

## SUMMARY OF ANNEXATION AGREEMENT KEY TERMS

1. Annexation. The City of Marseilles ("**City**") will annex approximately 715 acres of land into the City. §2.
2. Zoning.
  - a. The City will amend its Comprehensive Plan to allow for the creation of a new Emerging Technologies Zoning District. §3.
  - b. The City will adopt Zoning Code amendments to create the Emerging Technologies Zoning District and rezone Constellation Energy Generation, LLC's ("**CEG**") and its subsidiary's (collectively, "**Constellation**") property to the new zoning district. The Zoning Code amendment will allow the property to be used for data centers, electrical transmission uses, and other uses. §§4, 5.
3. Contribution to the City. CEG will make \$10 million in contributions to the City pursuant to the following schedule (§8):
  - a. Year 1 - \$3,000,000.
  - b. Year 2 - \$3,000,000
  - c. Year 3- \$2,000,000
  - d. Year 4 - \$1,000,000 less: (i) any property taxes assessed against the property attributable to the City's property tax levy for the immediately preceding tax year; and (ii) City Utility Taxes related to the property charged during the prior year.
  - e. Year 5 - \$1,000,000 less: (i) any property taxes assessed against the property attributable to the City's property tax levy for the immediately preceding tax year; and (ii) City Utility Taxes related to the property charged during the prior year.
4. Water and Sewer Utilities. Constellation will pay any costs related to the extension of City water and sewer utilities. §9.
5. Roadway Relocation. In the event that a portion of 2553rd Road needs to be relocated, Constellation will be responsible for the relocation and rebuilding the roadway to the City's specifications. §10.
6. Building Code Requirements. Constellation must abide by the building code requirements agreed to with the City. §7.
7. Building Permit Fees. The City will charge a permit fee of \$0.23 per square foot of the permitted improvements along with its third-party review costs. §12.

8. Rebate Agreements. The City and Constellation will enter into property tax, utility tax, and sales tax rebate agreements. §14.
- a. Constellation will only be eligible for a property tax rebate if the City receives a minimum amount of property taxes each year (minimum is \$2,500,000 until January 1, 2027, and then increasing by 3% per year).
  - b. Constellation will only be eligible for a utility tax rebate if the City receives a minimum amount of utility taxes from the property each year (minimum is \$5,000,000 before January 1, 2027, and then increasing by 3% per year).
  - c. Constellation will be eligible for a 75% rebate of the sale taxes received by the City until the City retains \$1,250,000 (increasing by 3% per year); and then remainder above the cap is rebated to Constellation.
9. Term of Annexation Agreement. The term of the Annexation Agreement is 20 years. §20.