

**PILOT LEASE AGREEMENT AND
AGREEMENT TO ISSUE BONDS**

Dated [TBD]

by and between

**England Economic and Industrial Development District,
State of Louisiana**

and

Coca-Cola Bottling Company United-Gulf Coast, LLC

relating to the agreement to issue up to:

**\$106,000,000 Taxable Revenue Bonds (Project Jerry)
of the England Economic and Industrial Development District**

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EXHIBIT A	Legal Description of Land.
EXHIBIT B	Form of Completion Certificate (to be executed upon substantial completion of the Project).
EXHIBIT C	Form of Annual Lessee Reporting Form due each December 31.
EXHIBIT D	Form of Conveyance of Project from Lessee to Lessor (to be executed upon substantial completion of the Project).
EXHIBIT E	Form of Reconveyance of Project from Lessor to Lessee (to be executed upon return of the Project to the Lessee at the end of the lease term).
EXHIBIT F	Form of Notice of Lease pursuant to La. R.S. 9:2742 (to be executed and recorded upon substantial completion of the Project).
EXHIBIT G	Form of Agreement to Terminate Lease and Notice of Termination of Lease (to be executed upon return of the Project to the Lessee at the end of the lease term).
EXHIBIT H	Form of Statement & Request to Transfer Movable Property Components of Project from Lessee to Lessor
EXHIBIT I	Form of Bill of Sale

PILOT LEASE AGREEMENT AND AGREEMENT TO ISSUE BONDS

This **PILOT LEASE AGREEMENT AND AGREEMENT TO ISSUE BONDS** (the ***“Lease Agreement”***), dated for convenience of reference September 30, 2026, and effective as of the Effective Date, by and between the **England Economic and Industrial Development District**, a body politic and corporate and political subdivision of the State of Louisiana, (the ***“District”*** or ***“Lessor”***), and Coca-Cola Bottling Company United-Gulf Coast, LLC, a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, (the ***“Lessee”***).

W I T N E S S E T H:

WHEREAS, the Lessor, as a body politic and corporate and political subdivision of the State, is authorized and empowered under Subpart B-13 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, (the ***“District Act”***), and Sections 991 through 1001, inclusive, of Title 39 of the Louisiana Revised Statutes of 1950, as amended ((the ***“Revenue Bond Act”***) and together with the District Act, (***“the Act”***)), and other constitutional and statutory authority supplemental thereto, to develop, activate, construct, exchange, acquire, improve, repair, operate, maintain, lease, mortgage, sell, and pledge movable and immovable property, servitudes, facilities, and works under such terms and conditions as the District may deem necessary or appropriate for any public purposes, including, but not limited to, industrial and commercial development (each a ***“Public Purpose”***); and

WHEREAS, Lessor was created for the object and purposes of accepting title from the United States of America to any or all real and personal property and improvements included in England Air Force Base and utilizing that and other property, and all assistance available from the United States government and all other sources, to replace and enhance the economic benefits generated by the former air base with diversified activities, including, but not limited to, activities and planned land uses to foster creation of new jobs, economic development, industry, health care, commerce, manufacturing, tourism, relocation of people and businesses to the area, aviation, military, warehousing, transportation, offices, recreation, housing, and conservation, the acquisition of land and improvements, and the construction, operation, and maintenance of facilities, improvements and infrastructure, including buildings, runways, roads, bridges, drainage, and utilities (each a ***“District Public Purpose”***); and

WHEREAS, pursuant to Article VII, Section 21 of the Louisiana Constitution of 1974, as amended, public lands and other public property used for public purposes shall be exempt from ad valorem taxes and pursuant to Louisiana Revised Statute § 33:130.354, the exercise of the powers conferred to the District shall be deemed and held to be essential governmental functions of the state, and in all respects for the benefit of the people of the state, for the increase of their commerce and prosperity, and for the improvement of their health and living conditions, and the District shall not be required to pay any taxes, including, but not limited to, sales and use taxes, ad valorem, occupational licensing, income, or any other taxes of any kind or nature, or assessments upon any property acquired or used by the District, and any property acquired or used by the District and the income therefrom shall be exempt from taxation by the state and by any parish, municipality, or

other political subdivision of the state, and the District shall not be subject in any respect to the authority, control, regulation, or supervision of the Louisiana Public Service Commission or any other regulatory body of the state, or any political subdivision thereof; and

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974 provides that the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual; and

WHEREAS, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9020, *et seq.*) (the “Cooperative Economic Development Law”), provides that local governmental subdivisions may cooperate or engage in cooperative endeavors providing for cooperative financing of economic development projects with other local governmental subdivisions or with any other private or public entity or person, for the purpose of aiding in cooperative development, all as defined in the Cooperative Economic Development Law; and

WHEREAS, La. R.S. 33:130.355(8) and (9) provide that the Lessor may “enter into contracts to achieve the [D]istrict’s object and purposes” and that the Lessor may “plan, develop, regulate, operate, and maintain activities and planned land uses to foster creation of new jobs, economic development . . . the acquisition of land and improvements . . . and other functions and activities on property owned or leased by the [D]istrict to accomplish the object and purposes of the [D]istrict and to protect the public health and welfare”; and

WHEREAS, under the authority of the District Act, particularly La. R.S. 33:130.351, 33:130.355(10)(a) and 33:130.357 and the Revenue Bond Act, the Lessor may issue bonds or other obligations to further its authorized purposes, such bonds to be payable solely from the income and revenue derived from the sale, lease, or other disposition of the project or facility to be financed by such bonds and/or from the income and revenue derived from the sale, lease, or other disposition of any existing project or facility acquired, constructed or improved under the provisions of the Revenue Bond Act; and

WHEREAS, La. R.S. 39:996 provides that prior to the issuance of any bonds under the Revenue Bond Act, the Lessor¹, as issuer of such bonds shall lease, sublease, or agree to sell the project to a lessee, sublessee, or purchaser under an agreement conditioned upon completion of the project and providing for payment to the municipality of such rentals or installment payments as will be sufficient (a) to pay the principal of and interest on the bond issued to finance the project, (b) build up and maintain any reserve deemed by the governing body to be advisable in connection therewith, and (c) unless the contract obligates the lessee, sublessee, or purchaser to pay for the maintenance and insurance of the project, to pay the cost of maintaining the project in good repair and keeping it properly insured, and further provides that such lease, sublease, or agreement of sale shall be made upon such other terms and conditions and for the time which may be determined by the municipality and may contain provisions authorizing the purchase of the entire leased project or any portion thereof by the lessee or its assignee, where applicable, after all bonds issued thereunder have been paid in full, for such consideration and upon such terms and conditions as

¹ In the Revenue Bond Act, particularly R.S. 39:996, entities such as the Lessor that are issuing bonds or entering into payment in lieu of tax agreements are referred to as “the municipality” or “municipal authority.”

the municipality may determine; and if title to the project is in the Lessor then the Lessor may specifically require as a condition under the lease agreement, that the lessee of each of the projects shall pay annually to the appropriate taxing authority, through the normal collecting agency, a sum in lieu of *ad valorem* taxes to compensate such authorities for any services rendered by them to such projects which sum shall not be in excess of the *ad valorem* taxes such lessee would have been obligated to pay to such authorities had it been the owner of such project during the period for which such payment is made; and such payments to be made in lieu of taxes together with any fees and charges, to the extent in the aggregate they do not exceed the amount of taxes that would be paid if the lessee were the owner, shall constitute statutory impositions within the meaning of R.S. 47:2128; and

WHEREAS, Lessor has found and does hereby declare that construction, rehabilitation, and operation of the Project as defined herein will result in economic development in furtherance of a Public Purpose for which Lessor was created; and

WHEREAS, in accordance with the Act, the Project, upon conveyance to Lessor, is hereby declared to be public property used for essential public and governmental purposes; and

WHEREAS, the purchase of the Project will be funded from various sources, including possibly the issuance of bonds by the Lessor on behalf of the Lessee; and

WHEREAS, solely at the request of the Lessee and subject to the conditions set forth herein, the Lessor agrees that it shall issue up to \$106,000,000 in aggregate principal amount of its taxable and/or tax-exempt Revenue Bonds (Project Jerry), in one or more series, to finance all or a portion of the Project; and

WHEREAS, in consideration of the agreement to issue the Bonds and the financial benefit accruing to the Lessee in the form of an reduction of *ad valorem* taxes for a limited time through a payment in lieu of tax ("**PILOT**") arrangement set forth herein, the Lessee has agreed to convey the Project to the Lessor, subject to the lien of any existing mortgages, liens or encumbrances, and subsequent to such conveyance, the Lessee will lease the Project back from the Lessor pursuant to this Lease Agreement; and

WHEREAS, pursuant to this Lease Agreement, the Lessee will agree to pay the Lessor amounts sufficient for the payment of debt service on the Bonds, if any, when issued, certain payments in lieu of taxes, and administrative fees, costs, rents, and certain related expenses; and

WHEREAS, the details of the payments in lieu of taxes have been negotiated by the Lessor and the Lessee; and

WHEREAS, the execution and delivery of this PILOT Lease Agreement and Agreement To Issue Bonds, pursuant to the aforesaid statutory authority, has been in all respects duly and validly authorized by resolution adopted by the governing authority of the Lessor on [TBD].

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, including, without limitation, the undertaking of the Project by the Lessee, the receipt and sufficiency of which is hereby acknowledged and of the mutual benefits, covenants and agreements herein expressed, the Lessor and the Lessee hereby agree as follows:

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ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions.

In addition to the other capitalized terms defined throughout this Lease Agreement, the following terms shall have the meanings assigned to them in this Article I whenever they are used in this Lease Agreement.

“Act” means, collectively, Subpart B-13 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the **“District Act”**) and Sections 991 through 1001, inclusive, of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the **“Revenue Bond Act”**).

“Actual Employment” or **“AE”** shall mean the average number of Full-Time Employees employed for the 12-month period ending on the previous September 30, determined by dividing by four (4) the sum of the aggregate number of such employees reported by the Lessee to the Louisiana Workforce Commission at the end of each calendar quarter in such 12-month period, or other documentation acceptable to the Lessor. If the first period ending September 30 for which AE is calculated is less than 12-months, then AE shall be calculated on an average basis for such period based on the actual number of quarterly reports filed during such period. Only those meeting the definition of Full-Time Employee shall be counted towards Actual Employment.

“Actual Payroll” means documented wages paid to Targeted Employees during the Lease Term for work performed at the Project Site.

“Affiliate” means a Person which is controlled by the Lessee or its corporate successor, which controls the Lessee or its successor, or which is under common control with the Lessee or its successor (direct or indirect ownership of more than fifty percent (50%) of the voting power constituting “control” of a Person for such purpose).

“Annual Administrative Fee Payment” has the meaning assigned thereto in Section 4.04(d) hereof.

“Annual PILOT Savings” for any Tax Year means the actual difference between the Estimated Full PILOT Payment and the Base PILOT for the Tax Year in question, resulting from elimination of the *ad valorem* property taxes on the Project pursuant to this Lease Agreement and the Act.

“Assessor” means the Assessor of Rapides Parish.

“Base PILOT” has the meaning assigned thereto in Section 4.04(c) hereof.

“Bonds” shall mean those bonds, if any, issued by the Lessor to finance the Project, as provided for herein.

“Capital Cost of the Project” means that portion of the cost of acquiring, constructing, installing and equipping the Project that is, or would be with a proper election, capitalizable for Federal Income Tax purposes, and is or could be used in the calculation of cost basis, capital gains or losses, and/or depreciation under federal income tax laws and regulations, as certified by the Lessee to the Lessor upon completion of the Project in the certification attached to this Lease Agreement as **Exhibit B**. For the avoidance of doubt, the Capital Cost of the Project shall remain fixed throughout the life of the Project for purposes of calculating Administrative Fees.

“Certificate of Occupancy” means a certificate of occupancy issued to the Lessee by the appropriate local governmental authority, permitting the Project to be occupied and/or leased for its intended purposes or a similar permit issued by a local governmental authority allowing for the use and operation of the Project, it being agreed that a temporary certificate of occupancy (or similar permit) shall be acceptable if the same does not contain any conditions which prohibit or materially interfere with the intended use of the Project and if any conditions for obtaining a permanent certificate of occupancy (or similar permit) are readily achievable.

“Clawback Penalty” has the meaning assigned thereto in Section 4.04(d) hereof.

“Closing Date” shall mean the date of execution and delivery hereof.

“Completion Certificate” means the Project Completion Certificate, in substantially the form attached hereto as **Exhibit B**, which is to be executed by the Lessee and furnished to the Lessor upon completion of the construction of the Project and receipt of a Certificate of Occupancy.

“Construction” or **“construction”** (and other forms of the word **“construct”**) means the acquisition, construction, reconstruction, extension, or improvement of the Project.

“District” shall mean the England Economic and Industrial Development District.

“Effective Date” means the date that this Lease Agreement is signed by the Lessor or the Lessee, whichever is later, as indicated in the appearances section on page 1 of this Lease Agreement.

“Employee Benefits” means all employee benefit plans and programs made available to non-executive level employees of Qualified Project Employer, as such plans and programs may be in effect from time to time, including, without limitation, pension and other retirement plans, profit sharing plans, savings and similar plans, individual or group life insurance, accidental death and dismemberment insurance, surgical insurance, major and access major medical insurance, dental insurance, short term and long term disability insurance, sick leave (including salary continuation arrangements), holidays and any other employee benefit plans and programs that may be sponsored by any such Qualified Project Employer from time to time, including any plans to supplement the above listed types of plans, whether funded or unfunded.

“Estimated Full PILOT” means the amount of *ad valorem* property tax that would have been paid by the Lessee on the Project for each Tax Year in the absence of this Lease Agreement, as determined by the Assessor. However, if the Assessor does not provide such information, the Lessor may (i) obtain an appraisal of the market value of the Project, at the expense of the Lessee,

(ii) multiply such market value times 15% (10% with respect to land), and (iii) multiply such amount by the total local *ad valorem* millage rate then in affect for the Project to determine what the *ad valorem* property tax would have been for any given Tax Year. The parties shall make all reasonable efforts to determine the Estimated Full PILOT by September 1 of each Tax Year.

“Full-Time Employee” means an employee of a Qualified Project Employer working at least 35 hours per week on average, 2) with an annual wage that ensures that the average wage of all currently employed Full-Time Employees is at least equal to sixty-four thousand dollars (\$64,000), 3) eligible for Employee Benefits, and 4) working at the Project Site. An employee who is hired and has the opportunity to work full time but who elects to take voluntary unpaid leave or time off or is on short-term or long-term disability will nonetheless be deemed to be a Full-Time Employee for purposes of this Article if such employee otherwise meets the definition of a Full-Time Employee.

“Incentive Start Date” means the date on which the Project receives a certificate of occupancy; however, if the referenced tax abatement is not available in the year in which the Project receives a certificate of occupancy, Incentive Start Date shall mean January 1st of the year immediately following the year in which the Project receives a certificate of occupancy.

“Incentive End Date” means December 31st of the 9th year following the Incentive Start Date.

“Incentive Period” means period of time commencing on the Incentive Start Date and concluding on the Incentive End Date.

“Incentive Year” means a calendar year occurring during the Incentive Period (Ex. Incentive Year 1 would mean the first calendar year of the Incentive Period, Incentive Year 2 would mean the second calendar year of the Incentive Period, etc.)

“Lease Term” means the duration of the leasehold estate created in this Lease Agreement as specified in Section 4.01 hereof.

“Lessee” means (i) Coca-Cola Bottling Company United-Gulf Coast, LLC, a limited liability company organized and existing under the laws of the State of Delaware, in good standing and authorized to do business in the State of Louisiana, and (ii) any surviving, resulting or transferee entity as provided in Section 8.01 hereof.

“Lessor” means the England Economic and Industrial Development District, a body politic and corporate and political subdivision of the State of Louisiana, and its successors and assigns.

“Parish” means the Parish of Rapides, State of Louisiana.

“Payroll Base” means \$4,800,000, reflecting an average wage of \$64,000 per year for Targeted Employees.

“Person” means an individual, partnership, corporation (including a business trust), limited liability company, trust, unincorporated association, joint venture, governmental unit, or other entity.

“PILOT Administrator” shall mean the Central Louisiana Economic Development Alliance, Inc., a Louisiana non-profit corporation legally authorized and doing business as Louisiana Central.

“Project” means (i) the immovable property (the **“Land”**) more particularly described on **Exhibit A** attached hereto and (ii) those buildings, structures, fixtures, and other component parts of the foregoing on the Land, including the constructing and equipping of an approximately 300,000 square foot distribution and warehouse facility, along with improving and equipping an existing facility, both with modern technology, representing an estimated total capital cost of one hundred and six million dollars (\$106,000,000), resulting in approximately seventy-five (75) new jobs, with annual average wages equal to sixty-four thousand dollars (\$64,000), in addition to employee benefits, (iii) subject to the restrictions contained in Section 4.03, all movable property, including but not limited to, any machinery, equipment, furniture, fixtures or other property installed at the Site by the Lessee prior to the Commencement Date; and (iv) any machinery, equipment, furniture, fixtures or other property installed by the Lessee at the Site after the Commencement Date if (a) ownership of same shall have been specifically conveyed in writing to the Lessor as provided in Section 4.03 below or (b) it shall become a component part of a previously conveyed item of machinery and equipment, and in either of the foregoing events, only if such installation complies with the restrictions and limitation set forth in Section 4.03.

“Qualified Project Employer” means (a) the Lessee; (b) any Affiliate of Lessee; or (c) the majority owner of the Lessee.

“State” means the State of Louisiana.

“Targeted Employment” shall mean seventy-five (75), except for Incentive Year 1 which shall mean ten (10), Full-Time Employees for each 12-month period ending September 30 adjusted in the manner set forth above in the definition of Actual Employment for any short initial period.

“Tax Collector” means the Sheriff of Rapides Parish, as *ex officio* tax collector for the Parish.

“Tax Year” refers to the year for which local *ad valorem* taxes are being levied. Local taxing bodies in Louisiana (other than in Orleans Parish), generally levy property taxes no later than June 1 of each year, pursuant to La. R.S. 47:1705, which are deemed to be taxes for that year, are payable prior to December 31 of that year, and become delinquent if not paid prior to each such December 31. For example, taxes levied by June 1, 2025, and due by December 31, 2025 (other than in Orleans Parish), are considered as taxes for the Tax Year 2025, or **“2025 Taxes.”**

“Site” means that location at which the Project is located, including the Land as more particularly described in **Exhibit A** hereto.

“State” means the State of Louisiana.

SECTION 1.02. Rules of Construction.

