

AGREEMENT FOR REVIEW- REIMBURSEMENT OF CITY EXPENSES AND PLEDGE AGREEMENT

Agreement made this 26th day of May 2026 ("Agreement") between the City of Belvidere, Illinois, a municipal corporation of the State of Illinois, organized under the laws of the State of Illinois ("City") and Datawatt Hyperscale LLC, a Delaware Limited Liability company having its office at 205 South Peoria Street Unit 1716, Chicago IL 60607 ("Developer").

RECITALS

A. The Developer proposes to develop the real estate currently lying outside the corporate limits of the City and referred to as Project Hawkeye (the "Project"), for which the Developer will or has submitted a proposal or proposals thereof to the City, and for which Project the Developer will be seeking an Annexation, Pre-Annexation and /or a Development Agreement (the Agreement); and

B. The City is willing to draft, review, revise and propose language for, and engage in good faith negotiations with Developer, concerning the development or proposals for the Project and the Agreement as well as post Agreement City required administration of the Project, provided Developer reimburses City for its City Expenses, as herein defined, incurred by the City in so doing from and after April 1, 2026, and as may also be required by City's Municipal Code.

In consideration of the covenants and agreements herein contained, the sufficiency of which is acknowledged, it is mutually agreed between the City and the Developer, as follows:

- I. Upon demand from time to time prior to the approval by the Corporate Authorities of the Agreement for the Project, the Developer shall reimburse the City for the following expenses incurred in City's preparation, negotiation and review from and after April 1, 2026 that are related to the Project and /or the Agreement (collectively, the "City Expenses":
 1. The costs incurred by the City for outside engineering services.
 2. All attorneys' fees incurred by the City.
 3. All outside (not City employees) planning, financing, financial, development, environmental and/or geotechnical studies, right of way and property data and any consultants therefore, or other consultants; and
 4. Miscellaneous City out of pocket expenses.
- II. The effective date of this Agreement (the "Effective Date") is the date that the last of the City and the Developer has executed this Agreement:
- III. Upon demand by City, Developer shall from time to time following the approval by the Corporate Authorities of the Agreement (the "Approved Project"), promptly reimburse the City for all reasonable City Expenses incurred by City in the

administration of the Approved Project including and following the platting approvals. Such reimbursement shall include engineering expenses, attorneys' fees, environmental and/or geotechnical studies, right of way and property data, consultants' fees, and out of pocket expenses involving various matters such as, but not limited to, review of the Approved Project, proposals and documents, preparation and publication, if any, of all notices, resolutions, ordinances and other documents required under any such arrangement, recording fees, and the review, negotiation and/or preparation of declarations, covenants, easements, notes, bonds, letters of credit and escrow agreements or any other documents attributable to the Approved Project. The Developer's obligation pursuant to this paragraph III shall not extend to reimbursement of City's expenses incurred for work or services provided to City following the issuance of the first certificate of occupancy for the completion of construction of the initial building consisting of at least 100,000 square feet on the project site unless the City's expenses are in relation to any of the following: final plat approval including any documentation or requirement relating to final plating; required by City Code; or provided for in subsequent agreement with the Developer.

- IV. The City Expenses incurred in the administration of the Project process, the Project, the Approved Project or any subsequent agreement shall be evidenced to the Developer by an itemized statement of the City, and in the event that the services for which the City Expenses were incurred were performed by other than City's full-time staff personnel, as to those amounts of the City Expenses, shall be evidenced by the billings therefore and may be further confirmed by the Developer, at its option, from additional documents designated from time to time by the Developer, relevant to determining the City Expenses.

In the event the City institutes legal proceedings against the Developer for violation of this Agreement and secures a judgment in its favor, the court having jurisdiction of the matter shall determine and include in its judgment against the Developer that it has jurisdiction over, all expenses of such legal proceedings incurred by City, including but not limited to the court costs and reasonable attorneys' fees, witnesses' fees, etc. incurred by the City in connection with any such proceedings. Developer may, in its sole discretion, appeal any judgment rendered in favor of the City against them or any one of them, and shall pay to the City all the expenses of those appellate legal proceedings or any further appeal thereof, only after the entry of a final, non-appealable order in favor of the City.

- V. To secure Developer's performance of this Agreement, but not as a limitation to the amount of expenses to be reimbursed, Developer shall deposit as a pledge with City \$150,000 in cash (the Pledge). Said Pledge amount shall be available for City to draw upon after 35 days have expired from the date Developer receives a reimbursement billing from City, and said billing is unpaid. The balance of the Pledge, shall be returned to Developer within sixty (60) days after issuance of the first certificate of occupancy as set forth in Section III above or a denial by the City of the requested annexation or annexation / redevelopment agreement and payment by Developer of all City Expenses incurred under this Agreement.
- VI. This Agreement does not obligate City to continue the process to reach the goal of

the Developer if the City in its sole opinion determines that it no longer desires (for whatever reason or no reason) to continue the process. This Agreement is entered into by City for the convenience of Developer to enable the City to review and process Developer's proposal(s) for the Project. The City agrees to make a good faith effort to review Developer's project in connection with this agreement.

- VII. In the event of a bankruptcy (whether voluntary or involuntary), of any LLC, corporation or any other entity, which is or becomes the Developer of the Project, the undersigned Developer agrees to reimburse the City for any cost or expense including City's attorney's fees in participating in such Bankruptcy proceedings or pursuing any actions or defenses concerning such insolvency.
- VII. Any notice, request, demand, instruction or other document to be given or served hereunder shall be in writing and shall be delivered personally, or sent by a nationally recognized overnight express courier, and shall be addressed to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, or three (3) business day after deposit with a nationally recognized overnight express courier. Notices may be sent by the City's attorney or by Developer's attorney, on the City's or the Developer's behalf, as applicable, and such notices sent by the City's attorney or Developer's attorney, as applicable, shall be effective notices as if sent directly by the City or the Developer, as applicable.

If to City: City Clerk
401 Whitney Blvd.
Belvidere, IL 61008
cityclerk@belvidereil.gov

With a copy to: City Attorney
401 Whitney Blvd.
Belvidere, IL 61008
cityattorney@belvidereil.gov

If to the Developer: Datawatt Hyperscale LLC
Attn: David Halligan
205 South Peoria St.
Suite 1716
Chicago, IL 60607
dhalligan@datawattenergy.com

With a copy to: Liston & Tsantilis, PC
200 S. Wacker Dr.
Suite 820
Chicago, IL 60606

ptsantilis@lflawchicago.com

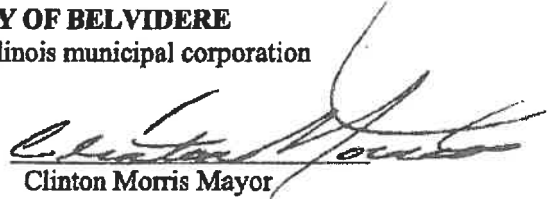
VIII. This Agreement may be executed in two or more counterparts and each of such counterparts, for all purposes, shall be deemed to be an original, but all of such counterparts together shall constitute but one and the same instrument, binding upon all parties hereto, notwithstanding that all of such parties may not have executed the same counterpart.

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IN WITNESS WHEREOF, the parties have executed this Agreement at Belvidere, Illinois on the date set forth above.

CITY OF BELVIDERE
an Illinois municipal corporation

By:


Clinton Morris Mayor

Datawatt Hyperscale LLC
a Delaware limited liability company

By:


David Halligan (May 21, 2026 11:15:14 CDT)

David Halligan

Print Name

Manager

Its: