

AGREEMENT

THIS AGREEMENT (“Agreement”) is made as of this ____ day of _____, 2025 (“Effective Date”), by and among **THE TOWN OF CULPEPER, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (the “Town”), and **SAC III ACQUISITION CO., LLC**, a State of Delaware limited liability company (“STACK”). The Town and STACK may hereafter be collectively referred to as the “Parties” or individually as a “Party”.

RECITALS

A. **WHEREAS**, STACK intends to develop certain property commonly known as **Town of Culpeper tax map numbers 41-105, 41-105A, 51-83D, and 51-83E, and Culpeper County tax map numbers 41-106E, 41-106F, and 51-83A6**(collectively the “Property”) for purposes of developing a data center campus known as the Culpeper Technology Campus (the “Project”);

B. **WHEREAS**, the Project is located less than one mile from the Town’s Wastewater Treatment Plant (the “WWTP”);

C. **WHEREAS**, STACK, at its sole cost and expense, desires to design and construct certain water and wastewater utility improvements for purposes of allowing a reuse wastewater system that will treat and convey reclaimed water to the Project, the general scope of which is attached hereto and marked as **Exhibit 1** (collectively the “Reclaimed System”);

D. **WHEREAS**, the Town, in coordination with STACK, desires to oversee and manage the design and construction of the Reclaimed System (“Reclaimed System Design & Construction”);

E. **WHEREAS**, STACK desires to coordinate with the Town regarding the Reclaimed System Design & Construction and to develop a process in which to reimburse the Town for all its actual costs relating to the Reclaimed System Design & Construction; and

F. **WHEREAS**, the Parties desire to enter into this Agreement, all as provided more particularly below.

NOW THEREFORE, in consideration of the above recitals and mutual promises expressed herein, and other valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Recitals**. The recitals and exhibit set forth at the beginning of this Agreement are incorporated into and made a part of this Agreement as though they were fully set forth hereunder and constitute material representations and understandings of the parties hereto. Stack is solely responsible for determining the legality, efficiency, or practicality of the design and specifications outlined in the attached **Exhibit 1**, and the Town disclaims any warranties and representations regarding the same.

2. **Agreement.** The Parties agree as follows:

a. STACK and the Town agree to coordinate and fully cooperate with the Reclaimed System Design & Construction, all as more specifically provided under that certain water services agreement which will be subsequently drafted and negotiated by the Parties (the “WSA”). The Parties anticipate that the reclaimed water system will provide 2,000,000 gallons per day (2 MGD) for industrial data center cooling but this is subject to regulatory control by applicable state agencies including the Department of Environmental Quality. The ultimate permitted capacity (which may be more or less than 2 MGD) is referred to in this Agreement as the “Permitted Capacity.” Upon final approval of the Reclaimed System by permitting authorities, the Town will own the Reclaimed System and all associated tanks, pumps, valves, and other facilities located on property owned by the Town or upon which the Town has a utility easement. STACK will dedicate to the Town sufficient land and easements for construction, maintenance, access and repair of the Elevated Reclaimed Water Tank described in Exhibit 1. In the WSA, Stack and the Town will waive any right to recover lost profits, lost revenue, or direct or indirect damages from each other, and will set reasonable liquidated damages for delays caused by the other party’s unreasonable actions; no other damages will be allowed under the WSA or in any claim, regardless of legal theory, related to the Project.

