), no individual item of Property (including any parcel of land, real property improvement or item of personal property) shall be subject to the Fee-in-Lieu authorized hereby, together with the fee-in-lieu of ad valorem prescribed by the Prior FILOT Agreement, for more than ten (10) Assessment Years. Any Property which is constructed, installed and otherwise placed into service prior to the FIL Term or during the first twenty (20) years of the FIL Term will be subject to the Fee-in-Lieu for a full ten (10) Assessment Years, subject to Section 6.3. Any Property placed into service in year twenty-one (21) of the FIL Term or thereafter shall be subject to the Fee-in-Lieu for a period equal to only the remaining years of the FIL Term.

6.3 Prior FILOT Agreement. Notwithstanding any other provision of this Agreement to the contrary, with respect to any individual item of Property (including any parcel of land, real property improvement or item of personal property) which is assessed and taxed pursuant to the Prior FILOT Agreement for less than the maximum ten (10)-year period thereof due to its having been placed in service during the term thereof and prior to the calendar year preceding the First Assessment Date, each such individual item of Property shall, at the election of the Company or any other FIL Participant, as applicable, be subject to this Agreement, but only for the period of time equal to the following: ten (10) years less the number of years said item of Property was subject to and assessed in accordance with the Prior FILOT Agreement; provided that in no event shall any such item of Property be subject to either this Agreement or the Prior FILOT Agreement for more than ten (10) years in the aggregate.

6.4 Taxation after FIL. After any item of Property is no longer subject to the Fee-in-Lieu granted herein, such Property shall be assessed and taxed based upon State ad valorem tax laws and regulations, reflecting the effect of all applicable depreciation and the industrial multiplier/trending factors.

6.5 No Special Levies/Taxing Districts. Following the execution of this Agreement by all of the parties hereto and continuing through the FIL Term until the expiration thereof, no special tax levies in the nature of taxes, franchise fees or special assessments will be imposed by the Taxing Authorities against any Property which are not imposed generally against all commercial property located in ad valorem tax district in which the Project Site is located.

## **SECTION 7. Payments.**

7.1 FIL Payments. During each year of the FIL Term, the Company and each other FIL Participant shall make to the Tax Collector the FIL Payment applicable to it and required by MCA § 27-31-104 and this Agreement for each such Assessment Year.

7.2 Separate Liabilities. Under no circumstances shall the Company or any Lessor or Additional Participant be jointly, severally or otherwise liable for any other party's failure to remit its FIL Payment or any other amount due therefrom pursuant to this Agreement or applicable State law, nor shall the failure of any Lessor or Additional Participant to comply with the terms of this Agreement constitute a breach of this Agreement or provide the Taxing Authorities with any grounds to suspend or terminate this Agreement with respect to the Company. The intent of all parties to this Agreement is that, while the FIL Participants other than the Company shall collectively share the tax benefits offered by MCA § 27-31-104, each such other FIL Participant shall be individually responsible for complying with its own

reporting, FIL Payment and any tax payment requirements under State law. The Company shall file, and shall use its commercially reasonable efforts to cause each Lessor and Additional Participant to file, such documentation or applications as may be required by the ad valorem tax exemption laws of the State to result in all Property being taxed as provided for in this Agreement.

**SECTION 8. Apportionment.** The Tax Collector shall deliver each FIL Payment to the County Board of Supervisors, which shall apportion among and make payment to the County and School Districts as follows:

8.1 K-12 School District Share. The K-12 School District share of each annual FIL Payment shall be calculated and apportioned thereto in accordance with MCA § 27-31-104;

8.2 Joinder Governmental Authority Share(s). Each Joinder Governmental Authority's share of the annual FIL payment shall be calculated by determining the percentage or pro-rata share that the tax millage imposed by such Joinder Governmental Authority in a year bears to the total millage imposed for all purposes in that same year; and

8.3 County Share. That portion of the annual Fee-in-Lieu Payment remaining after allocation to the K-12 School District and each Joinder Governmental Authority shall be allocated to the County, out of which the County will make payment to the Community College in the legally required minimum amount.

8.4 Use of FIL Proceeds. The parties agree that any FIL Payment proceeds received thereby may be used, at the discretion of the governing boards of the K-12 School District and the County, for any lawful purposes.