Unless the context clearly indicates to the contrary, the following rules shall apply to the construction of this Lease Agreement:

- (a) Words importing the singular number shall include the plural number and vice versa.
- (b) All references herein to particular articles or sections are references to articles or sections of this Lease Agreement.
- (c) The headings and the table of contents herein are solely for convenience of reference and shall not constitute a part of this Lease Agreement nor shall they affect its meaning, construction or effect.
- (d) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and words of the neuter gender shall be deemed and construed to include correlative words of the masculine and feminine genders.

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ARTICLE II

REPRESENTATIONS

SECTION 2.01. Representations, Warranties and Agreements of the Lessor.

The Lessor represents, warrants, and agrees as follows:

- (a) Lessor is a body politic and corporate and political subdivision of the State of Louisiana, duly organized and existing under the provisions of the District Act. Lessor has full power and authority to: (i) enter into this Lease Agreement and to perform its obligations contained herein, and (ii) issue and deliver the Bonds for the purpose for which they are to be issued, if requested to do so in the manner set forth herein, and has, by proper board action, been duly authorized to execute and deliver this Lease Agreement on its behalf.
- (b) The Lessor has taken all necessary action required to make this Lease Agreement the valid obligation of the Lessor which it purports to be; and when executed and delivered by the parties hereto, this Lease Agreement will constitute a valid and binding agreement of the Lessor and will be enforceable against the Lessor in accordance with its terms, except to the extent that such enforceability may be limited by general principles of equity and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore and hereafter enacted.(c) The execution, delivery and due performance by the Lessor of this Lease Agreement will not conflict with or result in a violation or breach of, or constitute a default under the District Act or its bylaws, or any agreement or instrument to which the Lessor is a party or by which it is bound, or any constitutional or statutory provisions or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Lessor, or result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever (except the leasehold estate created in this Lease Agreement) upon any of the property or assets of the Lessor.
- (d) To the current, actual knowledge of Lessor, there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or, to the current, actual knowledge of the Lessor, threatened against or affecting the Lessor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Lease Agreement, or which, in any way, would adversely affect the validity of this Lease Agreement or any agreement or instrument to which the Lessor is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby.
- (e) The Lessor, at Lessee's cost, has obtained, or will use commercially reasonable effort to obtain, at the proper times all consents, approvals, authorizations and orders, of any governmental or regulatory authority that are required to be obtained by the Lessor as a condition precedent to the execution and delivery of this Lease Agreement and any other documents related to the Project to which the Lessor is a party and the performance by the Lessor of its obligations thereunder.
- (f) To the current, actual knowledge of Lessor, neither this Lease Agreement, nor any information (financial or otherwise) furnished by or on behalf of Lessor in connection with the

negotiation of this Lease Agreement, contains any untrue statement of material fact or omits a material fact necessary to make the statements contained herein or therein not misleading.

SECTION 2.02. Representations, Warranties, and Agreements of the Lessee.

The Lessee represents, warrants, and agrees as follows:

- (a) The Lessee is a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, has the power to execute and deliver this Lease Agreement, to enter into the transactions contemplated hereby and to perform its obligations hereunder, and by proper action has duly authorized the execution and delivery of this Lease Agreement and the performance of its obligations hereunder.
- (b) This Lease Agreement constitutes a valid and binding agreement of the Lessee enforceable against the Lessee in accordance with its terms, except to the extent that such enforceability may be limited by general principles of equity and to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore and hereinafter enacted.
- (c) To the current, actual knowledge of the Lessee, no litigation at law or in equity or proceeding before or by any court or any governmental agency involving the Lessee is pending or, to the current, actual knowledge of the Lessee, threatened, in which any liability of Lessee is not adequately covered by insurance or in which any judgment or order would have a material adverse effect upon the business or assets of Lessee, the acquisition, installation, equipping or operation of the Project, or the validity of this Lease Agreement.
- (d) To the current, actual knowledge of the Lessee, the Lessee is not in default under or in violation of this Lease Agreement, and the execution, delivery and compliance by the Lessee with the terms and conditions of this Lease Agreement will not conflict with or constitute or result in a default under or violation of: (i) any of its organizational documents, (ii) any material agreement or other instrument to which the Lessee is a party or by which it is bound, including, but not limited to, other documents executed by Lessee in connection with the Project, or (iii) any constitutional or statutory provisions or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Lessee or its properties, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.
- (e) The Lessee has obtained, or will use commercially reasonable efforts to obtain, at the proper times all consents, approvals, authorizations and orders, of any governmental or regulatory authority that are required to be obtained by the Lessee as a condition precedent to the execution and delivery of this Lease Agreement and any other documents related to the Project to which Lessee is a party and the performance by the Lessee of its obligations hereunder and that are required for the construction, installation, or operation of the Project.
- (f) To the current, actual knowledge of Lessee, neither this Lease Agreement, nor any information (financial or otherwise) furnished by or on behalf of Lessee in connection with the negotiation of this Lease Agreement, contains any untrue statement of material fact or omits a material fact necessary to make the statements contained herein or therein not misleading.

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ARTICLE III

AGREEMENT TO COMMENCE PROJECT AND TO ISSUE BONDS

SECTION 3.01. Agreement to Acquire and Construct Project.

Upon execution of this Lease Agreement, Lessee shall commence undertaking commercially reasonable efforts in furtherance of the identification and design of, specifications for, approvals for and/or construction of the Project. Furthermore, the Lessee anticipates that the Project will be complete, and the Completion Certificate issued on or about July 31, 2028, however the failure or inability of the Lessee to cause the Project to be complete by such completion date shall not constitute an event of default hereunder, except as provided for under Section 4.01.

In consideration of this Lease Agreement to issue the Bonds subject to the following terms and conditions, and for other good and valuable consideration, the Lessee will transfer title to the Project, consisting of the property described in Exhibit A, to the Lessor, subject to any previously existing liens, mortgages and/or encumbrances, to all of which this Lease Agreement is subordinate in all respects. The conveyance of the Project from the Lessee to the Lessor shall occur after the submission by the Lessee to the Lessor of a Completion Certificate in substantially the form attached to this Lease Agreement as **Exhibit B**, and such conveyance shall be in substantially the form **Exhibit D**.

SECTION 3.02. Agreement to Issue Bonds.

(a) Solely at the request of the Lessee and subject to the conditions set forth in this Section 3.02, the Lessor shall issue the Bonds. Solely at the request of the Lessee, the Lessor hereby agrees to issue Bonds from time to time in an aggregate principal amount not exceeding \$106,000,000, subject to the following terms and conditions:

- (i) Lessee must file a written request with the Lessor, identifying the purchaser or underwriter, setting forth the maximum amount, terms and collateral for payment of the Bonds;
- (ii) Documents and procedures prepared by or satisfactory to PILOT Administrator's counsel and Lessor's counsel, including amendments and/or supplements to existing documents and/or additional documents recommended by PILOT Administrator's counsel and/or Lessor's Counsel shall be prepared and submitted to the Lessee;
- (iii) All required governmental approvals and other approvals for the issuance of the Bonds, including, without limitation, those of the Louisiana State Bond Commission, and Louisiana Secretary of Economic Development, to the extent required, must be or have been obtained;
- (iv) The Lessor's resolution providing for the issuance of the Bonds shall be published and the preemptive period satisfied, or a bond validation suit shall be pursued to completion validating the legality of the Bonds; and
- (v) All other reasonable requirements of the Lessor shall have been satisfied; and
- (vi) Lessor's bond counsel shall deliver a satisfactory legal opinion with respect to the Bonds.

(b) All Bonds shall be payable solely from payments made by Lessee or caused to be paid by Lessee and shall be limited obligations of the Lessor and not payable from any Lessor funds other than funds deposited under a trust indenture or similar agreement entered into by the Lessor in connection with the issuance of such Bonds, and available for that purpose.

(c) The Lessor shall be indemnified and held harmless of any and all liability as the result of the issuance of the Bonds or ownership of the Project, and Lessee shall pay all reasonable costs in connection therewith.

SECTION 3.03.

Primary Public Purpose and Intended Use.

The favorable tax treatment provided to Lessee is in consideration of the economic benefits to the region, specifically the creation and maintenance of jobs paying an annual average wage equal to sixty-four thousand dollars (\$64,000), in addition to Employee Benefits, and increased tax revenue associated with the capital investment (the ***“Primary Public Purpose”***) emanating from the construction and operation of the Project for its intended use, said intended use being a distribution and warehouse facility employing a minimum of seventy-five (75) new Full-Time Employees, as further described in the definition of “Project” above (the ***“Intended Use”***). Lessee, or its successor or assigns, shall utilize the Project for its Intended Use, and no other, during the term of the Lease.

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ARTICLE IV

EFFECTIVE DATE OF THIS LEASE AGREEMENT; PAYMENTS

SECTION 4.01. Effective Date of this Lease Agreement; Duration of Lease Term.

This Lease Agreement shall become effective on the Effective Date, however the leasehold estate created in this Lease Agreement shall commence on such date (the “***Commencement Date***”) as title to the Project, or any portion thereof, is initially conveyed by the Lessee to the Lessor, at which point in time the Lessor shall be the owner of the Project and shall lease same to the Lessee pursuant hereto. Such conveyance of title to the Project, subject to any existing liens, mortgages and/or encumbrances, to all of which this Lease Agreement is subordinate in all respects, shall take place at least thirty (30) days, but no more than ninety (90) days following Completion of Construction, at which time the Lessee shall provide an executed Act of Conveyance for the Project to the Lessor in substantially the form attached hereto as **Exhibit D.**

Upon completion of the Project and receipt of a Certificate of Occupancy, if applicable, for the Project, the Lessee shall furnish the Completion Certificate to the Lessor in substantially the form attached to this Lease Agreement as **Exhibit B** documenting the Capital Cost of the Project.

Subject to the provisions hereof (including particularly Articles IX and X hereof), this Lease Agreement shall expire, unless extended with the mutual consent of the parties hereto, on the earlier to occur of:

- (a) Incentive End Date; or
- (b) the failure of the Lessee to make or cause to be made any required payments under this Lease Agreement for more than sixty (60) days after Lessee’s receipt of written notice from Lessor of such failure, and such failure has not been waived by resolution of the District; or
- (c) there has been a default by the Lessee in meeting or complying with any other covenant or obligation under this Lease Agreement for more than sixty (60) days after Lessee’s receipt of written notice of such failure and such default has not been waived by resolution of the District; provided that if any such failure shall be such that it cannot be corrected within such sixty (60) day period, it shall not constitute an event of default if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected; provided further, however, that no such cure period shall ever extend beyond two hundred forty (240) days after delivery of such written notice of default; or upon the exercise by the Lessee of its option to purchase the Project pursuant to Article X below; or
- (d) Reserved; or
- (e) the failure by the Lessee to complete construction of the Project, execute the Completion Certificate and convey title to the Project to Lessor by December 31, 2028.

While this Lease Agreement is structured as a lease, the contents of this Lease Agreement include complex agreements of the Lessor and Lessee related to negotiated economic incentives

to the Lessee and economic development benefits to the Lessor. Ownership of the Project is expected to be transferred to the Lessor and automatically leased under the terms of this Lease Agreement on a date or dates subsequent to the Effective Date. Additionally, while all other provisions of this Lease Agreement are fully effective on the Effective Date, including, without limitation, the obligation to make all payments by the Lessee hereunder, the lease of the Project to the Lessee, by operation of law will not be effective until the ownership interests in the Project are conveyed to the Lessor. In the event that title to any component of the Project is not ultimately transferred to the Lessor or is transferred later than expected, the Lessee shall not be entitled to any reimbursement of prior payments made by the Lessee under the terms of this Lease Agreement.

SECTION 4.02. Delivery and Acceptance of Possession of Project.

Simultaneously with its acquisition of title to the Project, and without further action required on the part of either the Lessor or the Lessee, the Lessor does hereby lease and further deliver to the Lessee sole and exclusive possession of the Project (subject to the Lessor's verification rights set forth in Section 7.02) and at that time the Lessee agrees that it shall accept possession of the servitude and leasehold rights to the leasehold estate comprising the Project. The Lessor covenants and represents that so long as the Lessee has paid the rent, PILOT, Annual Administrative Fee Payments, and all other sums payable by it hereunder, and has duly observed all the covenants and agreements herein contained on its part to be performed, the Lessor, during the Lease Term, shall not infringe upon the peaceful, quiet, and undisturbed possession of the Project subject to the terms and provisions hereof. To the extent that any third party disturbs the peaceful, quiet and undisturbed possession of the Project, Lessor shall cooperate with Lessee, at Lessee's sole cost and expense, to address such disturbance, unless such disturbance is caused by the gross negligence or willful misconduct of the Lessor in which case such disturbance shall be addressed at Lessor's sole cost and expense; provided further that Lessor does not make any representation and/or warranty regarding the title to the Project. Lessor shall permit Lessee to operate the Project for any lawful use, so long as such use is: (a) in accordance with the terms and provisions of this Lease Agreement; and (b) a public purpose in accordance with the Act.

SECTION 4.03. Movable Property.

(a) In order for movable property to be considered part of the Project, it must constitute a capital expenditure for federal income tax purposes by the Lessee. Further, said movable property must be documented in writing to the Lessor at the time of the conveyance of such movable property from the Lessee to the Lessor. Said documentation shall not require a level of specificity that is likely to convey proprietary information or trade secrets.

(b) Each item of movable property must:

- (i) constitute a capital expenditure for federal income tax purposes;
- (ii) be capable of being scheduled and reported to the Rapides Parish Assessor as personal property on a LAT5A (Personal Property Report) or similar reporting form; and
- (iii) be identifiable in sufficient detail to be described in a legally effective act of conveyance or a bill of sale from the Lessee to Lessor.

(c) Vehicles and appurtenant equipment such as trailers capable of being driven out of the Parish on public roads are not eligible to be included in the Project.

(d) At the time of each conveyance of any movable property constituting the Project to the Lessor, the Lessee shall submit to the Lessor a Statement and Request in substantially the form attached hereto as Exhibit H, including a detailed scheduled of the property to be included in such conveyances within the limitations set out above, together with a proposed form of conveyance of such property in substantially the form attached hereto as Exhibit D.

SECTION 4.04. Rent, Base PILOT, Fees and Other Amounts Payable

The Lessee agrees to make all of the following payments under this Lease Agreement, in the manner set forth below:

(a) Closing Cost Fee. The Lessee shall pay (or shall cause to be paid) the costs of the transaction associated with this Lease Agreement consisting of Lessor's closing Fees in the amount of 1/20th of 1% of the Capital Cost of the Project, on or before the Effective Date of this Lease Agreement. In addition, the Lessee will pay or cause to be paid the reasonable legal fees of PILOT Administrator's counsel and Lessor's counsel, plus the reasonable out-of-pocket expenses of PILOT Administrator's counsel and Lessor's counsel in connection with the execution and delivery of this Lease Agreement and initial conveyance of the Project to the Lessor.

(b) Rental Payments. In addition to other amounts due and payable hereunder, Lessee shall, on or before December 31 of each year of the Lease Term pay to Lessor an annual rental payment equal to \$100, which rent may be pre-paid at the option of the Lessee.

(c) Base PILOT. Prior to the completion of construction of the Project and the transfer of title to same to the Lessor as provided for hereinabove, the Lessee agrees that it shall pay any and all *ad valorem* taxes on the immovable and movable property comprising the Project as would otherwise be due when and as the same shall become due; provided further that Lessor and Lessee agree and acknowledge that Lessee shall be responsible for, and shall pay to Lessor or the appropriate taxing authority, as directed by Lessor, any taxes, if any, that are due and payable on the Project in the Tax Year in which Lessor acquires ownership. After the transfer of title to the Project to the Lessor, and so long as this Lease Agreement remains in effect and the Project is owned by the Lessor, it is the intent of the Lessor and the Lessee that the Project shall be exempt from *ad valorem* tax pursuant to La. R.S. 39:996. It is further expressly acknowledged and agreed to that the intent of the Lessor and Lessee is to provide for the tax-exempt status of the Project and payment of the Base PILOT outlined in this Section 4.04 for a period of ten (10) consecutive Tax Years beginning in the Tax Year in which Lessee conveys title to the Project to the Lessor (the "**Incentive Period**"); however, if the tax abatement provided for herein is not available in the year in which the Project is conveyed to the Lessor, the above referenced ten (10) year period shall begin January 1st of the year immediately following the conveyance of the Project to the Lessor. Lessor does not warrant or guarantee that the *ad valorem* tax exemption will be available or maintained throughout the term of the Lease and shall not be responsible for any action of the State or federal government, whether by executive decision, legislative action or judicial opinion, that alters, amends and/or vitiates any such *ad valorem* tax exemption.

During the Incentive Period, Lessee shall annually make a base payment in lieu of tax (“**Base PILOT**”) payment in the amount of thirty percent (30%) of the *ad valorem* taxes that would otherwise be due if title to the Project were not in the name of the Lessor, which amount will likewise be paid to the Tax Collector, who shall distribute such payment each year to all taxing bodies whose *ad valorem* taxes would have otherwise applied to the Project, ratably according to their millage rates for such year.

The Base PILOT payments, as outlined above, shall be due on or before December 31 of each Tax Year during the Incentive Period (unless this Lease Agreement shall have been terminated prior to such time, as provided in Section 4.01 above).

In the event that the Assessor issues to the Lessee a full or pro-rated tax bill for the Project with respect to any period prior to the initial conveyance of the Project to the Lessor, then the Lessee shall pay (or cause to be paid) same no later than the due date thereof, and the Base PILOT, if any, due and payable for the same Tax Year shall be reduced by the pro-rated portion of the tax bill attributable to the period after the initial conveyance to Lessor.

(d) Targeted Employment Clawback Penalty. The Base PILOT has been negotiated by and between the Lessor and the Lessee as an incentive to encourage the development of the Project, and to create and retain the Targeted Employment during the Incentive Period. In consideration of that agreement to maintain Targeted Employment, the Lessor and Lessee have structured this Lease Agreement in a manner that exempts the Project from *ad valorem* taxation. In order to protect the benefits being received by the Parish in terms of jobs and payroll, Lessee agrees that it will report to the Lessor by December 31 of each year of the Incentive Period (or the next succeeding business day), commencing no later than December 31, 2029, as part of the annual reporting form attached hereto as Exhibit C, the Actual Employment for the one-year period ending on September 30 of each year. If it is determined that Actual Employment was less than the Targeted Employment for the applicable period by less than twenty-five (25) jobs, but Actual Payroll met or exceeded the Payroll Base, no Clawback Penalty (defined below) shall be due.