b. STACK agrees to pay directly or reimburse the Town for all its actual costs and expenses relating to the Reclaimed System Design & Construction, including those that may have been incurred prior to this Agreement, all as provided more particularly under the WSA (collectively the “Town Reclaimed System Design & Construction Costs”). The WSA shall provide for STACK to pay the Town for the Town Reclaimed System Design & Construction Costs incurred by the Town up to the date of the WSA’s approval and thereafter. For purposes of paying said costs, STACK will: (i) make monthly payments to the Town based on the payment terms and draw schedule provided under the WSA; (ii) post a surety bond with the Town for the full amount of the estimated costs for the Town Reclaimed System Design & Construction Costs not covered by the cash escrow under this paragraph; and (iii) deposit in escrow, held by the Town, cash totaling twenty percent (20%) of the estimated Town Reclaimed System Design & Construction Costs. The Town will hold the escrow in an interest-bearing account and apply the interest to the expenses the Town is permitted to charge under the WSA. If upon final completion of the Project or formal termination of the WSA there are funds remaining in the escrow (whether from the initial funding of the escrow, interest collected, or replenishment funds), the Town will first apply the funds to any unpaid charges due to the Town and then release the remaining funds to Stack. Nothing in this Agreement shall limit the Town’s authority to recover the direct and related costs covered by this Agreement. In the event of Stack’s breach of this requirement as defined under the WSA, the Town may select methods of cost recovery in its sole and absolute discretion, including by adjustment of utility connection and usage rates.

c. The Town, in coordination with STACK, agrees to oversee and manage the Reclaimed System Design & Construction, all in accordance with the terms of this Agreement and the WSA. In this regard, design of the Reclaimed System is currently contracted and being paid by a third party (Peterson Companies) and the final design documents will be provided to STACK and the Town upon completion. Upon approval of the WSA, the Town will retain the licensed engineering firm WW & Associates or other third parties to obtain permits for the wastewater

treatment facility improvements and inspect the Reclaimed System Construction (collectively the “Engineering Costs”). STACK further agrees to reimburse the Town for the Engineering Costs as more particularly provided in the WSA. Subject to STACK’s approval (not to be unreasonably withheld, conditioned or delayed), which is subject to and in accordance with applicable law and regulations, the Town will select and retain the general contractor(s) and any necessary consultants (collectively the “Contractors”) to permit, construct and install the Reclaimed System all in accordance with STACK’s design and construction requirements and the WSA. In this regard, STACK’s approval of the Contractors will be generally subject to the following conditions: (i) confirming construction commencement and completion schedules and timelines; (ii) evaluation of all Contractors’ bids to insure compliance with bid documents in accordance with the Virginia Public Procurement Act; and (iii) STACK’s ability to exercise self-help in the event of Contractor’s delay or breach, subject to the Town’s approval.

d. All right of way permitting and applicable easements requirements (“Easement Requirements”) for the Reclaimed System will be the primary responsibility of STACK. Time being of the essence. Town will cooperate and assist STACK where such assistance is legal and practical. The Town is under no obligation to use its power of eminent domain in connection with acquiring property rights to support the Reclaimed System. Notwithstanding the foregoing, the Town and STACK agree that all anticipated Easement Requirements have been obtained or will soon be obtained for the Reclaimed System.

e. After the completion of the Reclaimed System and delivery and dedication of the same to the Town, the Town agrees that STACK will have the primary right to utilize up to 2,000,000 gallons/day of the Town’s reclaimed water or the maximum Permitted Capacity (not to exceed 2,000,000 gallons/day). If the Town determines in its sole and absolute discretion that Permitted Capacity is available above 2,000,000 gallons/day, Town will first offer this excess capacity to STACK for its use at a price to be determined by the Town (the “Excess Capacity Price”). If STACK does not agree promptly to use this additional capacity, the Town may then offer it to a third party user at or above the Excess Capacity Price. Any subsequent third party users (except a STACK affiliate) of the Reclaimed System will not impact STACK’s reclaimed water requirements, and will further pay, in addition to the Town’s required connection fees, a prorata share (based on said third party’s use) to STACK of the Reclaimed System Design & Construction costs, all as provided more particularly in the WSA. The Excess Capacity Price will be supported by an industry standard rate study and applicable law.

f. If the Parties do not reach agreement on and execute the WSA on or before October 31, 2025 (“Execution Due Date”), this Agreement shall terminate and the Parties will have no further obligations under it to each other except for payment of expenses already incurred and required to be reimbursed under this Agreement. Notwithstanding the foregoing, either party may extend the Execution Due Date up to two (2) sixty (60) day periods (collectively the “Extension Period”) so long as said extension is exercised in good faith for purposes of finalizing the WSA. For purposes of clarification, the aggregate Extension Period is one hundred and twenty (120) days, whether one or both parties exercise the Extension Period.