**SECTION 9. Assessment and Collection.** The Taxing Authorities and the Company agree that the assessment and collection procedures set forth in **Exhibit "B"** will be followed with respect to the determination of Taxes Otherwise Payable, each FIL Amount and each FIL Payment. MDA expresses no opinion or agreement with regard to such matters. Without limiting any other rights and remedies available to any of the Taxing Authorities arising from a default by the Company of any obligation thereof set forth herein, in the event of a Permanent Facility Closure, the Fee-in-Lieu granted hereby may also be subject to suspension and/or termination in accordance with MCA §§ 27-31-104(b) and 27-31-111 and other applicable law. Should the Company fail to timely remit any FIL Payment due therefrom in accordance herewith, absent any formal protest or dispute commenced by the Company in good faith and in accordance with applicable law (*e.g.*, after the filing of an appeal bond, if applicable) concerning the associated value assessment, the Governmental Authorities shall have the right to suspend or terminate this Agreement. Should any Lessor or Additional Participant fail to timely remit any FIL Payment due therefrom in accordance herewith, absent any formal protest or dispute commenced by such Lessor or Additional Participant in good faith and in accordance with applicable law (*e.g.*, after the filing of an appeal bond, if applicable) concerning the associated value assessment, the Governmental Authorities shall have the right to suspend or terminate the right of such Lessor or Additional Participant to participate in the Fee-in-Lieu and this Agreement; provided, however, that no suspension or termination may occur unless the Governmental Authorities first give written notice to the Company and any affected Lessor or other FIL Participant, which shall have thirty (30) days to cure by a resumption of operations, payment, or by the implementation of a payment plan mutually agreed between the Company and/or the affected Lessor or other FIL Participant and the Governmental Authorities.

**SECTION 10. Other Ownership Interests Subject to the FIL.** All provisions of this Agreement shall apply to each Lessor and each Additional Participant whose Property has become subject to the Fee-in-Lieu granted hereby pursuant to Section 13.1, provided, however, that (a) the Tax Assessor and/or Tax Collector may agree to include the FIL Payment obligation for certain Leasehold Interests within the Company's FIL Amount; and (b) the Tax Assessor, Tax Collector and any Additional Participant may agree to include the FIL Payment obligation for certain Leasehold Interests within such Additional Participant's FIL Amount.

**SECTION 11. Identification of Additional Participants and Lessors.** Each FIL Participant, other than the Company, shall provide written notice to the Tax Assessor, on or before June 1 of the Assessment Year for any Property thereof that was first constructed, installed or otherwise placed into service on the Project Site and has become subject to the Fee-in-lieu granted herein for that Assessment Year pursuant to Section 13.1. For the avoidance of any doubt, a FIL Participant, other than the Company, need not only provide such written notice to the Tax Assessor one time (*i.e.*, on the June 1 following the addition of Property to the Project Site by such FIL Participant for the first time). Such notice in subsequent Assessment Years shall not be required.

**SECTION 12. Suspensions/Termination of Fee-in-Lieu.**

12.1 Termination by the Taxing Authorities. Without limiting, and notwithstanding, any other rights and remedies available to the Taxing Authorities arising from a default by the Company of any obligation thereof set forth herein, or any failure by the Company to pay any other ad valorem taxes and assessments otherwise due and payable to the Taxing Authorities and which are not the subject of a formal protest or dispute commenced by the Company in good faith and in accordance with applicable law (e.g., after the filing of appeal bond, if applicable), the Governmental Authorities may, in their sole discretion, terminate the Fee-in-Lieu granted by this Agreement upon the occurrence of any Permanent Facility Closure by providing to the Company written notice of such election by the Taxing Authorities to terminate this Agreement.

12.2 Termination by Operation of State Law. Without limiting any other rights and remedies available to any of the Taxing Authorities arising from a default by the Company of any obligation thereof set forth herein, the Fee-in-Lieu granted hereby may be additionally subject to suspension and/or termination in accordance with Code sections 27-31-104, 27-31-111 and 27-31-113 and other applicable law.