However, if it is determined (i) that the Actual Employment was less than the Targeted Employment for the applicable period by twenty-five (25) or more jobs or the Actual Employment was less than the Targeted Employment for the applicable period by less than twenty-five (25) jobs and the Actual Payroll was less than the Payroll Base, the Lessee shall pay (or cause to be paid) by such January 31 of the following year, an amount of additional funds as a “**Clawback Penalty**” which payment shall be made in arrears with respect to the one (1) year period ending on the proceeding September 30 equal to:

(i) the amount of Annual PILOT Savings for such calendar year divided by the Targeted Employment for such year, multiplied by:

(ii) the shortfall in Actual Employment for the calendar year.

To illustrate, if in calendar year 2030 the Annual PILOT Savings (as calculated and reported on the annual reporting form attached hereto as Exhibit C) were to be \$336,366, with an Actual Payroll of \$4,000,000, and the Targeted Employment is 75, then the penalty amount per shortfall job would be \$4,484.88 ($\$336,366 \div 75$); therefore, if the Actual Employment in

the one (1) year period ending September 30, 2030, was only 70, the shortfall would be 5 such that the Targeted Employment Clawback Penalty payable on or before January 31, 2031, would be \$22,424.40 (\$4,484.88 x 5).

If, in the above example the Actual Payroll was \$5,000,000, no Clawback Penalty would be due as the Actual Payroll would exceed the Payroll Base and the Actual Employment was less than the Targeted Employment by less than 25 jobs.

To further illustrate, if in calendar year 2031 the Annual PILOT Savings (as calculated and reported on the annual reporting form attached hereto as **Exhibit C**) were to be \$336,366, with an Actual Payroll of \$5,000,000 and the Targeted Employment is 75, then the penalty amount per shortfall job would be \$4,484.88 ($\$336,366 \div 75$); therefore, if the Actual Employment in the one (1) year period ending September 30, 2031, was only 45, the shortfall would be 30 such that the Targeted Employment Clawback Penalty payable on or before January 31, 2032, would be \$134,546.40 (\$4,484.88 x 30). Even though the Actual Payroll exceeds the Payroll Base, the Actual Employment was less than the Targeted Employments by 25 or more jobs, therefore the Clawback Penalty is due.

In no event shall the Clawback Penalty payments described in this Section exceed the Annual PILOT Savings for the year in question. In no event shall the foregoing calculation result in any abatement of amounts due by the Lessee, as in the case of a year in which Total Employment is in excess of the targeted amounts, nor shall any recoupment of Clawback Penalty be available in any subsequent year in which employment goals are exceeded.

(e) Annual Administrative Fee Payment. In addition to other amounts due and payable hereunder, the Lessee shall, on or before December 1 of each year, commencing the year of the conveyance of the Project, or a substantial portion thereof, to the Lessor, for a period of ten (10) years, pay the “**Annual Administrative Fee Payment**” equal to 1/10th of 1% of the Capital Cost of the Project; provided that in the event this Lease Agreement is terminated prior to December 1 of any given year, Lessee shall pay the Annual Administrative Fee Payment due for such year on or before the date of such termination. No Annual Administrative Fee Payment shall be due until the Project, or a substantial portion thereof, is transferred to Lessor pursuant to this Lease Agreement; provided, however the Annual Administrative Fee Payment shall begin no later than December 1, 2029.

(f) Supplemental Payments. The Lessee shall make the following additional payments to Lessor:

(i) Costs of Enforcement. In the event the Lessee defaults under any of the provisions of this Lease Agreement and after providing written notice to Lessee of said default and an opportunity to cure said default as provided in Article IX below the Lessor employs attorneys or incurs other fees, charges and expenses for the collection of required payments or the enforcement of performance or observance of any obligation or agreement on the part of the Lessee contained in this Lease Agreement, the Lessee on demand therefor shall pay to the Lessor the reasonable and documented fees and out of pocket expenses of such attorneys and such other reasonable fees and out of pocket charges and expenses so incurred by the Lessor. The Lessee also shall pay, and shall indemnify the Lessor from and

against, all costs, expenses, and charges, including, without limitation, reasonable and documented attorney's fees, and expenses, incurred for the collection of payments due or for the enforcement or performance of any covenant or agreement of the Lessee under this Lease Agreement, whether or not any default shall have occurred.

(ii) Additional Out-of-Pocket Costs. Lessee shall pay to Lessor, upon demand, the reasonable and documented fees and out of pocket costs and expenses (including attorneys' fees) incurred by Lessor in relation to the Lessor's ownership and/or other involvement in the Project, including, but not limited to, (1) the transfer of the Project pursuant to this Lease Agreement; (2) bankruptcy of the Lessee, or any Affiliate of Lessee; (3) foreclosure of the Project; (4) winding up, merger, dissolution or other change of control of Lessee; (5) assignment and/or sublease and/or termination of this Lease Agreement; (6) any fees, permits, assessments, levies, conditions, taxes or other charges of any kind in connection with Lessor's involvement with the Project resulting from actions of the legislative, executive or judicial branches of federal, State, or local governmental bodies and/or (7) proposed and/or actual issuance of bonds.

(g) Cap on Annual Base PILOT. In no event shall the Base PILOT described in (c) above and payable with respect to any Tax Year exceed 30% of the Estimated Full PILOT in that Tax Year . At any time, and only as permitted by law, the Lessee shall have the rights to contest any assessed valuation, or determination of value, if provided by the Assessor, the same is if it were the owner of the Project; provided, however that notwithstanding the foregoing, the Lessee shall not default under its obligations under Section 4.04(c).

(h) Payments Constitute Statutory Impositions. It is hereby acknowledged and agreed that pursuant to La. R.S. 39:996, all rent and PILOT payments, together with any fees and charges of the Lessee hereunder, to the extent in the aggregate they do not exceed the amount of *ad valorem* taxes that would be paid if the Lessee were the owner of the Project, constitute statutory impositions with the same ranking, priority, and enforcement methods for *ad valorem* tax.

SECTION 4.05. Place of Payments.

Payments under Section 4.04(a), Section 4.04(b), Section 4.04(d), Section 4.04(e) and Section 4.04(f) shall be paid by the Lessee directly to the Lessor, or as otherwise may be directed by Lessor, pursuant to annual invoices issued by the PILOT Administrator to Lessee.

Base PILOT payments under Section 4.04(c) shall be paid by the Lessee directly to the Tax Collector pursuant to annual invoices issued by the PILOT Administrator to Lessee, and shall be distributed by the Tax Collector to all taxing bodies whose *ad valorem* taxes would have otherwise applied to the Project, ratably, according to their respective millage rates for the year of payment.

THE LESSEE AGREES TO PROVIDE DOCUMENTATION OF THE PAYMENT OF THE REQUIRED AMOUNT UNDER SECTION 4.04(c) TO THE TAX COLLECTOR IN ITS ANNUAL REPORT SUBMITTED TO LESSOR AND/OR ITS DESIGNEE.

SECTION 4.06. Annual Statement of Lessee; Filing of LAT Forms.

(a) No later than December 31 of every year, commencing in the year in which the Project, or any portion thereof, is conveyed to Lessor, the Lessee shall furnish the Lessor with (or shall cause the Lessor to be furnished with) an Annual Lessee Reporting Form, in substantially the form attached hereto as **Exhibit C**, providing evidence of the Lessee's payment of the Base PILOT for such year. The annual statement shall also provide evidence of payment of the Annual Administrative Fee required by Section 4.04(e) and documentation of the insurance coverages required under Section 5.04.

(b) No later than April 1 of each year, or by such other date as may be required by the Assessor, the Lessee shall prepare and furnish to the Assessor a Personal Property Tax Form, or "LAT5A Reporting Form" in the name of the Lessor, listing all elements of the Project that have been transferred to the Lessor and are required to be so reported by such date, and shall simultaneously furnish the Lessor and PILOT Administrator with a copy of such LAT5A Reporting Form and a calculation of the Base PILOT. The Lessee shall also file in its own name all applicable LAT Reporting Forms listing any of its other property that is required to be so reported in Rapides Parish but shall not furnish the latter form to the Lessor or PILOT Administrator. The PILOT Administrator shall issue annual invoices to Lessee setting forth the Base PILOT amount due each year and direct payment of same to the Tax Collector.

SECTION 4.07. Late Payments.

In the event the Lessee should fail to make (or cause to be made) any of the payments required in Section 4.04 following any applicable notice and cure period, the item or installment so in default shall continue as an obligation of the Lessee until the amount in default shall have been fully paid and the Lessee agrees to pay (or cause to be paid) the same with interest thereon (to the extent permitted by law) until paid at the rate per annum equal to the interest charged on overdue tax obligations.

SECTION 4.08. Obligations of Lessee Hereunder Unconditional.

Except as otherwise provided herein, the obligations of Lessee to make the payments required in Section 4.04 and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional and shall not be subject to diminution by set-off, counterclaim, abatement or otherwise and until such time as the principal of and interest and any redemption premium on the Bonds, if any, shall have been fully paid or provision for the payment thereof shall have been made in accordance with an associated indenture.

The Lessee (i) will not suspend or discontinue any payments provided for in Section 4.04 hereof, (ii) will perform and observe all of its other agreements contained in this Lease Agreement and (iii) will not terminate the Lease except pursuant to the terms of Article X hereof.

Nothing contained in this Section shall be construed to release the Lessor from the performance of any of the agreements on its part herein contained; and in the event the Lessor should fail to perform any such agreement on its part, the Lessee may institute such action against the Lessor as the Lessee may deem necessary to compel performance or recover its damages for non-performance so long as such action shall not do violence to the agreements on the part of the Lessee contained in the first sentence of this Section; provided, however, that the Lessor shall not

be liable for monetary damages absent its willful breach of this Lease Agreement, willful misconduct, bad faith or fraud and in no event shall any recourse be had against the Lessor other than from the Lessor's interest in the Project. The Lessee may, however, at its own expense and in its own name or in the name of the Lessor, prosecute or defend any action or proceeding or take any other action which the Lessee deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder, and in such event the Lessor hereby agrees to cooperate fully with the Lessee and to take all action necessary to effect the substitution of the Lessee for the Lessor in any action or proceeding if the Lessee shall so request. The covenants to make all payments provided for in Section 4.04 herein shall be and are hereby agreed to be independent of any other covenant in this Lease Agreement.

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ARTICLE V

MAINTENANCE, TAXES, AND INSURANCE

SECTION 5.01. Operation, Maintenance and Modification by Lessee.

Lessee shall operate the Project in accordance with all applicable federal, State, and local laws, orders, statutes, and regulations. The Lessee agrees that during the Lease Term it will, at its own expense, maintain, operate, and keep the Project in a safe condition. The Lessee may also at its own expense, make from time to time any additions, modifications, or improvements to the Project it may deem desirable for its business purposes. Such additions, modifications and improvements including any machinery, equipment, furniture, fixtures, or other property installed by the Lessee shall become a component part of the Project within the meaning of Article 466 of the Louisiana Civil Code if such installation complies with the restrictions and limitations set forth in Section 5.01. Such additions, modifications, and improvements, including machinery, equipment, and other property, shall not become a part of the Project unless (i) they are specifically conveyed by the Lessee to the Lessor in an act of conveyance or bill of sale, or (ii) they shall become a component part of the Project within the meaning of Article 466 of the Louisiana Civil Code.

Any real or personal property, machinery, equipment, furniture, or fixtures installed by the Lessee without expense to the Lessor may be removed by the Lessee at any time and from time to time; and any damage to the Project occasioned by such removal shall be repaired by the Lessee at its discretion and at its own expense.

Lessee will, with reasonable promptness, make all structural and non-structural, foreseen, and unforeseen, and ordinary and extraordinary repairs of every kind and nature which Lessee determines in its sole discretion may be required to be made upon or in connection with the Project or any part thereof, to the extent deemed necessary by Lessee to keep and maintain the Project in good repair. Lessor shall not be required to maintain, repair, or rebuild the Project or any part thereof in any way, or to make any alterations, replacements or renewals of any nature or description to the Project or any part thereof, whether ordinary or extraordinary, structural or non-structural, foreseen or unforeseen, and Lessee hereby expressly waives any right to make repairs at the expense of Lessor, which right may be provided for in any statute or law in effect at the time of the execution and delivery hereof or of any other statute or law which may thereafter be enacted.

SECTION 5.02. Removal of Project.

The Lessor shall not be under any obligation to renew, repair or replace any item of inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary equipment, fixtures, or furnishings comprising a part of the Project. In any instance where the Lessee in its sole discretion determines that any items of the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary, the Lessee may remove such items of the Project and (on behalf of the Lessor) sell, trade-in, exchange, or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Lessor therefor.

The removal of any portion of the Project pursuant to the provisions of this Section shall not entitle the Lessee to any abatement or diminution of the payments payable under Section 4.04 hereof.

SECTION 5.03. Taxes and Other Governmental Charges and Utility Charges.

Subject to the following paragraph of this Section, the Lessee agrees to pay, as the same, respectively, become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or any structures or other property installed or brought by the Lessee therein or thereon, including, without limiting the generality of the foregoing: (a) any property taxes on machinery, equipment, inventory, and any other property belonging to the Lessee (specifically excluding any property owned by Lessor); (b) any sales and use taxes on construction materials or other property delivered to or for the Project; (c) any taxes levied upon or with respect to the income or profits of the Lessee from the Project which, if not paid, would become a lien or a charge on the revenues and receipts from the leasing of the Project; (d) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project; and (e) all assessments and charges lawfully made by any governmental body for public improvements or expenditures that may be secured by a lien on the Project (including parcel fees and service charges, if any); provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Lessee shall be obligated to pay only such installments as are required to be paid during the Lease Term. Lessor makes no representation or warranty with respect to the adequacy and/or availability of any utilities to the Project. Furthermore, Lessee shall contract directly with any and all utility providers of the Project. Lessor shall have no obligation to any such utility provider.

The Lessee may, at its expense and in its own name and behalf or in the name and behalf of the Lessor, in good faith avail itself of any and all legal means available to contest any such taxes, assessments, and other charges and, in the event of any such contest, may permit the taxes, assessments, or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom, unless by non-payment of any such items the lien of this Lease Agreement will be materially endangered or the Project, or any part thereof, will be subject to loss or forfeiture, in which event, such taxes, assessments, or charges shall be paid promptly, even if under protest, or secured by posting a bond, in form satisfactory to Lessor, with Lessor. The Lessor, at Lessee's sole cost and expense, will cooperate fully with the Lessee in any such contest. In the event that Lessee shall fail to pay any of the foregoing items required by this Section to be paid by Lessee, Lessor may (but shall not be required to) pay the same, and any amounts so advanced therefor by Lessor shall become an additional obligation of Lessee to Lessor, which amounts, from the date paid, together with interest thereon (to the extent permitted by law) until paid at a rate equal to ten percent (10%) per month, the Lessee agrees to pay.

The *ad valorem* tax exemption on the Project is a result of the title to the Project being in the name of the Lessor, as provided for by the Act and Lessor has agreed to pass those savings along to the Lessee subject to the payments provided for in Section 4.04.

SECTION 5.04. Insurance Required.

(a) Throughout the Lease Term, the Project shall be considered an asset of the Lessee for the purpose of its insurance practices, and, as such, the Project and the Lessee's activities related thereto shall be insured by the Lessee against such risks and in such amounts as are consistent with the insurance practices of the Lessee (as applicable), except as otherwise provided in paragraph (b), and subject to the terms and requirements of any senior mortgage. Furthermore, though the Project will be owned by Lessor, Lessee agrees and acknowledges that Lessor has no obligation to insure any part of the Project against any dangers, including, but not limited to flood, fire and/or other casualty. Lessee shall procure and maintain flood, fire, and other casualty insurance on the Project from companies licensed as regulated insurers in the State and with reasonable limits. Lessor shall be an additional insured under such policies.

(b) Lessee shall provide and maintain, at its sole cost and expense, comprehensive public liability insurance, protecting against claims for bodily injury, death and/or Project damage arising out of the use, ownership, occupancy, possession, operation, and condition of the Project. The policy shall provide coverage of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Lessee shall be required to provide a certificate of insurance to the Lessor evidencing such coverages. Lessee has and shall maintain an excess policy in the amount of \$10,000,000, and the Lessee's excess liability insurance may cover any of these limits. Contemporaneously with the Act of Conveyance, Lessee shall provide a certificate of insurance to the Lessor evidencing such coverages. Lessor shall be an additional insured under such policies. Additionally, Lessee shall also provide and maintain, at its sole cost and expense, Worker's Compensation insurance as required by applicable law. All of the policies in this Section 5.04 shall contain an agreement by the insurer not to cancel or amend the policies without giving Lessee or an additional named insured at least thirty (30) calendar days' prior written notice of such insurer's intention to do so, except in the case of non-payment, in which case, at least ten (10) calendar days' prior written notice shall be required.

SECTION 5.05. Additional Provisions Respecting Insurance.

In lieu of separate policies, the Lessee may maintain blanket policies having the same coverage required herein. Neither the insurance required by Section 5.04, nor any other insurance carried by Lessee or any of its Affiliates, shall be a limitation on Lessee's liability under this Lease Agreement.

SECTION 5.06. Environmental Matters.

The Lessee shall keep and maintain the Project in compliance with, and shall not knowingly cause or permit the Project to be in violation of, any federal, State, or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions ("**Hazardous Materials Laws**") on, under, about, or affecting the Project. Except in full compliance with Hazardous Materials Laws, the Lessee shall not use, generate, manufacture, store, or dispose of on, under or about the Project or transport to or from the Project any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of "**hazardous substances**,"

“hazardous wastes,” “hazardous materials,” or “toxic substances” under any applicable federal or State laws or regulations (collectively referred to herein as ***“Hazardous Materials”***).

As between the Lessor and the Lessee, the Lessee shall be solely responsible for, and shall defend, indemnify, and hold harmless the Lessor from and against, any loss, damage, costs, expense, or liability, directly or indirectly, arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal, or presence of Hazardous Material on, under or about the Project, including without limitation: (i) all foreseeable consequential damages; (ii) the cost of any required or necessary repair, clean-up or detoxification of the Project, and the preparation and implementation of any closure, remedial, or other required plans; and (iii) all reasonable costs and expenses incurred by the Lessor in connection with clauses (i) and (ii), including but not limited to reasonable attorney’s fees; provided, however that Lessee shall have no indemnity obligations under this Section to the extent such losses, damages, costs, expenses or liabilities are directly caused by the gross negligence or willful misconduct of the Lessor, its agents, officers, employees, principals, or invitees. The Lessee shall, at its expense, take (or cause to be taken) all necessary remedial action(s) that it deems appropriate in response to the presence of any Hazardous Material on, under, or about the Project.