g. The Parties agree that until the Reclaimed System Design & Construction is completed and connected to the Project, STACK may utilize groundwater as temporary bridging

cooling water, not to exceed one (1) year from receipt of Occupancy Permit for the first data center building or an alternate term connected to Reclaimed System commissioning defined in the WSA at a maximum of 500,000 gallons per day (“Temporary Bridging Water”), if available, and subject to the sole and absolute discretion of the Town and permitting requirements of the appropriate authorities. The said one (1) year limitation may be extended in the event any delay in completing and connecting the Temporary Bridging Water is not due to the fault of STACK. STACK will be responsible for all costs and damages (if any) associated with the acquisition, pumping, treatment and disposal of the Temporary Bridging Water.

h. The Parties agree that in the event there is a conflict between this Agreement and the WSA, the WSA will govern.

i. Nothing in this agreement shall obligate the Town to contract with any third party for permitting, design or construction services prior to WSA approval.

3. **Successors and Assigns**. This Agreement is binding upon, inures to the benefit of, and is enforceable by, the Parties and their respective successors and assigns. Any party named herein will be read to include its successors and assigns, unless otherwise expressly excluded. Written notice will be provided to all parties at least 10 days before this Agreement is assigned.

4. **Amendments**. This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated herein, and it supersedes all prior discussions, understandings, or agreements between the Parties. This Agreement may be amended only in writing signed by each of the Parties. Nothing in this Agreement restricts the Town’s future exercise of its governmental authority, including but not limited to its authority to set utility connection and usage rates, all in accordance with applicable law.

5. **Severability**. If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

6. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

7. **Governing Law**. This Agreement is governed by the laws of the Commonwealth of Virginia without regard to its conflict of laws provisions.

8. **Notices**. Any payment, notice, request, or other deliveries required to be given hereunder will be deemed given if sent by registered or certified mail, or overnight delivery service, postage prepaid, addressed to the following:

USPS Mail Address
Town: Town Manager
Town of Culpeper

400 South Main Street, Suite 101
Culpeper, Virginia 22701

With a copy that shall not constitute notice to:
Town Attorney C/O
Town of Culpeper
400 South Main Street, Suite 101
Culpeper, Virginia 22701

STACK: 1700 Broadway, Suite 1750
Denver, Colorado 80290
Attn: Legal
Email: legal@stackinfra.com

[AUTHORIZED SIGNATURES TO FOLLOW]

WITNESS the following authorized signatures as of the Effective Date:

THE TOWN OF CULPEPER, VIRGINIA

By: _____
Print Name: _____

Town Manager
As authorized by the Town Council of the Town of
Culpeper, Virginia

SAC III ACQUISITION CO., LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

EXHIBIT 1

The project will be designed and constructed in accordance with but not be limited to the following guidelines:

- Town of Culpeper Water and Sewer Design and Construction Standards;
- Applicable Virginia Department of Health (VDH) requirements;
- Applicable Virginia Department of Environmental Quality (Virginia DEQ) requirements; and
- Federal, state, and local permitting requirements.

All improvement plans must be approved by Town of Culpeper and where applicable, VDH and Virginia DEQ.

WASTEWATER TREATMENT PLANT SUPPLY IMPROVEMENTS INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: The Culpeper Technology Campus (CTC) is located less than one mile from the Town of Culpeper Wastewater Treatment Plant (WWTP). To treat and convey reclaimed water to the CTC, several improvements to the existing WWTP are required.