12.3 Project Commitments. The Company hereby agrees, warrants and commits that the Project will result in the following:

(a) a Capital Investment in the Project on the Project Site by the Company and/or any other Person, including any Landlords and/or Affiliates, from any source or combination of sources, of not less than [Five Hundred Million Dollars (\$500,000,000.00)] by no later than [December 31, 2025] (the "Investment Commitment"); and

(b) the maintenance by the Company and/or one or more Affiliates thereof on the Project Site of no fewer than Four Thousand (4,000) Full-Time Jobs in the County during each year of the FIL Term (the "Jobs Maintenance Commitment"). The Parties hereby agree that such Full-Time Jobs maintained in satisfaction of the Jobs Maintenance Commitment may be direct employees of the Company and/or any Affiliate thereof provided that such Full-Time Jobs are located on the Project Site in connection with the Project. For purposes of this Agreement, the

parties hereto agree that a Full-Time Job shall be deemed maintained if it is filled within ninety (90) days after having been vacated.

12.4 Failure to Materially Satisfy Project Commitments. Without limiting any other rights and remedies available to any of the Taxing Authorities arising from a default by the Company of any obligation thereof set forth herein, pursuant to the authority granted by Code sections 27-31-104 and/or 27-31-105(2), the Company and the Tax Authorities hereby further agree as follows:

(a) If the Company has satisfied at least seventy-five percent (75%) of its Investment Commitment (*i.e.*, has made or caused to be made in accordance herewith a Capital Investment of at least \$375,000,000.00 in the Project on the Project Site), but has not satisfied at least ninety percent (90%) of its Investment Commitment (*i.e.*, has not made or caused to be made in accordance herewith a Capital Investment of at least [\$450,000,000] in the Project on the Project Site), on or before [December 31, 2025], the Payment due from the Company (and the Payment due from each Landlord and/or Affiliate, if applicable) in the year immediately following deadline, and continuing for each year thereafter until the Company has satisfied at least ninety percent (90%) of its Investment Commitment, shall be equal to a percentage of the Taxes Otherwise Payable for all Property calculated in accordance with Section 3 hereof, which percentage shall be calculated pursuant to the following formula:

$$\text{Fee-in-Lieu percentage} = 1/3 \div (a \div [\$500,000,000])$$

where "a" equals the actual Capital Investment made or caused to be made by the Company in the Project on the Project Site as of December 31, 2025.

Upon the Company's satisfaction of at least ninety percent (90%) of its Investment Commitment, the Payment due from the Company (and the Payment due from each other FIL Participant, if applicable) in the year following such satisfaction and in each year thereafter (provided that the Company has not failed to satisfy the requirements set forth in any of the other subsections of this Section 12) shall be calculated as provided in Section 3 hereof.

(b) If the Company has not satisfied at least seventy-five percent (75%) of its Investment Commitment (*i.e.*, has not made or caused to be made in accordance herewith a Capital Investment of at least \$375,000,000.00 in the Project on the Project Site) on or before [December 31, 2025], the Governmental Authorities may suspend the Fee-in-Lieu granted by this Agreement effective as of the January 1 immediately following deadline; provided, however, that upon the Company's satisfaction of at least seventy-five percent (75%) of its Investment Commitment, the Governmental Authorities shall reinstate the Fee-in-Lieu granted by this Agreement (provided that the Company has not failed to satisfy the requirements set forth in any of the other subsections of this Section 12) effective as of the January 1 immediately following the date that the Company satisfies at least seventy-five percent (75%) of its Investment Commitment.

(c) During each year of the FIL Term, if the Company has satisfied at least seventy-five percent (75%) of its Jobs Maintenance Commitment (*i.e.*, maintains in accordance herewith at least 3,000 or more new, Full-Time Jobs at the Project Site), but has not satisfied all of its Jobs Maintenance Commitment (*i.e.*, fails to maintain in accordance herewith at least 4,000 or more new, Full-Time Jobs at the Project Site), the Payment due from the Company (and the Payment due from each Landlord and/or Affiliate, if applicable) in the immediately following year, and

continuing for each year thereafter until the Company has satisfied its Jobs Maintenance Commitment, shall be equal to a percentage of the Taxes Otherwise Payable for all Property calculated in accordance with Section 3 hereof, which percentage shall be calculated pursuant to the following formula:

$$\text{Fee-in-Lieu percentage} = 1/3 \div (a \div 4,000)$$

where "a" equals the actual number of new, Full-Time Jobs maintained by the Company on the Project Site during any particular year during the FIL Term.

Upon the Company's satisfaction of its Jobs Maintenance Commitment, the Payment due from the Company (and the Payment due from each Landlord and/or Affiliate, if applicable) in the year following such satisfaction and in each year thereafter (provided that the Company has not failed to satisfy the requirements set forth in any of the other subsections of this Section 12) shall be calculated as provided in Section 3 hereof.