The said release and indemnification covenants of the Lessee shall (i) apply equally to the officers, employees, and counsel of the Lessor, PILOT Administrator, counsel to the PILOT Administrator, and to the respective boards of the Lessor and PILOT Administrator, and (ii) shall survive termination of this Lease Agreement. In connection with the indemnification provided by this section, the Lessee waives:

- (a) any defense based upon any legal disability or other defense of the Lessee, any other guarantor or other person, or by reason of the cessation or limitation of the liability of Lessee from any cause other than full payment of all sums payable under this Lease Agreement;
- (b) any defense based on any lack of authority of the officers, directors, partners, managers, members or agents acting or purporting to act on behalf of the Lessee or any principal of the Lessee, or any defect in the formation of the Lessee or any principal of the Lessee;
- (c) any defense based upon the application of the proceeds of the any bonds by Lessee for purposes other than the purposes represented by the Lessee to the Lessor;
- (d) any and all rights and defenses arising out of an election of remedies by Lessor, even though that election of remedies has destroyed the Lessee's rights of subrogation or reimbursement against the principal;
- (e) any defense based upon Lessee's failure to disclose to the Lessor any information concerning Lessee's financial condition or any other circumstances bearing on Lessee's ability to perform its obligations under this Lease Agreement;
- (f) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in any other respects more burdensome than that of a principal;

- (g) any defense based upon an election, in any proceeding instituted under the Federal Bankruptcy Code, of the application of Section 1111(b)(2) of the Federal Bankruptcy Code or any successor statute;
- (h) any defense based upon any borrowing or any grant of a security interest under Section 364 of the Federal Bankruptcy Code;
- (i) any right of subrogation, any right to enforce any remedy which Lessor may have against Lessee and any right to participate in, or benefit from, any security for the Bonds now or hereafter held by or for the Lessor;
- (j) presentment, demand, protest and notice of any kind; and
- (k) to the maximum extent allowable under applicable law, the benefit of any statute of limitations affecting the liability of the Lessee hereunder or the enforcement hereof.

The Lessee agrees that payment or performance of any act which tolls any statute of limitations (or prescriptive period) applicable to any Bonds shall similarly operate to toll the statute of limitations (or prescriptive period) applicable to the Lessee's liability hereunder.

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ARTICLE VI

DAMAGE, DESTRUCTION AND CONDEMNATION

SECTION 6.01. Damage and Destruction.

The net proceeds of any casualty insurance with respect to the Project shall be paid to and used as determined by the Lessee.

- (a) If the Project is damaged in whole or in part by fire, explosion, or any other casualty, the Lessee is entitled to terminate this Lease Agreement in the manner set forth in Article X below.
- (b) If the Project is damaged in whole or in part by fire, explosion, or any other casualty, and the Lessee does not elect to terminate this Lease Agreement, then the Lessee may, in its sole discretion, commence to restore the Project with such changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Lessee, provided that any enlargement of the original scope of the Project shall not be subject to this Lease Agreement without the prior approval of the Board of Commissioners of the Lessor. All such restorations and replacements shall be considered part of the Project as of such time as title to the same shall have been duly and legally transferred to the Lessor.
- (c) If the Project is damaged in part and Lessee elects not to terminate this Lease Agreement pursuant to Article X below and elects not to rebuild pursuant to subsection (b) above, then ownership of only the damaged portions of the Project will be conveyed by the Lessor to the Lessee, and the Lessee agrees to accept the transfer of such ownership.

SECTION 6.02. Condemnation.

In the event that title to, or the temporary use of, the Project or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Lessee shall be obligated to continue to make the payments specified in Section 4.04 hereof, provided that the amounts set forth therein shall be reduced proportionally based on the percentage of the Project so taken. The net proceeds of any condemnation with respect to the Project shall be applied in the same manner as net proceeds of insurance in accordance with Section 6.01 above.

If at any time during the term of this Lease Agreement title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation, or the right of eminent domain, or by voluntary transfer under threat of such taking, or if title to a portion of the Project is taken and renders continued occupancy of the Project commercially infeasible in the judgment of the Lessee, then the Lessee may terminate this Lease Agreement as of the time of vesting of title by sending written notice to the Lessor within a reasonable period of time following such vesting.

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ARTICLE VII

SPECIAL COVENANTS; FINANCIAL STATEMENTS

SECTION 7.01. No Warranty of Peaceful Possession, Condition or Suitability by the Lessor.

As this Lease Agreement is part of a sale-leaseback transaction, Lessee hereby waives the warranty of peaceful possession as set forth in La. C.C. art. 2700, except as to any breach of such warranty arising from the acts of Lessor. Lessee hereby releases Lessor from any and all damages, costs, and/or expenses incurred by Lessee with respect to its peaceful possession of the Project, except for those damages, costs, and/or expenses incurred by Lessee with respect to a breach of its peaceful possession of the Project arising from the acts of Lessor. Furthermore, the Lessor makes no warranty, either expressed or implied, as to the condition of the Project or that it will be suitable for the Lessee's purposes or needs.

IN ACCORDANCE WITH LA CC ART 2699, LESSEE HEREBY WAIVES THE WARRANTY FOR VICES AND DEFECTS SET FORTH IN LA CC ART 2696 TO THE FULLEST EXTENT ALLOWED BY LAW, AND BY INITIALING BELOW, LESSEE ACKNOWLEDGES THAT THIS WAIVER HAS BEEN BROUGHT TO ITS ATTENTION.

Lessee's Initials: _____

SECTION 7.02. Verification of Reports and Documentation.

To the extent that the Lessor has questions about the data supplied by the Lessee in any report, filing, or other document provided under this Lease Agreement, the parties will engage in good faith efforts to resolve such questions and, upon the Lessor's reasonable request, the Lessee will furnish back-up documentation reasonably sufficient to verify the accuracy and completeness of any report, filing, or other document, and to demonstrate the manner in which such items or their contents were calculated or prepared. If, notwithstanding the good faith efforts of the parties to resolve any questions concerning such items, the parties are unable to resolve such issues, the Lessor's independent third-party certified public accountant who is reasonably acceptable to the Lessee (any such independent third-party accountant to be retained on a non-contingency fee basis), may examine and audit such books and records of the Lessee relating to the Project as are reasonably sufficient to verify the accuracy of such items. Any such audit must: (i) not be disruptive to the Lessee's business and must take place at a mutually agreed time during normal business hours; (ii) only cover statements rendered since the last audit conducted by the Lessor (if any); (iii) take place on at least thirty (30) days' prior written notice; (iv) be completed within thirty (30) days from commencement; and (v) be conducted by the Lessor alone and not in conjunction or cooperation with any other party. The Lessor agrees that any information learned or disclosed in connection with any such audit is confidential information of the Lessee and shall not be disclosed or used by the Lessor except as expressly authorized herein. In the event the Lessor's audit reveals a discrepancy, the parties will cooperate in good faith to address and resolve such discrepancy. The Lessor will be solely responsible for reasonable costs of any audit it

conducts, provided that Lessee has not breached any obligation under Section 7.02 to provide data or documentation to Lessor. Information, documents, and materials that do not constitute public records under the Louisiana Public Records Act ("**LPRA**") or are exempt from disclosure under the LPRA learned by the Lessor's auditor in connection with any such audit shall be treated as confidential information of the Lessee, and the Lessor agrees to maintain the confidentiality of such information to the maximum extent permitted by applicable law. The Lessor, pursuant to the requirements of the LPRA, shall provide the Lessee prior written notice of any LPRA request for information and the opportunity to contest any disclosure, and shall reasonably cooperate with the Lessee in connection with the foregoing. Consistent with the provisions of the LPRA, the Lessee shall not be required to disclose, permit the inspection of or examination of, or discuss, any document, information, or other matter that; (a) constitutes trade secrets or proprietary information; (b) in respect of which disclosure is prohibited by law or any binding agreement; or (c) is subject to attorney-client or similar privilege, employee privacy or constitutes attorney work product.

SECTION 7.03. Qualification in the State.

The Lessee warrants that it is, and throughout the Lease Term it will continue to remain in existence and will remain in good standing and qualified to do business under the laws of the State.

SECTION 7.04. Indemnification by Lessee.

The Lessee shall indemnify and save harmless the Lessor and its past, present and future officers, directors, trustees, employees, contractors and agents and any person who "**controls**" the Lessor within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20(a) of the Securities Exchange Act of 1934, as amended (each, an "**Indemnified Party**"), from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses, including reasonable attorneys' fees (collectively, "**Damages**") in connection with third party claims related to or arising out of or in connection with the Project or the transactions contemplated by this Lease Agreement, including, but not limited to, the environmental indemnifications given in Section 5.06 above, and requests made under the LPRA and responded to in compliance with the LPRA and Section 7.02, and including without limitation with respect to such third party claims:

- (a) all amounts paid in settlement of any litigation in connection with the Project, this Lease Agreement or the transactions to be consummated in connection therewith, commenced or threatened against any Indemnified Party if such settlement is effected with the written consent of the Lessee,
- (b) all expenses reasonably incurred, after reasonable notice provided to the Lessee, in the investigation of, preparation for or defense of any litigation, proceeding or investigation in connection with the Project, this Lease Agreement, or the transactions to be consummated in connection therewith, of any nature whatsoever, commenced or threatened against the Lessee, the Project, or any Indemnified Party,
- (c) any judgments, penalties, fines, damages, assessments, indemnities, or contributions after reasonable notice provided to the Lessee, and

(d) the reasonable fees of attorneys, auditors, and consultants after reasonable notice provided to the Lessee.

Without limiting the generality of the foregoing, the indemnity obligations of Lessee shall include, but not be limited to, Damages arising out of or in connection with: (a) injuries, including death, to persons, or damage to or destruction of property, sustained or alleged to have been sustained in connection with or arising out of, or incidental to, or in any way connected with, this Lease Agreement and/or the operation of the Project; (b) breach of contract claims, alleging a breach of a contract by Lessee, including, but not limited to, any loan agreement, security agreement, Leasehold Mortgage, other financing documents, vendor agreements and/or construction documents, in each case related to the Project; (c) workers' compensation benefits and medical expenses under the Louisiana Workers' Compensation Statutes, specifically including any penalties or fines for retaliatory discharge (whether a retaliatory discharge claim is deemed to arise under workers' compensation or general tort or contract law); (d) any actions of the legislative, executive, or judicial branches of federal, State or local governmental bodies that impose upon Lessor any fees, permits, assessments, levies, conditions, taxes, or other charges of any kind in connection with Lessor's involvement in the Project, (e) any actions taken by Lessee to contest the taxes, assessments or other charges against the Project, and/or (f) any failure by Lessee or any of its Affiliates to comply with any applicable Federal, State or local laws, ordinances, rules or regulations.

The indemnity and defense obligations owed hereunder are not to be diminished in any instance by the negligence (except gross negligence) of Lessor or any director, officer, employee, trustee, servant or agent of Lessor, or any strict liability of such Person.

The foregoing notwithstanding, Damages shall specifically exclude matters arising from the gross negligence, willful misconduct, bad faith, or fraud of any Indemnified Party or for matters which the Lessee was not given the timely opportunity to contest. In case any action shall be brought against any Indemnified Party in respect of which indemnity may be sought against Lessee, the Indemnified Party shall promptly notify the Lessee in writing. Further, notwithstanding anything to the contrary in this Lease Agreement, neither the Lessee nor any of its Affiliates, shall be liable for any indirect, reliance, exemplary, incidental, speculative, punitive, special, consequential, or similar damages that may arise in connection with this Lease Agreement.

If any action, suit, or proceeding is brought against any Indemnified Party for Damages for which the Lessee is required to provide indemnification under this section, the Lessee, upon request, shall have the right at its own expense to resist and defend such action, suit, or proceeding, or cause the same to be resisted and defended by counsel designated by the Lessee. The Lessee shall not be liable for any settlement of any such action, suit, or proceeding made without its written consent, but if settled with the consent of the Lessee or if there be a final judgment for the plaintiff in any such action, the Lessee shall indemnify and hold harmless the Indemnified Parties from and against any Damages by reason of such settlement or judgment. The obligations of the Lessee under this Section shall survive the Lease Term.

SECTION 7.05. Waiver and Release.

Lessee acknowledges that an owner's title policy in the name of Lessor is unnecessary for the Project. Furthermore, Lessee hereby waives and releases Lessor from any and all damages, costs and/or expenses incurred by Lessee with respect to any defect in the title to the Project. The parties hereto agree that Lessor shall have no liability for title to the Project except to the extent any defect in the title to the Project is caused by Lessor.

SECTION 7.06. Reserved.

SECTION 7.07. Title to Project.

At all times during the Lease Term: (a) the Project shall be owned by Lessor, subject to the leasehold interest of the Lessee under this Lease; (b) Lessee alone shall be entitled to all of the tax attributes of ownership, including, without limitation, the right to claim depreciation or cost recovery deductions, and the right to claim any and all applicable federal and State tax credits, and (c) Lessee shall have the right to amortize capital costs and to claim any other federal or State tax benefits attributable to the Project. The Lessor covenants and agrees that depreciation expenses, or cost recovery deductions, other tax deductions and tax credits, with respect to the Project shall be made available solely to the Lessee, and the Lessor will reasonably cooperate with the Lessee, at Lessee's sole cost and expense, in any effort by the Lessee to avail itself of any such depreciation expenses, other tax deductions or tax credits, but the Lessor does not warrant or guarantee to Lessee any tax attributes of any kind whatsoever, and shall have no responsibility or liability for failure of the Lessee to receive any such expenses, deductions, or credits.

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ARTICLE VIII

ASSIGNMENT; SUBLEASING; SELLING; MORTGAGING; REDEMPTION

SECTION 8.01. Assignment, Transfer, Dissolution, Consolidation, or Merger by the Lessee.

During the Lease Term, the Lessee may assign this Lease Agreement to an Affiliate, dissolve or otherwise dispose of all or substantially all of its assets, consolidate with or merge into another corporation, limited liability company, or partnership or permit one or more other corporations, limited liability companies, or partnerships to consolidate with or merge into it, or sell or otherwise transfer to another corporation, limited liability company, partnership or other entity all or substantially all of its assets as an entirety and thereafter dissolve without the consent of the Lessor, provided the surviving, resulting, or transferee corporation, limited liability company, partnership, as the case may be, (i) must be a corporation, limited liability company, partnership, or other entity organized and fully existing under the laws of one of the States of the United States of America and must be authorized to do business in the State; (ii) must irrevocably and unconditionally assume by means of an instrument in writing in form and substance reasonably satisfactory to the Lessor all of the obligations of the Lessee herein arising from and after the date of such assignment, particularly but not limited to Section 11.18 herein; and (iii) must have the financial wherewithal to reasonably meet the obligations of Lessee outlined herein as determined by the Lessor or a third party accounting firm with expertise in performing such analyses, chosen by the Lessor and acceptable to Lessee, which acceptance by Lessee shall not be unreasonably withheld. Upon consummation of any such disposition, transaction, transfer, or assignment, the Lessee shall be automatically released from this Lease Agreement and its obligations hereunder.

SECTION 8.02. Joint Ventures and Other Financing Arrangements.

It is expressly understood and agreed to by the parties hereto that this Lease Agreement shall not prevent the Lessee from engaging in any other business, joint venture, undertaking, or other commercial or investment activity individually or with others without the consent of the Lessor.

SECTION 8.03. Assignment and Subleasing.

(a) The Lessee may sublease the Project, as a whole or in part, without the consent of the Lessor (each, a ***“Sublease”***). For the avoidance of doubt, this shall include leases entered into by Lessee prior to the date hereof. No Sublease shall relieve the Lessee from primary liability for any of its obligations hereunder, and in the event of any such Sublease, the Lessee shall continue to remain primarily liable for payment of the payments specified in Section 4.04 hereof and for the payment, performance, and observance of the other obligations and agreements on its part herein provided to be performed and observed by it. At no time shall any tenant under a Sublease (each, a ***“Subtenant”***) be deemed to have assumed any obligations of the Lessee hereunder, provided that the Lessor shall have the right, at any time and from time to time, to notify any Subtenant of the rights of the Lessor as provided by this Section. Notwithstanding the foregoing, however, the Lessor hereby agrees that it shall accept from any Subtenant (as hereinafter defined)

the payment and performance of any obligations of the Lessee hereunder as if the same has been paid and/or performed (as the case may be) by the Lessee directly. The Lessor, at the request of the Lessee, shall enter into a non-disturbance agreement with any Subtenant of the Project recognizing its rights and benefits under its sublease so long as the terms and conditions thereof do not conflict with this Lease Agreement. Such non-disturbance agreement shall provide, in addition to such other provisions as are reasonably requested by the Subtenant, that:

- (i) The Sublease is permitted under this Lease Agreement.
- (ii) Provided the Sublease remains in full force and effect and Subtenant is not in default under the Sublease (beyond any applicable notice and cure periods afforded the Subtenant to cure the default), then:

- (A) Lessor shall recognize the Sublease and shall not disaffirm the Sublease even if this Lease Agreement expires or is terminated. The Subtenant's right of possession to the subleased premises under its Sublease and the Subtenant's other rights, duties and obligations arising out of the Sublease shall not be disturbed, modified, enlarged, or otherwise affected by the Lessor or by any person or entity which shall have acquired rights through or under the Lessor in the exercise of its rights or in the performance of its obligations or in any other manner under this Lease Agreement. Further, the Subtenant shall not be named as a party defendant in any proceedings resulting from a default of the Lessee under this Lease Agreement nor in any other way be deprived of its rights under the Sublease.

- (B) In the event that the Lessor exercises any of its remedies in the event of a default by the Lessee, as provided for in this Lease Agreement, the Sublease shall not be terminated or affected by the default or action of the Lessor or the Lessee or both. The Subtenant covenants and agrees to attorn to the Lessor as its new lessor if the Lessee's rights under this Lease Agreement are terminated, and the Sublease shall continue in full force and effect as a direct lease between the Subtenant and the Lessor.