- 1) New Reclaimed Water Pump Station (RWPS) to pump reclaimed effluent wastewater to the new Elevated Reclaimed Water Tank at CTC.
 - a. Minimum of three (3) vertical turbine pumps with a firm capacity of 4.0MGD with one pump out of service.
 - b. Passive hydraulic overflow to discharge.
 - c. The RWPS will be located outdoors under an open roof structure at the site of the Town's existing WWTP or at such other location as is acceptable to the Town in its sole and absolute discretion, and will include necessary design accommodations for year-round operation.
- 2) New effluent Parshall Flume to measure WWTP discharge.
- 3) Improvements to the UV Disinfection system, including new post-aeration tanks and associated blowers, diffusers, and piping.
- 4) Chemical treatment system using sodium hypochlorite to provide additional disinfection and a chlorine residual through the Reclaimed Water distribution system.
 - a. Designed to dose sodium hypochlorite at a concentration up to 4mg/L at the design RWPS flow of 4.0MGD.
 - b. Two chemical feed pumps (1 in operation and 1 backup may be hard plumbed or provided as shelf spare)
 - c. 30 days of chemical storage at the design conditions.
 - d. The storage tank will be located outdoors, adjacent to the new RWPS and Electrical and Chemical Building and will include necessary components for an outdoor

installation and year-round operation.

- 5) New Electrical and Chemical Building to house the chemical feed pumps and new electrical equipment for all WWTP improvements.
- 6) New backup generator adjacent to the Electrical and Chemical Building.
- 7) Piping and site work to accommodate the new facilities and piping configuration between the existing UV disinfection system and the existing outfall.

RECLAIMED WATER TRANSMISSION PIPING INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: The CTC is located less than one mile from the Town of Culpeper WWTP. A new Reclaimed Water Main is required to convey reclaimed water to the CTC. The Reclaimed Water Main will be approximately 4,600 linear feet of 16” pipe from the new RWPS to the elevated Reclaimed Water Storage Tank at the CTC.

ELEVATED RECLAIMED WATER STORAGE TANK INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: The Elevated Reclaimed Water Storage Tank will store reclaimed water to serve the CTC. The Tank will be sized with an available storage volume of 2MG to hold one day of maximum day demand for the CTC site. The final elevation of the tank will provide a minimum of 35 psi water pressure to CTC without pumping. This tank will be located on a parcel dedicated by the owners of CTC to the Town.

RECLAIMED WATER DISTRIBUTION PIPING INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: A new Reclaimed Water Distribution Main is required to convey reclaimed water to the CTC. This Agreement only covers that portion of the Reclaimed Water Distribution Main from the Elevated Reclaimed Water Storage Tank up to and including a meter and meter bypass piping to be located on the Elevated Reclaimed Water Storage Tank parcel. The Reclaimed Water Distribution Main from the discharge side of the meter bypass piping will be the responsibility of CTC.

RECLAIMED WATER RETURN PIPING

INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: CTC has estimated that approximately 30% of the Reclaimed Water will be returned to the WWTP for treatment. CTC shall be required to incorporate on-site storage as necessary to limit this return flow instantaneous flow rate to a rate less than or equal to 1,000 gallons per minute. CTC shall also provide a discharge meter to measure and record the instantaneous and totalized flow prior to the flow entering the Town's existing wastewater collection system. Design and construction of this system shall be approved by the Town prior to the system being connected to the Town's existing wastewater collection system.

WWTP RETURN FLOW EQUALIZATION INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: To meet hydraulic requirements and minimize the impact of the Reclaimed Water Return Flow to the WWTP, additional pumping and storage is required at the WWTP. Upgrade the Town's wastewater pump station No. 2 with 3-1,000 gpm pumps with a rated capacity of 3.0 MGD. Construct a new 1 MG equalization tank adjacent to the headworks building to equalize wastewater flow. The equalization tank shall be provided with a diffused aeration system to allow for wastewater mixing and to minimize potential for septic conditions. The system shall also include a wastewater grinder system upstream of EQ tank to minimize solids accumulation in the EQ tank.

WELL WATER TEMPORARY BACKUP INFRASTRUCTURE DESIGN SPECIFICATIONS

Project Description: The Town is currently connecting two reserve wells (X4B and X2A), with an anticipated safe yield of 0.5 MGD, to the Town's potable water system. To utilize the capacity of these wells as a temporary supply to the Reuse system, an air gap connection shall be constructed to transfer water from the Town's potable water system to the New Reclaimed Water Pump Station. A meter and flow control valve shall be included in the system.