(d) During each year of the FIL Term, if the Company has not satisfied at least seventy-five percent (75%) of its Jobs Maintenance Commitment (*i.e.*, fails to maintain in accordance herewith at least 3,000 or more new, Full-Time Jobs at the Project Site), the Governmental Authorities may suspend the Fee-in-Lieu granted by this Agreement effective as of the January 1 immediately following such failure; provided, however, that upon the Company's satisfaction of at least seventy-five percent (75%) of its Jobs Maintenance Commitment, the Fee-in-Lieu granted by this Agreement shall be automatically reinstated (provided that the Company has not failed to satisfy the requirements set forth in any of the other subsections of this Section 12) effective as of the January 1 immediately following the date that the Company satisfies at least seventy-five percent (75%) of its Jobs Maintenance Commitment.

12.5 In the event that the Fee-in-Lieu percentage for any Payment due hereunder is subject to adjustment pursuant to more than one of the events described in 12.4(a) through 12.4(d) above, a Fee-in-Lieu percentage and resulting Payment adjustment shall be calculated in accordance with each such applicable subsection of subsection (e) above, and the greatest Payment amount so calculated shall apply with respect to such Payment.

12.6 For avoidance of doubt, nothing in this Section 12, including, without limitation, any suspension of the Fee-in-Lieu granted pursuant to this Agreement, shall extend the FIL Term of this Agreement or the duration of any FIL period. During the FIL Term, the Company shall annually provide to the Governmental Authorities, no later than April 1 of each Assessment Year, (i) a copy of all reports provided by the Company to the MDA during the preceding twelve month period for the purpose of demonstrating to the MDA the number of Full-Time Jobs maintained at the Project Site, and (ii) to the extent that the Company elects to count any Full-Time Jobs created by any Affiliate thereof on the Project Site, a written report describing all such Full-Time Jobs, which report shall include the job title of each such Full-Time, the name of the Affiliate employer, and the name of the employee; provided, that (i) such reports may be redacted to omit an employee's personal information such as his or her social security number, last name (except for the first letter thereof), salary information, etc.), or (ii) in lieu of providing such copies, the Company shall have the right to make a copy of such reports available for inspection by the Governmental Authorities at a time and place therefor, as selected by the Governmental Authorities, as applicable, so as to protect and preserve any confidential information contained in said reports.. Notwithstanding the forgoing, the Governmental Authorities acknowledge and agree that any such

employment-related reports provided by the Company thereto constitute either trade secrets or confidential commercial information of the Company as contemplated by and subject to Code section 25-61-9.

**SECTION 13. Miscellaneous.**

**13.1 Assignment and Other Ownership Changes.**

(a) The parties hereto agree that the benefits of this Agreement are granted to the Project. The Inducers hereby consent, without any requirement of further approval, to the assignment by the Company, in whole or in part, of its ownership rights in the Project and/or this Agreement and the rights and duties thereunder, and any subsequent assignment, to any Person which accepts and agrees to the obligations and commitments contained in this Agreement and in all other documents executed for the benefit of the Project. The Company agrees to give prompt notice of any such assignment to the Tax Authorities, and in any event will provide notice in time for the Tax Assessor and Tax Collector to properly the direct written statement setting forth the FIL Amount for the then current Assessment Year pursuant to Section 2(a) of **Exhibit "B"**. In the event of such an assignment, the parties hereto further agree that the tax benefits granted herein shall inure to the benefit of the Company's successors and assigns which may lawfully receive the benefits hereunder. This Agreement shall be binding upon the parties hereto, their respective assigns and successors in title, and any owner of the Project which benefits from this Agreement.

(b) This Agreement may also be assigned, in part, to a Lessor or Additional Participant which agrees to be bound by the obligations and commitments of this Agreement without the consent of, but with prompt notice to, the Taxing Authorities. The assignment obligations of this Section 13.1 shall not apply to Lessors of moveable personal Property (*e.g.*, forklifts, office equipment, etc.) to whom the FIL shall be deemed assigned, in part, to any such Additional Participant or Lessor identified and disclosed to the Tax Assessor in accordance with Section 11.