(b) In addition, this Lease Agreement may be assigned by the Lessee without the necessity of obtaining the consent of the Lessor, subject, however, to each of the following conditions:

- (i) No assignment (other than pursuant to Section 8.01 above and Section 8.03(b)(iv) below hereof) shall relieve the Lessee from primary liability for any of its obligations hereunder, and in the event of any such assignment the Lessee shall continue to remain primarily liable for all payments specified in Section 4.04 hereof and for performance and observance of the other agreements on its part herein provided to be performed and observed by it, except as provided in Section 8.03(b)(iv) below;
 - (ii) The assignee shall assume all of the obligations of the Lessee hereunder;

(iii) The Lessee shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Lessor a true and complete copy of each such assignment; and

(iv) In the event the assignee meets the following three (3) criteria: (i) is a corporation, limited liability company, partnership, or other entity organized and fully existing under the laws of one of the States of the United States of America and must be authorized to do business in the State; (ii) irrevocably and unconditionally assumes by means of an instrument in writing in form and substance reasonably satisfactory to the Lessor all of the obligations of the Lessee under this Lease Agreement; and (iii) has the financial wherewithal to reasonably meet the obligations of Lessee outlined herein as determined by the Lessor or a third party accounting firm with expertise in performing such analyses, chosen by the Lessor and acceptable to Lessee, which acceptance by Lessee shall not be unreasonably withheld, then, upon consummation of any such assignment, the assignor Lessee shall be released, to the extent of its assigned obligations, in full from this Lease Agreement and all of its obligations hereunder, without obtaining consent or acknowledgment by Lessor. Notwithstanding any release of the Lessee under this Section 8.03(b)(iv), if any assumption upon which such release was conditioned is at any time held to be void, voidable, or unenforceable, or is avoided, rescinded, set aside, or required to be returned or disgorged in connection with any bankruptcy, insolvency, reorganization, receivership, or similar proceeding of the surviving, resulting, or transferee entity, then the obligations of the Lessee so released shall automatically be reinstated as if no such release had occurred.

SECTION 8.04. Transfer of Lessor's Interest in Project.

Subject to the provisions of Articles IX and X hereof, the Lessor agrees that it will not sell, assign, convey, encumber, or otherwise dispose of any part of the Project or any interest therein during the Lease Term. If the laws of the State at the time shall permit such sale, assignment, transfer, or conveyance to be taken, nothing contained in this Section shall prevent the consolidation of the Lessor with, or merger of the Lessor into, or transfer of title to the Project in its entirety to, any public entity whose property and income are not subject to taxation and which has authority to carry on the business of owning and leasing the Project; provided, that upon any such consolidation, merger or transfer, the Project shall remain exempt from *ad valorem* taxes and due and punctual payment of all amounts due and payable hereunder and the due and punctual performance and observance of all the contracts and conditions of this Lease Agreement to be kept and performed by the Lessor, shall be expressly assumed in writing by the entity resulting from such consolidation or surviving such merger or to which the Project shall be transferred in its entirety. Any such transfer shall be subject to all existing liens and encumbrances affecting the Project.

SECTION 8.05. Prepayment of Payments.

To the extent payments can be calculated in advance, there is expressly reserved to the Lessee the right, and the Lessee may choose at any time and in its sole discretion, to prepay all or any part of the amounts payable under Section 4.04 hereof, provided that the Lessee shall be

entitled to a *pro rata* rebate of such advance payments for any period after this Lease Agreement is validly terminated in accordance with the terms hereof.

SECTION 8.06. Installation of Lessee's Own Machinery and Facilities; Landlord's Lien Thereon.

The Lessee may, from time to time in its sole discretion and at its own expense, install additional machinery and equipment at the site of the Project. Any such machinery and equipment so installed by the Lessee shall not constitute part of the Project unless ownership of same shall have been specifically conveyed in writing to the Lessor, or unless it shall become a component part of the Project within the meaning of Article 466 of the Louisiana Civil Code.

Any machinery and equipment owned by the Lessee may be modified or removed by the Lessee at any time. Nothing contained in the preceding provisions of this Section shall prevent the Lessee from purchasing such machinery and equipment on conditional sale contract or lease sale contract or subject to vendor's lien or purchase money mortgage, as security for the unpaid portion of the purchase price thereof, and each such conditional sale contract, lease sale contract, vendor's lien or purchase money mortgage made by the Lessee with respect to machinery and equipment purchased by it under the provisions of this Section shall be prior and superior to any landlord's lien. Further, any rights or liens of the Leasehold Lender (as defined below) in and to such machinery and equipment shall also be prior and superior to any landlord's lien. Lessee agrees to pay, unless in good faith contested by it, as due the purchase price of any and all costs and expenses with respect to the acquisition and installation of any machinery and equipment installed by it pursuant to this Section.

SECTION 8.07. Leasehold Mortgages.

Lessee shall have the right to grant a fee simple mortgage or mortgages prior to the conveyance of the Project by the Lessee to the Lessor, without notice to or consent of the Lessor and the Lessor acknowledges that any such mortgage(s) shall remain a lien on the fee simple interest in the Project notwithstanding such conveyance, and that this Lease Agreement and the Lessor's interest in the Project shall be and remain subordinate to such mortgage(s) provided that nothing in this Section subordinates to any such mortgage any payment due to the Lessor under Section 4.04 of this Lease Agreement.

After the conveyance of the Project by the Lessee to the Lessor, Lessee shall also have the right to grant leasehold mortgages and/or collateral assignments of this Lease Agreement (collectively, "***Leasehold Mortgage***") in favor of leasehold lenders of Lessee, or their successors and assigns ("***Leasehold Lender***"), without notice to or consent of the Lessor, and in such event, the Lessor agrees that upon the request of the Lessee it will subordinate this Lease Agreement to such Leasehold Mortgage. In addition, the following provisions shall apply (automatically and without further consent or action of the Lessor or the Lessee) with respect to each Leasehold Mortgage:

(a) Any Leasehold Lender under any note or loan secured by a Leasehold Mortgage or collateral assignment of lease on Lessee's interest (or any successor's interest to Lessee's interest), or any designee of such Leasehold Lender, who succeeds to such interest by foreclosure, deed-in-

lieu of foreclosure, or otherwise, may take title to and shall have all of the rights of Lessee under this Lease Agreement, including the right to exercise any renewal option(s) or purchase option(s) set forth in this Lease Agreement, and to assign this Lease Agreement as permitted herein.

(b) Lessor shall deliver to the Leasehold Lender (at the address specified herein, or at such other address as shall be designated in writing to Lessor) a copy of any default or termination notice given by Lessor to Lessee under this Lease Agreement. No default or termination notice from Lessor to Lessee shall be deemed effective as against Leasehold Lender unless received by Leasehold Lender.

(c) If Lessee defaults on any monetary obligations under this Lease Agreement, Lessor will accept a cure thereof by the Leasehold Lender within sixty (60) days after Leasehold Lender's receipt of written notice of such default. For non-monetary defaults, Lessor will not terminate this Lease Agreement for so long as the Leasehold Lender is diligently pursuing a cure of the default, and if curing such non-monetary default requires possession of the Project, then Lessor agrees to give the Leasehold Lender a reasonable time to obtain possession of the Project and to cure such default. Upon foreclosure of the Leasehold Mortgage, Lessor waives any non-monetary defaults of Lessee that are not reasonably susceptible to being cured by Leasehold Lender.

(d) This Lease Agreement may not be amended, modified, surrendered, terminated, or cancelled without the prior written consent of Leasehold Lender provide that notice of the existence of Leasehold Lender was provided to Lessor within a reasonable amount of time from the execution of the Leasehold Mortgage. Any amendment to or modification, cancellation or termination of this Lease Agreement without Leasehold Lender's prior written consent shall not be binding on Leasehold Lender.

(e) To the extent allowed by applicable law, if this Lease Agreement is terminated for any reason, or otherwise rejected in bankruptcy, Lessor will enter into a new lease with Leasehold Lender (or its designee) on the same terms as this Lease Agreement, if the Leasehold Lender pays all past due amounts under this Lease Agreement within thirty (30) days of notice of such termination.

(f) Lessor hereby agrees that all right, title and interest of the Lessor in and to any collateral encumbered by the Leasehold Mortgage (expressly excluding any and all payments due to Lessor from Lessee under this Lease) is hereby subordinated and made subject, subordinate and inferior to the lien and security interest of the Leasehold Mortgage, which subordination shall remain in effect for any modifications or extensions of the Leasehold Mortgage.

(g) Lessor hereby consents to present or future Leasehold Mortgages encumbering the leasehold title of Lessee and all movable property of Lessee located on the Project. The Lessor further acknowledges and agrees that Leasehold Lender's encumbrance of such property shall not constitute a default under this Lease Agreement, and Leasehold Lender has the right of access to the Project and can remove the movable property from the Project, as provided in the Leasehold Mortgage.

(h) In the event of any conflict between the provisions of this Lease Agreement and the provisions of the Leasehold Mortgage with respect to application of casualty and condemnation proceeds, the provisions of the Leasehold Mortgage shall control.

(i) Within twenty (20) days after request by Leasehold Lender, from time to time made, Lessor will execute and deliver to Leasehold Lender or to such other person or entity as may be specified by Leasehold Lender an estoppel certificate containing such information concerning this Lease Agreement as Leasehold Lender may reasonably request.

(j) The Lessee's purchase option described in Article X hereof is subordinate to Leasehold Lender's security interest in the Project, and the exercise of the option to purchase will not operate to defeat, render invalid, or extinguish Leasehold Lender's lien on the Project.

(k) Notwithstanding anything to the contrary set forth in this Lease Agreement (including, without limitation, Article III hereof), without the express prior written consent of Leasehold Lender, Lessor shall not (a) issue any Bonds under this Lease Agreement or otherwise in connection with the Project, or (b) enter into any indenture in connection with the Project.

Provided that, any subordination agreement with a Leasehold Lender shall include language whereby such Leasehold Lender agrees and acknowledges that: (a) Lessor shall not be required to suffer, incur, accept or assume any personal liability or monetary obligations for any such financing, loans or indebtedness, or any costs or expenses thereof, or any other indebtedness or liability of Lessee; and (b) the only recourse that such Leasehold Lender shall have against Lessor under any such Leasehold Mortgage is the interest of Lessor in the Project. Furthermore, such Leasehold Lender shall release and waive any and all rights such Leasehold Lender may have against Lessor to recover any monetary damages, costs and/or expenses from Lessor with respect to such Leasehold Mortgage or any document executed therewith.

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ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

SECTION 9.01. Events of Default Defined.

The following shall be “*events of default*” under this Lease Agreement and the terms “*event of default*,” or “*default*” shall mean, whenever they are used in this Lease Agreement, any one or more of the following events:

- (a) Failure by the Lessee to pay or cause to be paid any payment required to be paid under Section 4.04 hereof at the times specified therein, and Lessee further fails to make such payments within sixty (60) days of receipt of written notice from Lessor requesting such payments.
- (b) Failure by the Lessee to observe and perform any covenant, condition or agreement in this Lease Agreement on its part to be observed or performed, other than as referred to in subsection (a) or (d) of this Section, but including the failure to commence construction of the Project as contemplated by Section 3.01 and/or the failure to operate the Project in accordance with Section 11.18, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, is given to the Lessee by the Lessor; provided that if any such failure shall be such that it cannot be corrected within such sixty (60) day period, it shall not constitute an event of default if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected; provided further, however, that no such cure period shall ever extend beyond two hundred forty (240) days after delivery of such written notice of default.
- (c) The dissolution or liquidation of the Lessee or the filing by the Lessee of a voluntary petition in bankruptcy, or failure by the Lessee promptly to institute judicial proceedings to lift any execution, garnishment or attachment of such consequence as will impair its ability to carry on its operations at the Project, or the commission by the Lessee of any act of bankruptcy, or adjudication of the Lessee as a bankrupt, or assignment by the Lessee for the benefit of its creditors, or the entry by the Lessee into an agreement of composition with its creditors, or the approval by the court of competent jurisdiction of a petition applicable to the Lessee in any proceeding for its reorganization instituted under the provisions of the United States Bankruptcy Code, as amended, or under any similar act which may hereafter be enacted. The term “*dissolution or liquidation of the Lessee*,” as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Lessee resulting either from a merger or consolidation of the Lessee into or with another corporation or a dissolution or liquidation of the Lessee following a transfer of all or substantially all of its assets as an entity, under the conditions permitting such actions contained in Section 8.01 above hereof..

The foregoing provisions of this Section are subject to the following limitations: If by reason of *force majeure*, the Lessee is unable in whole or in part to carry out its agreements on its

part herein contained, other than the obligations on the part of the Lessee contained in Article V, Section 4.04, and Section 7.04 hereof, the Lessee shall not be deemed in default during the continuance of such liability. The term “*force majeure*” as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States, the State, the Parish, the District, or any of their respective departments, agencies, or officials, or any civil or military authority; insurrections; riots; pandemics; epidemics; landslides; lightning; earthquake; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Lessee.

In the event by reason of *force majeure*, Lessee is unable to comply with the Targeted Employment requirements in Section 4.04 of this Lease Agreement then, at Lessee’s option, Lessee’s time period to meet the Targeted Employment requirements shall be extended by the length of time equal to the time period Lessee was unable to meet such requirements as a result of the force majeure event. If the *force majeure* event extends beyond one hundred twenty (120) days, the Lessee shall provide quarterly reports to the Lessor with the status of the *force majeure* event, how the *force majeure* event is prohibiting the Lessee from reaching the Targeted Employment requirements, and the efforts Lessee is taking to mitigate or remedy their failure to meet the Targeted Employment requirements. The Lessee agrees, however, to use commercially reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing the Lessee from carrying out its agreements; provided, that the settlement of strikes, lockouts, and other industrial disturbances shall be entirely within the discretion of the Lessee, and the Lessee shall not be required to make settlement of strikes, lockouts, and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Lessee unfavorable to the Lessee.

SECTION 9.02. Remedies on Default

Whenever any event of default referred to in Section 9.01 hereof shall have happened and be subsisting, the Lessor, where so provided, may take any one or more of the following remedial steps:

- (a) The Lessor may attempt to collect amounts due under this Lease Agreement or to enforce the performance and observance of any other obligation or covenants of the Lessee under this Lease Agreement by mandamus or the appointment of a receiver in equity with power to charge and collect amounts due hereunder and to apply such amounts in the manner required by this Lease Agreement.
- (b) The Lessor may take whatever action at law or in equity that may appear necessary or desirable to collect the amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement, or covenant of the Lessee under this Lease Agreement.
- (c) Notwithstanding anything herein to the contrary, the Lessor may not terminate this Lease Agreement in pursuit of its remedies or as a remedy for Lessee’s default hereunder except in accordance with Section 9.03 hereof.

SECTION 9.03. Termination and Transfer upon Event of Default.

Notwithstanding the foregoing, in the event that:

- (i) any event of default shall have occurred as described in Section 9.01(a) or (b) and the Lessee shall not have cured such default within the time periods set forth in subsection (a) or (b) thereof, or
- (ii) immediately upon the occurrence of an event of default described in Section 9.01(c) or (d),

then the Lessee acknowledges that it shall be deemed to have exercised its option to terminate this Lease Agreement and purchase the Project, and the Lessee shall forthwith purchase the Project from the Lessee, if title to the Project has been transferred to the Lessor, for the purchase price set forth in Section 10.01 or such lesser purchase price as shall be acceptable to the Lessor, pursuant to an Act of Conveyance in substantially the form attached hereto as **Exhibit E**. Except as provided in Section 9.02(c), no additional notice by the Lessor shall be required other than the notice of default given pursuant to Section 9.01(a) or (b) above, and no additional notice shall be required in the case of a default under Section 9.01(c) or (d).

SECTION 9.04. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the Lessor 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 Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Lessor to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

SECTION 9.05. Agreement to Pay Attorney's Fees and Expenses.

- (a) Lessee agrees to reimburse Lessor for reasonable expenses incurred, including the employment of attorneys, in fulfilling any extraordinary and/or unforeseen obligations of Lessor.
- (b) In the event the Lessee shall default under any of the provisions of this Lease Agreement and the Lessor shall employ attorneys or incur other expenses for the collection of the rent, PILOT payments, Annual Administrative Fee Payments, penalties and/or other fees under this Lease Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the Lessee herein contained, the Lessee agrees that it will on demand therefor pay to the Lessor the reasonable fee of such attorneys and such other reasonable expenses so incurred by the Lessor.
- (c) This Section shall not require the Lessor to undertake any legal proceeding with respect to this Lease Agreement; provided, however, the Lessor does agree that the Lessee may

institute legal proceedings in the name of the Lessor, subject to prior written notice provided to Lessor, to protect its rights under this Lease Agreement.

SECTION 9.06. **No Additional Waiver Implied by One Waiver.**

In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be deemed granted hereunder, unless such waiver is in writing and signed by the party granting such waiver.

SECTION 9.07. **No Termination Without Purchase Option.**

Notwithstanding any of the foregoing to the contrary, except as may be required by Section 9.03, in no event shall Lessor exercise any authority to terminate this Lease Agreement under Section 9.03 without first providing the Lessee with written notice of its intent to terminate this Lease Agreement, and then providing the Lessee ninety (90) days thereafter in which to exercise its purchase option described in Article X hereof (and pay all amounts due in connection therewith), which shall be considered a fully-enforceable put option, in favor of Lessor, with which Lessee must comply.

SECTION 9.08. **Waiver of Jury Trial.**

THE LESSOR AND THE LESSEE HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (A) ARISING UNDER THIS LEASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY PRESENT OR FUTURE MODIFICATION HEREOF, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS LEASE AGREEMENT (AS NOW OR HEREAFTER MODIFIED) OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY PARTY TO THIS LEASE AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS LEASE AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

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ARTICLE X

OPTIONS IN FAVOR OF LESSEE

SECTION 10.01. **Options to Purchase and Terminate.**

The Lessee shall have, and is hereby granted, the option to purchase the Project from the Lessor upon payment in full of any amounts that are actually then due, owing and/or past due under this Lease Agreement at the time Lessee exercises its purchase option and, in the event of the issuance of Bonds, if any, the payment in full of the Bonds, if any, (or provision for payment thereof having been made in accordance with the provisions of the related indenture).

To exercise such option, the Lessee shall give written notice to the Lessor and shall specify therein the date of closing such purchase, which date shall be not less than forty-five (45) nor more than ninety (90) days from the date such notice is mailed. The purchase price payable by the Lessee shall be the sum of \$1,000.

In the event of the exercise of the option granted in this Section and the parties' compliance with the provisions of this Section 10.01, the Lease Term and this Lease Agreement shall be terminated.

Lessee may exercise its purchase option at any time, regardless of whether a default shall then be continuing hereunder; provided, that in the event of a monetary default, in addition to the \$1,000 purchase price, Lessee shall pay all amounts past due hereunder to the appropriate payee.