**13.2 Notices, Statements and Payments.** Any notice or statement required to be given pursuant to the terms and provisions of this Agreement shall be in writing and sent by a nationally-recognized overnight courier for delivery on the following business day; by first-class U.S. mail, postage prepaid, registered or certified; or by email (with such email to be confirmed promptly in writing sent by mail or overnight courier as previously provided) addressed as follows, and payment shall be made to the Tax Collector as follows:

Company at:  
Nissan North America, Inc.  
*[Company Information TBC]*

with a copy to:  
*[TBC]*

County at:  
Madison County Board of Supervisors  
Attention: President  
C/O Chancery Clerk  
46 W Center Street  
Canton, MS 39046

with a copy to:  
Madison County Economic  
Development Authority  
Attention: Executive Director  
135 Mississippi Pkwy

Canton, MS 39046

MDA at:

Mississippi Development Authority  
501 North West Street (39201)  
P. O. Box 849  
Jackson, Mississippi 39205-0849  
Attention: Executive Director

Tax Assessor at:

Madison County Tax Assessor  
71 Cobblestone Drive  
Madison, MS 39110

Tax Collector at:

Madison County Tax Collector  
71 Cobblestone Drive  
Madison, MS 39110

or to such other address as the receiving party shall have most recently forwarded to the sending party.

13.3 Amendment; Waiver. This Agreement may be amended, modified, or superseded, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by or on behalf of the party hereto that is waiving compliance. The failure of any party hereto at any time or times to require the performance of any provision hereof shall in no manner affect the right at a later time or times to enforce same. No waiver by any party hereto of any condition, or of any breach of any term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall be deemed to be or be construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of any breach of any other term, covenant, representation or warranty.

13.4 Further Assurances. Each party hereto shall take all action and execute such further instruments or documents as any such party may from time to time reasonably request in order to confirm, carry out or more fully effectuate the transactions and results contemplated by this Agreement, or which may be necessary for the Company and any other FIL Participants to realize all of the benefits contemplated hereunder. The Taxing Authorities each agree that they will promptly consider and approve any such documentation or applications to the extent required to ensure that all Property is taxed as provided in this Agreement.

13.5 Governing Law, Disputes Over Valuation, and Forum Selection. This Agreement shall be governed by the laws of the State. Venue for any legal or equitable action arising from this Agreement shall be in the County. In the event of any legal or equitable action arising from this Agreement, the Company shall provide, in the manner prescribed by Section 13.2, written notice of such action to the MDA, at the following address: Mississippi Development Authority, Attention: Financial Resources Division, P.O. 849, Jackson, Mississippi 39205.

13.6 Headings / Construction. The captions and headings of this Agreement are for convenience only, and are not to be construed as a part of this Agreement, and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof. Whenever herein the singular number is used, the same shall include the plural and words of any gender shall include each other gender



13.7 Successors and Assigns. All the provisions herein contained shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, to the same extent as if each successor and assign were in each case named as a party to this Agreement.

13.8 Presumption. No presumption will apply in favor of any party hereto in the interpretation of this Agreement or in the resolution of any ambiguity of any provision hereof.

13.9 Incorporation by Reference. All exhibits referenced as being attached hereto are hereby incorporated by reference and expressly made a part of this Agreement for all purposes as if fully copied herein.

13.10 Tax Officials. To the extent not otherwise already specifically covered by this Agreement, the Tax Assessor and Tax Collector each agrees to abide by all of the terms and provisions of this Agreement as they involve or require acquiescence, approval or implementation of the Tax Assessor and Tax Collector.

13.11 Authority. Each of the parties recognizes, acknowledges, represents, and warrants that the obligations set forth herein are the valid and binding obligations of such party, enforceable in a court of competent jurisdiction against such respective party in accordance with the terms hereof and that the terms and provisions of this Agreement and the execution hereof have been authorized and approved, as required by law.

13.12 Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof (*i.e.*, ad valorem taxes) and supersedes any prior understandings, agreements, or representations by or among the parties, whether written or oral, to the extent such are covered by the subject matter hereof.

13.13 Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

13.14 Counterparts. This Agreement may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument. This Agreement may also be executed by facsimile or electronic transmission and each facsimile or electronically transmitted signature hereto shall be deemed for all purposes to be an original signatory page

*[SIGNATURE PAGES FOLLOW]*

**IN WITNESS WHEREOF**, the County, the Tax Assessor, the Tax Collector and the Company have executed this Agreement on the actual dates set forth opposite their respective names with the understanding that the effective date of this Agreement is the date shown in the first paragraph of this Agreement.