SECTION 10.02. **Conveyance of the Project to the Lessee.**

The Lessor shall forthwith, upon the payment of all sums due to the Lessor, or other appropriate party, under this Lease Agreement, at the expiration or sooner termination of the Lease Term, convey the Project to the Lessee by means of acts of transfer in substantially the form attached hereto as **Exhibit E**. At the expense of the Lessee, the Lessor shall execute all documentation necessary to effectuate such conveyance without any warranties of any kind whatsoever (except as to a limited warranty of title – as shown on **Exhibit E**). Lessor and Lessee shall also execute and file an Agreement to Terminate Lease and Notice of Termination of Lease in substantially the form attached hereto as **Exhibit G**.

SECTION 10.03. **Conveyance at Closing.**

At the closing of any purchase pursuant to any option to purchase or pursuant to Section 10.02, the Lessor will forthwith, upon receipt of the purchase price, deliver to the Lessee documents conveying to the Lessee title to the Project, as such property then exists, subject to the following: (i) those liens and encumbrances (if any) to which title to said property was subject when conveyed to the Lessor; (ii) those liens and encumbrances created by the Lessee, its contractors, subcontractors, Subtenants, materialmen, employees, agents, invitees or representatives, or to the creation or suffering of which the Lessee consented; (iii) those liens and encumbrances resulting from the failure of the Lessee to perform or observe any of the agreements on its part contained in this Lease Agreement; and (iv) if no PILOT has been paid for that year, *ad*

valorem taxes for the year in which the transfer to Lessee occurs. Notwithstanding the foregoing, the parties hereto agree that Lessor shall not be required to satisfy any encumbrances affecting the Project, except for such encumbrances that were created by Lessor.

SECTION 10.04. Granting and Release of Easements and Servitudes and Use of Mineral Rights.

The Lessee may at any time or times, cause to be granted or created building restrictions, subdivisions, easements, servitudes, licenses, rights-of-way (temporary or perpetual and including the dedication of public highways), and other rights or privileges in the nature of easements including without limitation, condominium regimes, planned communities, and/or similar ownership structure(s) under Louisiana law with respect to the Project and the Lessee may cause to be released any of the foregoing with respect to the Project such existing building restrictions, subdivisions, easements, servitudes, licenses, rights-of-way, and other rights or privileges in the nature of easements, held with respect to the Project with or without consideration, and the Lessor agrees that it shall execute and deliver any instrument necessary or appropriate to confirm and grant or release any such building restrictions, subdivisions, easement, servitude, license, right-of-way, or other right or privilege upon receipt of: (i) a copy of the instrument of grant or release, and (ii) a written application of the Lessee duly signed by an authorized representative of the Lessee requesting such instrument and stating that: (1) such grant or release is not detrimental to the proper conduct of the business of the Lessee at the Site, and (2) such grant or release will not impair the effective use or materially interfere with the operation of the Project for the Intended Use and for the Public Purpose. Additionally, the Lessee has reserved its ownership of oil, gas, and minerals in, on or a part of the soil or geological formations lying below the surface of the Site (the **“Reservation of Minerals”**) and the Lessor hereby confirms that the Lessee has full right to utilize the surface of the Site, as it deems fit to explore for minerals with no responsibility for damage to the surface of the Site. The Reservation of Minerals specifically reserves to Lessee all executive rights and/or other rights to grant mineral leases or conveyances encumbering and/or affecting the Site. Lessor’s expenses and costs including reasonable attorneys’ fees incurred for cooperating with Lessee pursuant to this paragraph shall be at Lessee’s expense, and Lessee shall indemnify Lessor and PILOT Administrator as provided in Section 7.04.

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ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Surrender of Project.

At the expiration or sooner termination of the Lease Term, in accordance with the other terms and provisions of this Lease Agreement, Lessor agrees to surrender possession of the Project forthwith peaceably and promptly to Lessee.

SECTION 11.02. Notices.

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given on: (a) the third business day following the day on which the same have been mailed by registered mail, postage prepaid; or (b) on the first business day following the day on which the same is deposited with a nationally recognized overnight carrier, addressed as follows:

If to the Lessor: England Economic and Industrial Development District
Attn: Ralph Hennessy, Executive Director
1611 Arnold Drive
Alexandria, LA 71303

with a copy to: Keiser & Nowlin
Attn: Matt Nowlin, Lessor's Counsel
4615 Parliament Dr, Ste 102
Alexandria, LA 71303

with a copy to: Central Louisiana Economic Development Alliance, Inc.
PILOT Administrator
Attn: Chris Masingill, CEcD, President & CEO
1302 Murray Street
Alexandria, LA 71301

with a copy to: Butler Snow LLP
Attn: Mike Busada, PILOT Administrator Counsel
PO Box 115
Shreveport, LA 71161

If to the Lessee: Coca-Cola Bottling Company United-Gulf Coast, LLC
Attn: Chief Legal Officer
4600 East Lake Blvd.
Birmingham, AL 35217

with a copy to: Sumit Credits

Attn: Jake Nickens
330 Veterans Blvd,
Denham Springs LA 70726

with a copy to: Kean Miller
Attn: Angela Adolph
400 Convention St., Suite 700
Baton Rouge, LA 70802

The Lessor or the Lessee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Any notice, request, complaint, demand, or other communication required or desired to be given or filed under this Lease Agreement may also be given by means of electronic mail, including as an electronic mail attachment, provided that the person sending the electronic communication shall send the electronic communication to recipient and receive confirmation of receipt of same by the recipient.

SECTION 11.03. Law Governing Construction of Agreement.

This Lease Agreement is prepared and entered into with the intention that the laws of the State shall govern its construction. Venue for any disputes between the parties regarding this Lease Agreement shall be in the Ninth Judicial District Court for the Parish of Rapides, State of Louisiana or the United States District Court for the Western District of Louisiana, as applicable.

SECTION 11.04. Binding Effect.

This Lease Agreement shall inure to the benefit of and shall be binding upon the Lessor, the Lessee and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 11.05. Severability.

In the event any provision of this Lease 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.

SECTION 11.06. Lease Agreement Represents Complete Agreement.

This Lease Agreement represents the entire contract between the parties hereto. This Agreement may not be modified or amended without the written consent of the Lessor and the Lessee.

SECTION 11.07. Net Lease.

This Lease Agreement shall be deemed and construed to be an ***“absolute net lease,”*** and the Lessee shall pay absolutely net during the Lease Term the rent and all other payments required

hereunder, free of any deductions, without abatement, diminution, or set-off other than those herein expressly provided. Furthermore, it is the intention of the parties that absent Lessor's willful breach of this Lease Agreement, willful misconduct, bad faith, or fraud, Lessor shall not be obligated to make any payments with respect to the ownership and/or operation of the Project, with Lessee being liable for all such payments, including, but not limited to, maintenance, insurance, utilities, and management.

SECTION 11.08. Execution of Counterparts.

This Lease 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 11.09. Use of Electronic Signatures.

The parties hereto agree that this Lease Agreement, as well as any of the Exhibits to this Lease Agreement other than the acts of conveyance, may be signed and/or transmitted by electronic mail of a PDF document or using electronic signatures as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*), such as Adobe Sign or similar electronic signature technology, and thereafter maintained in electronic form, and that such electronic record shall be valid and effective to bind the party so signing as a paper copy bearing such party's hand-written signature. The parties further consent and agree that the electronic signatures appearing on this Lease Agreement and any such exhibits shall be treated, for purpose of validity, enforceability, and admissibility, the same as hand-written signatures.

At the request of any party hereto, the other party hereto shall re-execute an original form thereof and deliver it to the requesting party. No party hereto shall raise the use of electronic mail attachment in "*pdf*" or similar format to deliver a signature, or the fact that any signature was transmitted or communicated as an attachment to an electronic mail message, as a defense to the formation of a contract and each party forever waives any such defense. An electronically scanned copy of a signature shall constitute and shall be deemed to be sufficient evidence of a party's execution of this Lease Agreement, without necessity of further proof. It shall not be necessary in making proof of this Lease Agreement to produce or account for more than one such counterpart.

SECTION 11.10. Merger of Fee Title with Interest under Lease Agreement.

To the maximum extent allowed by applicable law, no merger of the fee title under any Leasehold Mortgage and the leasehold interests under this Lease Agreement shall result in the termination of this Lease Agreement or such Leasehold Mortgage.

SECTION 11.11. Incorporation of Recitals and Exhibits.

The recitals and exhibits to this Lease Agreement are incorporated into and constitute an integral part of this Lease Agreement.

SECTION 11.12. Expenses.

Except as otherwise expressly provided herein, the Lessor and the Lessee shall each be responsible for its own expenses incurred with respect to this Lease Agreement.

SECTION 11.13. Survival.

All of the indemnity obligations, waivers and releases set forth in this Lease Agreement shall survive the termination and/or expiration of this Lease Agreement.

SECTION 11.14. No Personal Liability; Limitation of Lessor Liability.

No covenant or agreement contained in this Lease Agreement shall be deemed to be the covenant or agreement of any member, manager, official, trustee, officer, board member, agent, contractor, or employee of the Lessor or the Lessee in his or her individual capacity, and neither the officers thereof nor any official executing this Lease Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Lease Agreement. Lessor shall not be liable for monetary damages absent its willful breach of this Lease Agreement, willful misconduct, bad faith, or fraud and in no event shall any recourse be had against Lessor other than from the Lessor's interest in the Project.

SECTION 11.15. Waiver.

NOTWITHSTANDING ANYTHING CONTAINED IN THIS LEASE AGREEMENT OR ANY OTHER DOCUMENTS OR INSTRUMENTS EXECUTED IN CONNECTION HERewith, IT IS UNDERSTOOD AND AGREED THAT IN NO EVENT SHALL THE LESSOR OR THE LESSEE BE ABLE TO CLAIM OR OTHERWISE SEEK CONSEQUENTIAL, PUNITIVE, OR LOST BUSINESS DAMAGES AS A RESULT OF ANY BREACH OR ACTION (OR FAILURE TO ACT) BY ANOTHER PARTY (OR ITS OFFICERS, MEMBERS, AGENTS OR REPRESENTATIVES) IN CONNECTION WITH THIS LEASE AGREEMENT, THE PROJECT, OR ANY OTHER RELATED MATTER, AND THE RIGHT OF THE LESSOR AND THE RIGHT OF THE LESSEE TO SEEK THE SAME IS HEREBY EXPRESSLY WAIVED AND FOREVER RELINQUISHED.

SECTION 11.16. Notice of Lease.

Contemporaneously with the execution of this Lease Agreement, Lessor and Lessee shall execute a Notice of Lease pursuant to La. R.S. 9:2742, which Notice of Lease shall be in substantially the form attached hereto as **Exhibit F** and shall be recorded by Lessee and at its expense, in the Conveyance Records for the Parish of Rapides, State of Louisiana.

SECTION 11.17. Third Party Beneficiary.

The Tax Collector shall be considered a third-party beneficiary under this Lease Agreement with respect to the payments due hereunder, with the ability to enforce this Lease Agreement against Lessee.

SECTION 11.18. Operation of Project.

The favorable tax treatment provided to Lessee is in consideration of the economic benefits to the region emanating from the construction and operation of the Project for its intended purpose, that being a distribution and warehouse facility. Lessee, or its successor or assigns, shall utilize the Project for such purposes, and no other, during the term of the Lease.

[SIGNATURE PAGE FOLLOWS]

DRAFT

THUS DONE AND SIGNED on the date(s) indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

**ENGLAND ECONOMIC AND
INDUSTRIAL DEVELOPMENT DISTRICT**

Date of Signature: _____

By: _____
Oday Lavergne, Chairperson

THUS DONE AND SIGNED on the date(s) indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

Date of Signature: _____

**COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC**

By: _____

Name:

Title: Authorized Representative

EXHIBIT A

To PILOT Lease Agreement and Agreement to Issue Bonds

PROJECT DESCRIPTION

[TO BE PROVIDED]

LEGAL DESCRIPTION OF LAND

[TO BE PROVIDED]

DRAFT

EXHIBIT B

To PILOT Lease Agreement and Agreement to Issue Bonds

COMPLETION CERTIFICATE
(due upon completion of Project and in conjunction
with transfer of title from the Lessee to the Lessor)

COCA-COLA BOTTLING COMPANY UNITED-GULF COAST, LLC
[ADDRESS]

Date of Certificate

To be submitted via the online portal <https://economicdevelopmentportal.com> , or any successor portal designated by the PILOT Administrator.

Capitalized Terms used in this Completion Certificate have the meanings assigned thereto in the PILOT Lease Agreement and Agreement to Issue Bonds dated for convenience of reference_____, 2026 (the “Lease”), between the England Economic and Industrial Development District, as Lessor, and the undersigned as Lessee.

The undersigned authorized representative of the Lessee certifies to the Lessor that the construction of the Project is substantially complete and that the Project has received a Certificate of Occupancy, a copy of which is attached to this certification. Accordingly, the Lessee is also delivering to the Lessor an Act of Conveyance in substantially the form attached to the Lease as **Exhibit D** and requests that the Lessor accept the conveyance of the Project and return the executed Act of Conveyance to the undersigned for recordation in the Conveyance records of Rapides Parish.

The Capital Cost of the Project, as defined in the Lease, is \$_____, and attached to this letter is the Lessee’s documentation of such cost.

THUS DONE AND SIGNED on the date indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

Date of Signature: _____

COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC

By: _____

Name: _____

Title: _____

ATTACHMENTS:

- A. Documentation of Capital Cost of the Project
- B. Copy of Certificate(s) of Occupancy

EXHIBIT C

to PILOT Lease Agreement and Agreement to Issue Bonds

ANNUAL LESSEE REPORTING FORM
(due annually by December 31)

[PROJECT JERRY]
[Address]

Date of Certificate: _____

(To be submitted via the online compliance portal available at <https://economicdevelopmentportal.com>, or any successor portal designated by the PILOT Administrator.)

Capitalized Terms used in this Completion Certificate have the meanings assigned thereto in the PILOT Lease Agreement and Agreement to Issue Bonds dated for convenience of reference _____, 2026 (the “Lease”), between the England Economic and Industrial Development District, as Lessor, and the undersigned as Lessee.

1. Report for Calendar Year: 20____
2. Estimated Full PILOT Payment for year: \$_____. (Attachment A)
3. Base PILOT due for year (from definitions of “**Base PILOT**” in Section 4.04(c) of the Lease) paid to the Tax Collector for year: \$_____
4. Annual PILOT Savings for year: \$_____ (Line 2 minus Line 3 total)
5. Total Capital Cost of the Project: \$_____
 - 5a. Actual Employment for 4th Quarter 20__ : _____ (Attachment B)
 - 5b. Actual Employment for 1st Quarter 20__ : _____ (Attachment B)
 - 5c. Actual Employment for 2nd Quarter 20__ : _____ (Attachment B)
 - 5d. Actual Employment for 3rd Quarter 20__ : _____ (Attachment B)
6. Actual Employment for 12 mos. Ending Sept. 30, 20__ : _____
(average of 5a – 5d)²
7. Targeted Employment for year: _____

If Line 6 is less than Line 7, complete Lines 8 and 9:

² May be fewer than four full quarters for year ended September 30 of the initial year of the Incentive Period.

8. Shortfall in Targeted Employment: _____.

9. Actual Payroll: _\$ _____

10. Payroll Base: _\$ _____

If Line 8 is twenty-five (25) or more or if Line 9 is less than Line 10, complete Lines 11 and 12:

11. Targeted Employment Clawback Penalty Per job shortfall (Line 4 ÷ Line 7): \$ _____.

12. Targeted Employment Clawback Penalty Due (Line 8 x Line 11): \$ _____.

12. Total Capital Cost of the Project: \$ _____

The undersigned authorized representative of the Lessee, certifies to the Lessor that the data and calculations in the foregoing report are true, accurate and complete to the best of the knowledge of the undersigned.

Insurance Certificates as required by Section 5.04 of the Lease are also attached hereto, as well as evidence of the Lessee's continued good standing in the State of Louisiana, as required by the Lease.

THUS DONE AND SIGNED on the date indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

Date of Signature: _____

**COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC**

By: _____

Name: _____

Title: _____

ATTACHMENTS:

- A. Documentation of Estimated Full PILOT Payment (Line 2), including current assessed valuation and applicable millage rates.
- B. Insurance Certificates or a link to insurance coverage as required by Section 5.04 of the Lease. Evidence of Lessee's Continued Good Standing in the State of Louisiana as required by Section 7.03 of the Lease (may be printout of Lessee page on La. Secretary of State Corporation Database).
- C. Proof of Payment of the Base PILOT to the Tax Collector as required under Section 4.04(c).

EXHIBIT D

to PILOT Lease Agreement and Agreement to Issue Bonds

FORM OF CONVEYANCE OF PROJECT
(to be used to convey the Project to Lessor upon completion of
construction as provided Section 4.01 of the Lease)

* * * * *

UNITED STATES OF AMERICA	*	
	*	ACT OF CONVEYANCE
	*	
	*	BY
STATE OF LOUISIANA	*	
	*	COCA-COLA BOTTLING COMPANY
	*	UNITED-GULF COAST, LLC
	*	
PARISH OF RAPIDES	*	TO THE
	*	
	*	*ENGLAND ECONOMIC AND INDUSTRIAL
		DEVELOPMENT DISTRICT

*

* * * * *

BE IT KNOWN that on this ____ day of _____, 20__, before us, the undersigned Notaries Public, commissioned and qualified in and for the State as set forth herein, and in the presence of the undersigned witnesses:

PERSONALLY CAME AND APPEARED:

COCA-COLA BOTTLING COMPANY UNITED-GULF COAST, LLC, Taxpayer Identification No. XX-XXX[____], a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, herein represented by and appearing through _____, its _____, duly authorized hereunto by virtue of _____ (hereinafter referred to as “**Vendor**”);

AND THE

ENGLAND ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT, Taxpayer Identification No. XX-XXX[____], a body politic and corporate and political subdivision of the State of Louisiana, with a mailing address of 1611 Arnold Drive., Alexandria, LA 71303, Attention: Chairperson, represented herein by Oday Lavergne, its Chairperson, duly authorized by resolution of its board adopted on [_____, 2026] (hereinafter referred to as “**Vendee**”);

The parties, after being duly sworn, declared as follows: although this Act of Conveyance (this “**Conveyance**”) may be executed on the dates specified on the signature pages to this Conveyance, it is intended by the parties that this Conveyance shall be effective on [_____, 202__] (the “**Effective Date**”).