**MONTGOMERY COUNTY, MISSISSIPPI**

**ATTEST & SEAL:**

By: \_\_\_\_\_  
Name: Paul Griffin  
Title: President, Board of Supervisors  
Date: \_\_\_\_\_, 2022

\_\_\_\_\_  
Name: Ronny :Lott  
Title: Clerk, Board of Supervisors  
Date: \_\_\_\_\_, 2022

**MADISON COUNTY TAX ASSESSOR**

**MADISON COUNTY TAX COLLECTOR**

By: \_\_\_\_\_  
Name: Norman Cannady  
Title: Tax Assessor  
Date: \_\_\_\_\_, 2022

By: \_\_\_\_\_  
Name: Kay Pace  
Title: Tax Assessor  
Date: \_\_\_\_\_, 2022

**NISSAN NORTH AMERICA, INC.**

By: \_\_\_\_\_  
Name:  
Title:  
Date: \_\_\_\_\_, 2022

**EXHIBIT "A"**

**CERTIFICATE OF FINAL APPROVAL  
OF THE  
MISSISSIPPI DEVELOPMENT AUTHORITY**

MDA hereby approves this Agreement as follows:

- (a) MDA agrees that the Project as defined herein is eligible for the benefits offered pursuant to MCA §§ 27-31-104 and/or 27-31-105(2) provided that the \$60,000,000 minimum capital investment requirement prescribed by MCA § 27-31-104 is satisfied;
- (b) MDA agrees that the FIL Amounts, as defined herein, and allocation thereof satisfy the minimum payment requirements of MCA §§ 27-31-104 and/or 27-31-105(2);
- (c) The duration of the Fee-in-Lieu does not exceed the maximum period permitted by State law; and
- (d) MDA agrees that this Agreement has been duly negotiated and approved.

MDA EXPRESSES NO OPINION, APPROVAL OR DISAPPROVAL OF ANY PROVISIONS HEREIN REGARDING THE COMPUTATION OF THE TRUE VALUE OF ANY PROPERTY OR ANY OTHER MATTERS EXCEPT FOR THOSE SPECIFICALLY AND EXPRESSLY ENUMERATED ABOVE. SUCH MATTERS ARE BEYOND THE SCOPE OF MDA'S AUTHORITY AND RESPONSIBILITY UNDER MCA §§ 27-31-104 AND/OR 27-31-105(2).

Notwithstanding any provision of the Agreement to the contrary, venue for any legal or equitable action against the MDA arising from this Agreement shall be in Hinds County, Mississippi.

**MISSISSIPPI DEVELOPMENT AUTHORITY**

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

Name: Laura Hipp,

Title: Interim Executive Director

Date: \_\_\_\_\_, 2022

## EXHIBIT "B"

### ASSESSMENT AND COLLECTION

#### 1. Assessment

The Parties agree that the following principles of ad valorem tax assessment will apply to the determination of Taxes Otherwise Payable:

(a) Assessment Prior to First Assessment Date. The policy of the Tax Assessor is that (i) personal Property is not subject to assessment and will not be taxed or included in the calculation of Taxes Otherwise Payable, prior to: (1) the January 1 after the Commercial Operation Date, if the Commercial Operation Date occurs on or after March 1; or (2) the January 1 immediately preceding the Commercial Operation Date if the Commercial Operation Date occurs prior to March 1 of any year; and (ii) improvements to real Property (*e.g.*, buildings) are not subject to assessment and will not be taxed or included in the calculation of Taxes Otherwise Payable until January 1 following the Commercial Operation Date. Land will be taxable prior to the First Assessment Date under its then-current classification, although it may be reclassified as industrial property for assessment purposes thereafter.

(b) Appraisal and Valuation. During the FIL Term, the parties will follow then-current state law with respect to the assessment of ad valorem taxes in order to determine the Taxes Otherwise Payable. For avoidance of doubt, the parties agree that the current statutory procedures include the following:

(i) Rendition. By April 1 of each Assessment Year, each FIL Participant will provide a rendition of its otherwise taxable personal property in the form required by the Tax Assessor as provided in MCA § 27-35-23, and the Tax Assessor shall record on the ad valorem tax rolls all Property in the name of the appropriate owner(s) thereof. In the event that any FIL Participant fails timely to file its rendition as and when due, the Taxing Authorities shall have the right to impose and levy any penalties and/or interest authorized or mandated by State law against such party arising from such failure to file its rendition; however, in no event shall any failure to timely file a personal property rendition confer upon any of the Taxing Authorities the right to suspend or terminate this Agreement except to the extent expressly authorized by State law.

(ii) Assessment Ratio and Classification. The Project constitutes Class II and Class III property and is subject to an assessment ratio of fifteen percent (15%) of true value and is classified as industrial property.

(iii) Cost. For purposes of assessment, "cost" includes installation costs and all other direct expenses properly chargeable to capital asset accounts, but shall not include the cost of any non-taxable or tax exempt assets, contributions in aid of construction or other payments for facilities owned by utility companies or other third parties, or any "soft costs" or indirect costs not directly attributable to the purchase and installation of Property, such as capitalized interest or allocations of management overhead, whether or not the same are capitalized. The cost of Property will constitute the upper limit of true value for assessment purposes during the FIL Term.

(iv) Depreciation. The Tax Assessor and the Company (or other FIL Participant, if any) will confer to reach agreement as to the proper class life for personal Property, or components thereof, installed on the Project Site. The depreciated value reflected by the applicable class life

will, upon presentation of evidence of the same consistent with recognized appraisal principles, be reduced to reflect additional physical deterioration or functional obsolescence, economic obsolescence, or accelerated depreciation due to special circumstances related to the manufacturing process.

(v) Protest and Appeal. Any dispute regarding the assessment of ad valorem taxes in order to determine the Taxes Otherwise Payable shall follow the procedures for the protest and appeal of ad valorem tax assessments under state law, including those set forth in MCA §§ 27-55-1 *et seq.*

## **2. Collection of Fee-in-Lieu Amount**

The Parties agree that the following principles of ad valorem tax collection will apply to the determination of the FIL Amount and billing and collection of the FIL Payment:

(a) Calculation and Billing of Fee-in-Lieu. For each Assessment Year, the Tax Assessor shall apply the applicable tax millage to the assessed value of the Property then subject to the Fee-in-Lieu granted herein to determine the Taxes Otherwise Payable. The FIL Amount for each FIL Participant shall be one-third (1/3) of the Taxes Otherwise Payable for each Assessment Year. The Tax Collector shall provide each FIL Participant with a written statement setting forth the Fee-in-Lieu Amount due therefrom for such year and the underlying calculations used to compute such Fee-in-Lieu Amount. The Tax Collector shall use his or her best efforts to provide to each FIL Participant its respective written statement of its FIL Amount by December 15th of each Assessment Year, but in no event will such statement be provided later than December 31st of each year.

(b) Millage Changes. If the aggregate ad valorem tax millage rate is increased or decreased and such increase or decrease is applicable generally to all taxpayers located in the same taxing district as the Project, then the Fee-in-Lieu Amount or amount payable under an exemption will be increased or decreased based upon such higher or lower aggregate annual millage. However, following the execution of this Agreement by all of the parties hereto and continuing through the FIL Term until the expiration thereof, no special tax levies in the nature of taxes, franchise fees or special assessments shall be imposed by the Taxing Authorities against the any Property which are not imposed generally against all commercial property located in ad valorem tax district in which the Project Site is located. Furthermore, at no time following the execution of this Agreement by all of the parties hereto and continuing through the FIL Term until the expiration thereof shall any of the Taxing Authorities form, authorize or caused to be formed or authorized, any new taxing district authorized by State law, which is comprised solely of the Project Site.

(c) Fee-in-Lieu Lien and Payment Due Date. As provided for ad valorem taxation pursuant to MCA §§ 27-35-1 and 27-41-41, each annual Fee-in-Lieu obligation, shall be a lien on the Property on January 1 of the relevant Assessment Year and of each FIL Participant, and each FIL Participant shall make its FIL Payment related to that Assessment Year to the Tax Collector by February 1 of the following year. The parties hereto agree that the provisions applicable to the collection of delinquent ad valorem taxes under state law, including MCA § 27-41-1 *et seq.*, shall apply to delinquent FIL Payments.

**EXHIBIT "C"**

**PROJECT SITE DESCRIPTION**

[legal description and/or parcel IDs needs to be inserted]

**EXHIBIT "D"**

JOINDER AGREEMENT

[to be completed]