1. The Project

1.1. As used in this Conveyance, the “**Project**” means all right, title and interest in and to (i) the following immovable (real) property, located at _____ in the Parish of Rapides, State of Louisiana, (the “**Land**”) more particularly described on **Exhibit A** attached hereto and (ii) those buildings, structures, fixtures, improvements, and other component parts of the foregoing on the Land, and (iii) all of the rights, ways, privileges, appurtenances, and servitudes pertaining thereto, including, without limitation, all additions thereto and substitutions therefor, and (iv) the equipment and machinery described in **Schedule A** hereto.

2. The PILOT Lease

2.1 The Vendee is a body politic and corporate and political subdivision of the State of Louisiana duly created or organized and existing pursuant to the provisions of Subpart B-13 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, (the “**District Act**”) and the Vendee and all properties at any time owned by the Vendee and the income therefrom shall be exempt from all taxation in the State of Louisiana.

Furthermore, pursuant to Part XII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “**Revenue Bond Act**,” La. R.S. 39:991, *et seq.*), which the Vendee may utilize by virtue of the District Act, the Vendee may in its own name and behalf issue revenue bonds for the purposes for which the district is created or is authorized to act under any of the provisions of the Revenue Bond Act, and may enter into a lease providing for payment to the Vendee of such rentals or installment payments as will be sufficient to pay the principal of and interest on any bond issued to finance an economic development project and if title to such project is in the name of Vendee the Vendee may specifically require as a condition under the Lease Agreement, that the Vendor shall pay annually to the appropriate taxing authority, through the normal collecting agency, a sum in lieu of ad valorem taxes to compensate such authorities for any services rendered by them to such projects which sum shall not be in excess of the ad valorem taxes such Company would have been obligated to pay to such authorities had it been the owner of such project during the period for which such payment is made; and such payments to be made in lieu of taxes together with any fees and charges, to the extent in the aggregate they do not exceed the amount of taxes that would be paid if the Company were the owner, shall constitute statutory impositions within the meaning of R.S. 47:2128.

2.2. The Vendee, as lessor, and the Vendor, as lessee, have previously entered into a PILOT Lease Agreement and Agreement to Issue Bonds dated for convenience of reference _____, 2026, (the “**PILOT Lease**”) with respect to the Project. Pursuant to the PILOT Lease: (a) the Vendor is agreeing to pay: (i) the Rapides Parish Sheriff, as *ex officio* tax collector, certain payments in lieu of taxes (“**PILOT**”); and (ii) Vendee certain fees, payments and rent; and (b) the Vendee is making certain agreements in favor of the Vendor with respect to the Project. The agreements of the parties with respect to the Project are set forth in more detail in the PILOT Lease, a notice of which will be recorded in the conveyance records of Rapides Parish, Louisiana, immediately after this Conveyance, pursuant to La. R.S. 9:2742.

2.3. This Conveyance of the Project to the Vendee is being made with the intent that the Project will not be subject to *ad valorem* taxation during the term of the PILOT Incentive Period pursuant to the Act. The parties acknowledge that removing the Project from the effect of *ad valorem* taxation and requiring the payment of the PILOT in lieu thereof will confer substantial benefits on the Vendor. The parties further acknowledge that the construction of the Project, as contemplated by the PILOT Lease, will result in substantial benefits to the Vendee and the community.

3. Conveyance

3.1. **ACCORDINGLY, THE VENDOR HEREBY DOES GRANT, BARGAIN, SELL, CONVEY, TRANSFER, ASSIGN, SET OVER, ABANDON AND DELIVER THE PROJECT DESCRIBED IN SECTION 1.1 ABOVE TO THE VENDEE**, with full warranty and guarantee of title and full substitution and subrogation in and to all the rights and actions of warranty which Vendor has or may have against all preceding owners and vendors, including the buildings, fixtures and improvements, and other immovable property described in Section 1.1 above and any equipment and machinery described in **Schedule A** hereto. The Vendee hereby accepts and acquires the Project for itself, its successors, and assigns, and acknowledges due delivery thereof, to have and to hold the Project unto the Vendee and its successors and assigns forever, but subject to the terms of the PILOT Lease.

3.2. This Conveyance is made for and in consideration of the benefits to be derived by the Vendor from the transactions contemplated by the PILOT Lease, as described above, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

3.3 Vendor reserves unto itself, its successors, and assigns, and excepts from this transfer, all of the oil, gas, and other minerals in, under and which may be produced from the property herein conveyed, it being understood that Vendor, its successors, and assigns, shall have the right to produce oil, gas, or other minerals in, under and from the property herein conveyed.

3.4 This Conveyance is made subject to the leases, restrictive covenants, servitudes, encumbrances, and other matters referred to in **Schedule B** attached hereto (the ***“Permitted Encumbrances”***). By accepting this Conveyance subject to the Permitted Encumbrances, however, the Vendee is not assuming any obligations or liabilities under any Permitted Encumbrances, the responsibility for which shall remain with the Vendor. Furthermore, the parties agree that Vendee shall not be subject to any recourse liability in connection with this Act of Conveyance or Vendee’s ownership of the Project effected hereby.

4. Miscellaneous

4.1. The Vendor acknowledges the receipt and sufficiency of the consideration recited above and hereby waives any vendors’ lien or any right it may have to rescind this Conveyance, in whole or in part, for inadequate consideration or any other reason.

4.2. The parties to this Conveyance waive the production of mortgage and conveyance certificates and tax researches and relieve and release the undersigned Notaries Public from any liability with respect thereto.

4.3 Nothing in this Act of Conveyance is intended to alter, limit, or supersede the representations, warranties, covenants, and agreements of Vendor in the PILOT Lease.

4.4 As provided for in the PILOT Lease, at all times during the PILOT Lease Term: (a) the Project shall be owned by Vendee, subject to the leasehold interest of the Vendor under the PILOT Lease, (b) Vendor alone shall be entitled to all of the tax attributes of ownership, including, without limitation, the right to claim depreciation or cost recovery deductions and the right to claim any and all applicable federal and state tax credits, and (c) Vendor shall have the right to amortize capital costs and to claim any other federal or state tax benefits attributable to the Project. The Vendee covenants and agrees that depreciation expenses, or cost recovery deductions, other tax deductions and tax credits, with respect to the Project shall be made available solely to the Vendor, and the Vendee will reasonably cooperate with the Vendor, at Vendor's sole cost and expense, in any effort by the Vendor to avail itself of any such depreciation expenses, other tax deductions or tax credits, but the Vendee does not warrant or guarantee to Vendor any tax attributes of any kind whatsoever, and shall have no responsibility or liability for failure of the Vendor to receive any such expenses, deductions or credits.

[SIGNATURES ON FOLLOWING PAGES]

STATE OF _____

COUNTY/PARISH OF _____

THUS DONE AND PASSED in the presence of the undersigned competent witnesses, who have hereunto signed their names with the said parties and me, Notary, in the above-referenced state and parish/county, on this ____ day of [_____, 2026], after due reading of the whole, but to be effective on the Effective Date specified on p.1 of this Conveyance.

VENDOR:
COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC

By: _____
Name: _____
Title: _____

WITNESSES:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Notary Public

STATE OF LOUISIANA

PARISH OF RAPIDES

THUS DONE AND PASSED in the presence of the undersigned competent witnesses, who have hereunto signed their names with the said parties and me, Notary, in the above-referenced state and parish, on this ____ day of [_____, 2026], after due reading of the whole, but to be effective on the Effective Date specified on p.1 of this Conveyance.

VENDEE:

**ENGLAND ECONOMIC AND INDUSTRIAL
DEVELOPMENT DISTRICT**

By: _____

Oday Lavergne, Chairman

WITNESSES:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Notary Public

EXHIBIT A

To Act of Conveyance of Project

LEGAL DESCRIPTION OF LAND AND IMPROVEMENTS TO BE TRANSFERRED

[TO COME]

DRAFT

Schedule A

To Act of Conveyance of Project

SCHEDULE OF EQUIPMENT

<u>Description of Equipment</u>	<u>Serial or Asset Number</u>	<u>Capital Cost</u>

[TO COME]

Schedule B
to Act of Conveyance of Project
PERMITTED EXCEPTIONS

[TO COME]

EXHIBIT E

to PILOT Lease Agreement and Agreement to Issue Bonds

FORM OF RECONVEYANCE OF PROJECT
(to be used to convey the Project back to Lessee
upon termination of the PILOT Lease)

* * * * *

UNITED STATES OF AMERICA	*	
	*	ACT OF CONVEYANCE
	*	
	*	BY
STATE OF LOUISIANA	*	
	*	ENGLAND ECONOMIC AND
	*	*INDUSTRIAL DEVELOPMENT DISTRICT
	*	
PARISH OF RAPIDES	*	TO
	*	
	*	COCA-COLA BOTTLING COMPANY
	*	UNITED-GULF COAST, LLC

* * * * *

BE IT KNOWN that on this ____ day of [____], 202__, before us, the undersigned Notaries Public, commissioned and qualified in and for the State as set forth herein, and in the presence of the undersigned witnesses:

PERSONALLY CAME AND APPEARED:

ENGLAND ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT, Taxpayer Identification No. XX-XXX[____], a body politic and corporate and political subdivision of the State of Louisiana, with a mailing address of 1611 Arnold Drive., Alexandria, LA 71303, Attention: Chairperson, represented herein by _____, its Chairperson, duly authorized by resolution of its board adopted on [____, 2026] (hereinafter referred to as “*Vendor*”);

AND

COCA-COLA BOTTLING COMPANY UNITED-GULF COAST, LLC, Taxpayer Identification No. XX-XXX____, a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, herein represented by and appearing through _____, its _____, duly authorized hereunto by virtue of _____ (hereinafter referred to as “*Vendee*”);

The parties, after being duly sworn, declared as follows: although this Act of Conveyance (this **“Conveyance”**) is executed on the dates set forth above, it is intended by the parties to be effective on [_____, 202__].

1. The Project

1.1. As used in this Conveyance, the **“Project”** means the right, title, and interest in and to (i) the following immovable (real) property, located at _____ in the Parish of Rapides, State of Louisiana, (the **“Land”**) more particularly described on **Exhibit A** attached hereto, and (ii) those buildings, structures, fixtures, improvements, and other component parts of the foregoing on the Land, and (iii) all of the rights, ways, privileges, appurtenances, and servitudes pertaining thereto, including, without limitation, all additions thereto and substitutions therefor, and (iv) the equipment and machinery thereon as described on Exhibit B attached hereto.

2. Conveyance

2.1. The Vendor hereby grants, bargains, conveys, transfers, assigns, sets over, abandons and delivers the Project, without any warranty of title whatsoever, except as to acts created by, through or under Vendor, but with full substitution and subrogation in and to all the rights and actions of warranty which Vendor has or may have against all preceding owners and vendors, unto the Vendee, which accepts and acquires the Project for itself, its successors and assigns, and acknowledges due delivery thereof. To have and to hold the Project unto the Vendee and its successors and assigns forever.

3.2. This Conveyance is made for and in consideration of (i) the benefits having been derived by the Vendor from the transactions contemplated by that certain PILOT Lease Agreement and Agreement to Issue Bonds, dated for convenience of reference _____, 2026, (the **“PILOT Lease”**), pursuant to which the Vendee caused the Project to be acquired, constructed and installed, (ii) the economic development benefits derived from the foregoing, (iii) the sum of \$1,000 as provided in Section 10.01 of the Lease, and (iv) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

3.3. It is expressly agreed that the immovable property herein conveyed is conveyed by Vendor and accepted by Vendee **“AS IS, WHERE IS”** without any warranties of any kind whatsoever (except as to the limited warranty of title set forth above), even as to the metes and bounds, zoning operation, or suitability of such properties for the use intended by the Vendee, without regard to the presence of apparent or hidden defects and with the Vendee’s full and complete waiver of any and all rights for the return of all or any part of purchase price by reason of any such defects.

3.4. Vendee acknowledges and declares that neither the Vendor nor any party whomsoever, acting or purporting to act in any capacity whatsoever on behalf of the Vendor has made any direct, indirect, explicit, or implicit statement, representation, or declaration, whether by written or oral statement or otherwise, and upon which Vendee has relied, concerning the existence or non-existence of any quality, characteristic or condition of the property herein conveyed. Vendee has had full, complete, and unlimited access to the property herein conveyed for all tests and inspections which Vendee, in Vendee’s sole discretion deems sufficiently diligent for the protection of Vendee interests.

3.5. Vendee expressly waives any rights Vendee may have in redhibition or to a reduction of the purchase price pursuant to Louisiana Civil Code Articles 2520 through 2548, inclusive and any other applicable state or federal law and the jurisprudence thereunder in connection with the property hereby conveyed to Vendee by Vendor. By Vendee's signature below, Vendee expressly acknowledges all such waivers, and Vendee exercises Vendee's right to waive warranty pursuant to Louisiana Civil Code Articles 2520 through 2548, inclusive.

3.6. Vendee also expressly waives the warranty of fitness and the warranty against redhibitory vices and defects, whether apparent or latent, and the warranty against eviction imposed by Louisiana Civil Code Articles 2475, 2500, 2503 and any other applicable state or federal law, and the jurisprudence thereunder.

3.7. Vendee further waives and releases Vendor from any and all claims, demands, causes of action, liens, loss, damage, liabilities, costs and expenses (including reasonable attorneys' fees, court costs, consultant's fees, remediation, clean up or other response costs) of any and every kind or character, known or unknown, fixed or contingent, suffered or incurred by Vendee, its successors or assigns, as a successor in interest to the Vendor, as owner, under the Resource Conservation and Recovery Act, 42 U.S.C.A. §6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. §9607, et seq., as amended by the Superfund Amendment and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (codified as amended in various sections of 42 U.S.C.A.); the Hazardous Materials Transportation Act, Pub. L. No. 93-633, 88 Stat. 2156 (codified as amended in various sections of 46 U.S.C.A.); the Clean Water Act, 33 U.S.C.A. §1251 et seq.; the Clean Air Act, 42 U.S.C.A. §7401 et seq.; the Toxic Substances Control Act, 15 U.S.C.A. §2601 et seq.; the Louisiana Environmental Quality Act, La Rev. Stat Ann 30:2001 et seq.; or any other applicable federal, state or local laws, rules, ordinances, permits, approvals, orders or regulations as they now exist or may subsequently be modified, supplemented or amended, relating to the environment.

3.8. By execution of this Agreement, Vendee acknowledges that the foregoing waivers have been called to its attention, read, and explained and that the foregoing waivers are a material and integral consideration for the Vendor in connection with the reconveyance of the **Project** from the Vendor to the Vendee.

4. Miscellaneous

4.1. The Vendor acknowledges the receipt and sufficiency of the consideration recited above and hereby waives any vendors' lien or any right it may have to rescind this Conveyance, in whole or in part, for inadequate consideration or any other reason.

4.2. The parties to this Conveyance waive the production of mortgage and conveyance certificates and tax researches and relieve and release the undersigned Notaries Public from any liability with respect thereto.

STATE OF LOUISIANA

PARISH OF RAPIDES

THUS DONE AND PASSED in the presence of the undersigned competent witnesses, who have hereunto signed their names with the said parties and me, Notary, in the above-referenced state and parish, on this ____ day of [_____, 202__], after due reading of the whole, but to be effective on the Effective Date specified on p.1 of this Conveyance.

VENDOR:

**ENGLAND ECONOMIC AND INDUSTRIAL
DEVELOPMENT DISTRICT**

By: _____
_____, **Chairman**

WITNESSES:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Notary Public

STATE OF _____

COUNTY/PARISH OF _____

THUS DONE AND PASSED in the presence of the undersigned competent witnesses, who have hereunto signed their names with the said parties and me, Notary, in the above-referenced state and county/parish, on this ____ day of [_____, 202__], after due reading of the whole, but to be effective on the Effective Date specified on p.1 of this Conveyance.

VENDEE:

**COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC**

By: _____
Name: _____
Title: _____

WITNESSES:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Notary Public

EXHIBIT A

To Act of Conveyance of Project

DRAFT

EXHIBIT B

SCHEDULE OF MOVABLE PROPERTY TO BE TRANSFERRED

<u>Description of Equipment</u>	<u>Serial or Asset Number</u>	<u>Capital Cost</u>
---------------------------------	-----------------------------------	---------------------

[TO COME]

DRAFT

EXHIBIT F

to PILOT Lease Agreement and Agreement to Issue Bonds

**FORM OF NOTICE OF LEASE
(pursuant to La. R.S. 9:2742)**

This **NOTICE OF LEASE** is executed on this ____ day of [_____, 2026], in connection with that certain Lease Agreement dated as of [_____, 2026], by and between:

ENGLAND ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT, Taxpayer Identification No. XX-XXX_____, a body politic and corporate and political subdivision of the State of Louisiana, with a mailing address of 1611 Arnold Drive., Alexandria, LA 71303, Attention: Chairperson, represented herein by Oday Lavergne, its Chairperson, duly authorized by resolution of its board adopted on [_____, 2026] (hereinafter referred to as **“Lessor”**);

AND

COCA-COLA BOTTLING COMPANY UNITED-GULF COAST, LLC, Taxpayer Identification No. XX-XXX_____, a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, herein represented by and appearing through _____, its _____, duly authorized hereunto by virtue of _____ (hereinafter referred to as **“Lessee”**);

who together declared pursuant to La. R.S. 9:2742 as follows:

1. The property described in Paragraph 2 below has been leased by the Lessor to the Lessee pursuant to a PILOT Lease Agreement and Agreement to Issue Bonds (Project Jerry) dated for convenience of reference _____, 2026, (the **“Lease”**), by and between the Lessor and the Lessee. The names and addresses of Lessor and Lessee appear above.
2. The property located in the Parish of Rapides, State of Louisiana, that is the subject of the Lease (the **“Property”**) consists of the immovable (real) property, located at _____ in the Parish of Rapides, State of Louisiana (the **“Land”**), and (ii) those buildings, structures, fixtures, improvements, and other component parts of the foregoing on the Land, and (iii) all of the rights, ways, privileges, appurtenances, and servitudes pertaining thereto, including, without limitation, all additions thereto and substitutions therefor, and (iv) the equipment and machinery located thereon.
3. The Lease (a) is dated as of [_____, 2026], and (b) runs through [_____, 2026], but (c) may be automatically renewed as set forth in such Lease.
4. The Lessee does have an exclusive option to purchase the leased premises from the Lessor as more fully provided for in the Lease.
5. Any third party entering into a contract with Lessee for improvements to be located on the leased premises, or any other party claiming under said third party, shall be on notice that neither Lessor, nor Lessor’s property (other than the leased premises), shall have any liability for satisfaction of any claims of any nature in any way arising out of a contract with Lessee.

This Notice of Lease is executed pursuant to La. R.S. 9:2742 and is an extract of the Lease referred to herein, and is subject to the terms, provisions, and conditions contained therein, reference to which is hereby made and which are incorporated herein by reference as if copied herein in full. Nothing contained herein is intended to change or modify any of the terms or provisions of the Lease, or the rights, duties, obligations, conditions, and agreements created thereby, all of which remain in full force and effect. In the event of any conflict or inconsistency between the terms of this Notice of Lease and the terms of the Lease, the terms of the Lease shall govern and control for all purposes.

This Notice of Lease is intended to be a Louisiana contract and shall be so construed.

THUS DONE AND SIGNED on the date(s) indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

**ENGLAND ECONOMIC AND
INDUSTRIAL DEVELOPMENT DISTRICT**

Date of Signature: _____

By: _____
Oday Lavergne, Chairman

Date of Signature: _____

By: _____
_____, Secretary

Date of Signature: _____

**COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC**

By: _____
Name: _____
Title: _____

EXHIBIT G

to PILOT Lease Agreement and Agreement to Issue Bonds

**FORM OF AGREEMENT TO TERMINATE LEASE
AND NOTICE OF TERMINATION OF LEASE
(to be executed and filed of record upon termination of the PILOT Lease)**

THIS AGREEMENT TO TERMINATE LEASE AND NOTICE OF TERMINATION OF LEASE (this “*Notice*”) dated this ____ day of [_____, 2026] (the “*Effective Date*”), is made by and between the **ENGLAND ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT** (the “*Lessor*”), a body politic and corporate and political subdivision of the State of Louisiana, as lessor, and **COCA-COLA BOTTLING COMPANY UNITED-GULF COAST, LLC** (the “*Lessee*”), a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, as lessee.

WHEREAS, Lessor and Lessee entered into that certain PILOT Lease Agreement and Agreement to Issue Bonds (the “*PILOT Lease*”), pursuant to which Lessee leased the property located at _____, which property is more fully described on Exhibit A attached hereto, with the Lease being noticed of record pursuant to that certain Notice of Lease recorded as Original _____ of Bundle _____, in the official property records of the Clerk of Court and Ex-Officio Recorder of Rapides Parish, Louisiana (the “*Notice of Lease*”);

WHEREAS, Lessor and Lessee have agreed to terminate the Lease; and

WHEREAS, Lessor and Lessee now desire to enter into an agreement to terminate the Lease and record notice of the termination of the Lease in the official property records of Rapides Parish.

NOW, THEREFORE, in consideration of the premises contained herein, and intending to be legally bound hereby, Lessor and Lessee hereby agree and acknowledge as follows:

1. The Lease is now terminated and of no further effect. All personal and real rights, duties and obligations of Lessor and Lessee under the Lease have been terminated and extinguished, except for those terms that expressly survive the termination or earlier expiration of the Lease.

2. Lessor and Lessee do hereby authorize and direct the Clerk of Court and *Ex-Officio* Recorder of Rapides Parish to fully release and mark as cancelled the Notice of Lease recorded as Instrument No. _____, in its official property records.

THUS DONE AND SIGNED effective on the dates indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

ENGLAND ECONOMIC AND
INDUSTRIAL DEVELOPMENT
DISTRICT, as Lessor

COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC, as Lessee

By: _____
Title: _____

By: _____
Title: _____

DRAFT

EXHIBIT A

[LEGAL DESCRIPTION TO BE ADDED]

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EXHIBIT H

to PILOT Lease Agreement and Agreement to Issue Bonds

**STATEMENT AND REQUEST
TO TRANSFER MOVABLE PROPERTY**

**LEASE AGREEMENT
(PROJECT JERRY)
OF THE
ENGLAND ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT**

* * * * *

This Statement and Request is being delivered pursuant to Section 4.03 of the PILOT Lease Agreement and Agreement to Issue Bonds dated for convenience as of reference _____, 2026 (the “**PILOT Lease**”), between the England Economic and Industrial Development District (the “**EEIDD**”) and Coca-Cola Bottling Company United-Gulf Coast, LLC (the “**Company**”). Capitalized terms used herein have the meanings assigned thereto in the PILOT Lease.

Simultaneously with the execution of this Statement and Request, the Company proposes to convey to EEIDD certain machinery, equipment, and other movable property described in Schedule A hereto (the “**Added Movable Property**”), which Added Movable Property will be subject to the PILOT Lease and upon its transfer to EEIDD will become part of the “Project,” as defined in the PILOT Lease. In connection with the foregoing, the undersigned authorized representative of the Company, certifies to EEIDD as follows:

- (a) The Added Movable Property described in Schedule A to this Statement consists of new machinery, equipment and other movable property purchases that are eligible to be considered part of the “Project” under the PILOT Lease;
- (b) No land, buildings or other immovable property are included in the Added Movable Property;
- (c) Each component of the Added Movable Property:
 - (i) constitutes a capital expenditure for federal income tax purposes,
 - (ii) is capable of being scheduled and reported to the Rapides Parish Assessor as personal property on a LAT5 (Personal Property Report) or similar reporting form, and
 - (iii) is identifiable in sufficient detail to be described in a legally effective act of conveyance or a bill of sale from the Company to EEIDD;
- (d) The Added Movable Property does not include any vehicles or appurtenant equipment such as trailers capable of being driven out of Rapides Parish on public roads;

- (e) The actual costs and description of each element of the Added Movable Property as set forth in Attachment A are true and accurate and are all with respect to the property described therein; and
- (f) The PILOT Lease provides for the conveyance to EEIDD of movable property with a total capital cost (when added to the "Capital Cost of the Project") not to exceed \$_____. Taking into account prior conveyances to EEIDD (if any) and the conveyance of the Added Movable Property described in Attachment A, the total Capital Cost of property conveyed to EEIDD and subject to the PILOT Lease to-date and including the Added Movable Property is:

Capital Cost of the immovable property	\$ _____
Capital Cost of movable property previously conveyed	\$ _____
Capital Cost of added movable property (Schedule A)	\$ _____
Capital Cost of Project to-date*	\$ _____

No later than April 1 of each year, or such date required by the Rapides Parish Assessor, the Company shall prepare and furnish to the Rapides Parish Assessor a Personal Property Tax Form, or "LAT5A Reporting Form" in the name of EEIDD, listing all elements of the Project that are required to be reported on such date, and shall simultaneously furnish EEIDD with a copy of such reporting form, all as required by Section 4.06(b) of the PILOT Lease.

THUS DONE AND SIGNED on the date indicated below, either with manual signatures or using Adobe Sign or similar electronic signature technology, as permitted by the Louisiana Uniform Electronic Transactions Act (La. R.S. 9:2601, *et seq.*).

Date of Signature: _____

**COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC**

By: _____

Name: _____

Title: _____

*May not exceed \$ _____

**SCHEDULE A
to Statement & Request**

SCHEDULE OF MOVABLE PROPERTY TO BE TRANSFERRED

<u>Description of Equipment</u>	<u>Serial or Asset Number</u>	<u>Capital Cost</u>
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[TO COME]

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EXHIBIT I

to PILOT Lease Agreement and Agreement to Issue Bonds

FORM OF BILL OF SALE
(to be used to convey the Movable Property components of the Project to Lessor;
Movable property may be conveyed in multiple instruments)

* * * * *

UNITED STATES OF AMERICA	*	
	*	BILL OF SALE
	*	
STATE OF LOUISIANA	*	BY
	*	COCA-COLA BOTTLING COMPANY
	*	UNITED-GULF COAST, LLC
	*	
PARISH OF RAPIDES	*	TO THE
	*	ENGLAND ECONOMIC AND INDUSTRIAL
	*	DEVELOPMENT DISTRICT
	*	
	*	

* * * * *

BE IT KNOWN that on this ____ day of _____, 20__, before us, the undersigned Notaries Public, commissioned and qualified in and for the State as set forth herein, and in the presence of the undersigned witnesses:

PERSONALLY CAME AND APPEARED:

COCA-COLA BOTTLING COMPANY UNITED-GULF COAST, LLC, Taxpayer Identification No. XX-XXX_____, a limited liability company organized and existing under the laws of the State of Delaware, in good standing and qualified to do business in the State of Louisiana, herein represented by and appearing through _____, its _____, (hereinafter referred to as **“Vendor”**);

AND THE

ENGLAND ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT, Taxpayer Identification No. XX-XXX_____, a body politic and corporate and political subdivision of the State of Louisiana, with a mailing address of 1611 Arnold Drive., Alexandria, LA 71303, Attention: Chairperson, represented herein by Oday Lavergne, its Chairperson, duly authorized by resolution of its board adopted on [_____, 20__] (hereinafter referred to as **“Vendee”**);

The parties, after being duly sworn, declared as follows: Although this Bill of Sale (this **“Bill of Sale”**) may be executed on the dates specified on the signature pages to this Bill of Sale,

it is intended by the parties that this Bill of Sale shall be effective on _____, 20__ (the “**Effective Date**”).

1. The Movable Property Components of the Project

1.1. As used in this Bill of Sale, the “**Movable Property**” means the ownership in the movable property located at the “**Project Site**” (as such term is defined in the PILOT Lease) and described on Schedule A hereto.

2. The PILOT Lease

2.1. Vendee is a body politic and corporate and political subdivision of the State of Louisiana duly created or organized and existing pursuant to the provisions of Subpart B-13 of Part IV of Chapter 1 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the “**District Act**”), and Vendee and all properties at any time owned by Vendee and the income therefrom shall be exempt from all taxation in the State of Louisiana.

Furthermore, pursuant to Part XII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (the “**Revenue Bond Act**”, La. R.S. 39:991, *et seq.*), which the Vendee may utilize by virtue of the District Act, the Vendee may in its own name and behalf issue revenue bonds for the purposes for which the district is created or is authorized to act under any of the provisions of the Revenue Bond Act, and may enter into a lease providing for payment to the Vendor of such rentals or installment payments as will be sufficient to pay the principal of and interest on any bond issued to finance an economic development project and if title to such project is in the Vendee the Vendee may specifically require as a condition under the lease agreement, that the Company of each of the projects shall pay annually to the appropriate taxing authority, through the normal collecting agency, a sum in lieu of ad valorem taxes to compensate such authorities for any services rendered by them to such projects which sum shall not be in excess of the ad valorem taxes such Company would have been obligated to pay to such authorities had it been the owner of such project during the period for which such payment is made; and such payments to be made in lieu of taxes together with any fees and charges, to the extent in the aggregate they do not exceed the amount of taxes that would be paid if the Company were the owner, shall constitute statutory impositions within the meaning of R.S. 47:2128.

2.2. Vendee, as Lessor, and **Coca-Cola Bottling Company United-Gulf Coast, LLC**, as Lessee, have previously entered into a PILOT Lease Agreement and Agreement to Issue Bonds dated effective as of _____, 2026 (the “**PILOT Lease**”) with respect to the “**Project**”, which term shall have the meaning assigned to it in the PILOT Lease. Pursuant to the PILOT Lease: (a) Vendor is agreeing to pay: (i) the Rapides Parish Sheriff, as *ex officio* tax collector, certain payments in lieu of taxes (“**PILOT Payments**”); and (ii) Vendee certain fees, payments and rent; and (b) Vendee is making certain agreements in favor of Vendor with respect to the Project. The agreements of the parties with respect to the Project are set forth in more detail in the PILOT Lease, a notice of which is or will be recorded in the conveyance records of Rapides Parish, Louisiana.

2.3. This Conveyance of the Movable Property, which forms a part of the Project, to Vendee is being made with the intent that the Project will not be subject to ad valorem taxation

during the term of the PILOT Lease. The parties acknowledge that removing the Project from the effect of ad valorem taxation and requiring the payment of the PILOT in lieu thereof will confer substantial benefits on Vendor and community. The parties further acknowledge that the construction of the Project, as contemplated by the PILOT Lease, will result in substantial benefits to the community.

3. Conveyance

3.1. Accordingly, Vendor hereby does grant, bargain, sell, convey, transfer, assign, set over, abandon and deliver to Vendee all the Movable Property described in **Schedule A** hereto, without any warranty of title whatsoever, except as to acts created by, through or under Vendor, but with full substitution and subrogation in and to all the rights and actions of warranty which Vendor has or may have against all preceding owners and vendors, unto Vendee, which accepts and acquires the Movable Property for itself, its successors and assigns, and acknowledges due delivery thereof. To have and to hold the Movable Property unto Vendee and its successors and assigns forever, but subject to the terms of the PILOT Lease.

3.2. This Bill of Sale is made for and in consideration of the benefits to be derived by Vendor from the transactions contemplated by the PILOT Lease, as described above, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

3.3. It is expressly agreed that the Movable Property herein conveyed is conveyed by Vendor and accepted by Vendee ***“AS IS, WHERE IS”*** without any warranties of any kind whatsoever (except as to the limited warranty of title set forth above), without regard to the presence of apparent or hidden defects and with Vendee’s full and complete waiver of any and all rights for the return of all or any part of purchase price by reason of any such defects.

3.4. Vendee acknowledges and declares that neither Vendor nor any party whomsoever, acting or purporting to act in any capacity whatsoever on behalf of Vendor has made any direct, indirect, explicit, or implicit statement, representation, or declaration, whether by written or oral statement or otherwise, and upon which Vendee has relied, concerning the existence or non-existence of any quality, characteristic or condition of the property herein conveyed.

3.5. Vendee expressly waives any rights Vendee may have in redhibition or to a reduction of the purchase price pursuant to Louisiana Civil Code Articles 2520 through 2548, inclusive and any other applicable state or federal law and the jurisprudence thereunder in connection with the property hereby conveyed to Vendee by Vendor. By Vendee’s signature below, Vendee expressly acknowledges all such waivers, and Vendee exercises Vendee’s right to waive warranty pursuant to Louisiana Civil Code Articles 2520 through 2548, inclusive.

3.6. Vendee also expressly waives the warranty of fitness and the warranty against redhibitory vices and defects, whether apparent or latent, and the warranty against eviction imposed by Louisiana Civil Code Articles 2475, 2500, 2503 and any other applicable state or federal law, and the jurisprudence thereunder.

3.7. Release

(a) Subject to Section 3.7(b), Vendee further waives and releases Vendor from any and all claims, demands, causes of action, liens, loss, damage, liabilities, costs and expenses (including reasonable attorneys' fees, court costs, consultant's fees, remediation, clean up or other response costs) of any and every kind or character, known or unknown, fixed or contingent, suffered or incurred by Vendee, its successors or assigns, as a successor in interest to Vendor, as owner, under the Resource Conservation and Recovery Act, 42 U.S.C.A. §6901 et seq.; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C.A. §9607, et seq., as amended by the Superfund Amendment and Reauthorization Act of 1986, Pub. L. No. 99-499, 100 Stat. 1613 (codified as amended in various sections of 42 U.S.C.A.); the Hazardous Materials Transportation Act, Pub. L. No. 93-633, 88 Stat. 2156 (codified as amended in various sections of 46 U.S.C.A.); the Clean Water Act, 33 U.S.C.A. §1251 et seq.; the Clean Air Act, 42 U.S.C.A. §7401 et seq.; the Toxic Substances Control Act, 15 U.S.C.A. §2601 et seq.; the Louisiana Environmental Quality Act, La Rev. Stat Ann 30:2001 et seq.; or any other applicable federal, state or local laws, rules, ordinances, permits, approvals, orders or regulations as they now exist or may subsequently be modified, supplemented or amended, relating to the environment.

(b) Notwithstanding the foregoing, Section 3.7(a) shall specifically exclude matters arising from the gross negligence, willful misconduct, bad faith, or fraud of Vendor; provided however, that Vendor is also not accepting such claims, and thus, the terms and conditions of the PILOT Lease shall govern and control for all purposes.

3.8. This Bill of Sale is made subject to the leases, licenses, security interests and other matters referred to in Schedule B attached hereto (the "***Permitted Encumbrances***"). By accepting this Bill of Sale subject to the Permitted Encumbrances, however, Vendee is not assuming any obligations or liabilities under any Permitted Encumbrances, the responsibility for which shall remain with Vendor.

3.9. By execution of this Agreement, Vendee acknowledges that the foregoing waivers have been called to its attention, read, and explained and that the foregoing waivers are a material and integral consideration for Vendor in connection with the conveyance of the Movable Property from Vendor to Vendee.

4. Miscellaneous

4.1. Vendor acknowledges the receipt and sufficiency of the consideration recited above and hereby waives any vendors' lien or any right it may have to rescind this Bill of Sale, in whole or in part, for inadequate consideration or any other reason.

4.2. The parties to this Bill of Sale waive the production of mortgage and conveyance certificates and tax researches and relieve and release the undersigned Notaries Public from any liability with respect thereto.

4.3. Nothing in this Bill of Sale is intended to alter, limit, or supersede the representations, warranties, covenants, and agreements of Vendor in the PILOT Lease.

4.4. Nothing in this Bill of Sale is intended to alter, limit, or supersede the covenants and agreements of Vendor in the PILOT Lease including, but not limited to, the indemnity obligations contained in Section 7.04 and Section 7.05. of the PILOT Lease.

[SIGNATURES ON FOLLOWING PAGES]

DRAFT

STATE OF _____

COUNTY/PARISH OF _____

THUS DONE AND PASSED in the presence of the undersigned competent witnesses, who have hereunto signed their names with the said parties and me, Notary, in the above-referenced state and parish, on this ____ day of _____, 20____, after due reading of the whole, but to be effective on the Effective Date specified on page 1 of this Bill of Sale.

VENDOR:

**COCA-COLA BOTTLING COMPANY
UNITED-GULF COAST, LLC**

By: _____
Name: _____
Title: _____

WITNESSES:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Notary Public

STATE OF LOUISIANA

PARISH OF RAPIDES

THUS DONE AND PASSED in the presence of the undersigned competent witnesses, who have hereunto signed their names with the said parties and me, Notary, in the above-referenced state and parish, on this ____ day of _____, 20____, after due reading of the whole, but to be effective on the Effective Date specified on page 1 of this Bill of Sale.

VENDEE:

**ENGLAND ECONOMIC AND INDUSTRIAL
DEVELOPMENT DISTRICT**

By: _____
Chair

WITNESSES:

Signature: _____
Printed Name: _____

Signature: _____
Printed Name: _____

Notary Public

**SCHEDULE A
to Bill of Sale**

SCHEDULE OF MOVABLE PROPERTY TO BE TRANSFERRED

<u>Description of Equipment</u>	<u>Serial or Asset Number</u>	<u>Capital Cost</u>
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[TO COME]

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SCHEDULE B
to Bill of Sale

PERMITTED ENCUMBRANCES

[TO COME]

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