

**HARDIN FISCAL COURT  
RESOLUTION NO. 2023-248**

**A RESOLUTION OF THE FISCAL COURT OF THE COUNTY OF HARDIN, KENTUCKY (THE “ISSUER”) RELATING TO THE ISSUANCE OF THE COUNTY OF HARDIN, KENTUCKY INDUSTRIAL BUILDING REVENUE BONDS (BLUEOVAL SK, LLC PROJECT), SERIES 2023, IN ONE OR MORE SERIES, IN AN AMOUNT OF UP TO \$5,800,000,000 (THE “BONDS”), ISSUED AT THE REQUEST OF BLUEOVAL SK, LLC, A DELAWARE LIMITED LIABILITY COMPANY (THE “COMPANY”), FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN “INDUSTRIAL BUILDING” AS DEFINED IN KRS 103.200 ET SEQ. (THE “INDUSTRIAL BUILDING REVENUE BOND ACT”) FOR THE MANUFACTURING AND PRODUCTION OF ELECTRIC VEHICLE BATTERIES, TO BE LOCATED NEAR GLENDALE, HARDIN COUNTY, KENTUCKY (SUCH FACILITY THE “INDUSTRIAL BUILDING”); ACCEPTING THE CONVEYANCE OF THE INDUSTRIAL BUILDING TO THE ISSUER, SUCH INDUSTRIAL BUILDING TO BE LEASED BY THE ISSUER TO THE COMPANY PURSUANT TO THE INDUSTRIAL BUILDING REVENUE BOND ACT; AND APPROVING, AUTHORIZING AND ACKNOWLEDGING THE ISSUANCE OF THE BONDS AND THE EXECUTION AND DELIVERY OF (1) THE BONDS, (2) A LEASE AGREEMENT WITH RESPECT TO THE INDUSTRIAL BUILDING, (3) A BOND AGREEMENT WITH RESPECT TO THE BONDS BY AND AMONG THE ISSUER, THE COMPANY, AND 2022 BATTERY PARK, LLC AS PURCHASER OF THE BONDS (THE “PURCHASER”), (4) A DEED FROM THE COMPANY TO THE ISSUER; (5) AN IN-LIEU OF TAX PAYMENTS AGREEMENT BETWEEN THE ISSUER AND THE COMPANY, (6) A PAYMENT AND DISBURSEMENT AGREEMENT AND (7) ANY AND ALL OTHER RELATED DOCUMENTS NECESSARY THERETO.**

WHEREAS, the County of Hardin, Kentucky (the “Issuer”), a political subdivision of the Commonwealth of Kentucky, is authorized and empowered by the Industrial Building Revenue Bond Act (Section 103.200 et seq.) of the Kentucky Revised Statutes (hereinafter referred to as the

“Industrial Building Revenue Bond Act”) to issue bonds to defray the costs of an industrial building as defined in the Industrial Building Revenue Bond Act; and

WHEREAS, BlueOval SK, LLC, a Delaware limited liability company, doing business in the Commonwealth of Kentucky (the “Company”), has offered to the Issuer an “industrial building” project on approximately 1,551 +/- acres and generally located near Glendale, Hardin County, Kentucky 42740 (the “Property”), if the Issuer will agree to issue industrial building revenue bonds in one or more series in the aggregate amount of up to \$5,800,000,000 (as defined below, the “Bonds”) pursuant to the Industrial Building Revenue Bond Act, such industrial building project to be leased, used and occupied by the Company as a facility for the manufacturing and production of electric vehicle batteries (the “Project”), which will result in the employment of a number of workers and promote the economic development of the area; and

WHEREAS, the Fiscal Court of the Issuer adopted Resolution 2023-097 on May 9, 2023 (the “Inducement Resolution”), agreeing to undertake the issuance of the Bonds in one or more series in the aggregate amount of up to \$5,800,000,000 in the future, and approving the execution and delivery of a Memorandum of Agreement Regarding Issuance of Industrial Revenue Bonds, and, in connection therewith, the County and the Company entered into a Memorandum of Agreement Regarding Issuance of Industrial Revenue Bonds dated May 9, 2023 (the “MOA”);

WHEREAS, under the terms of the proposed Lease Agreement (as herein defined) between the Issuer and the Company, the Issuer will receive payments from the Company sufficient to pay the principal and interest requirements of the Bonds, and which payments shall be pledged, together with the Lease Agreement itself, as security for the payment of the principal of and interest on the Bonds; and

WHEREAS, under a proposed In-Lieu of Tax Payments Agreement between the Company and the Issuer (the “In-Lieu of Tax Payments Agreement”), the Company will agree to make payments of the amounts set forth therein, in recognition of the tax benefits the Company will receive and in support of lost potential tax revenue to the Issuer from the transfer of the Property to the Issuer pursuant to the Industrial Building Revenue Bond Act;

WHEREAS, the Company is entering into Payment in Lieu of Taxes Agreement with the Board of Education of Hardin County, Kentucky (the “School PILOT Agreement”), whereby the Company will agree to make payments of the amounts set forth therein, in recognition of the tax benefits the Company will receive and in support of lost potential tax revenue to the Hardin County School District from the transfer of the Property to the Issuer pursuant to the Industrial Building Revenue Bond Act;

WHEREAS, the Issuer has found and determined that the operation of the proposed Project will tend to relieve existing conditions of unemployment in the area and will otherwise promote the general welfare and economic development of the Issuer and all of its citizens;

NOW, THEREFORE, BE IT RESOLVED BY THE FISCAL COURT OF THE COUNTY OF HARDIN, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

1. INDUSTRIAL BUILDING. The Issuer finds that the Project to build, equip and operate a facility for the manufacturing and production of electric vehicle batteries, near Glendale, Kentucky located within the County is an “Industrial Building” within the meaning of the Industrial Building Revenue Bond Act.

2. AUTHORIZATION OF BONDS.

For the purpose of paying the costs, not otherwise provided, of the Project, the Issuer hereby authorizes and approves the issuance of its County of Hardin, Kentucky Industrial Building Revenue

Bonds (BlueOval SK, LLC Project), Series 2023, in one or more series, dated as of the date of delivery of the Bonds, in the principal amount of up to Five Billion Eight Hundred Million Dollars (\$5,800,000,000) (the “Bonds”), as more fully provided for in the Bond Agreement(as herein defined), hereinafter approved. The Bonds shall mature on the date which is the 30<sup>th</sup> anniversary of the date of issuance of the Bonds, and shall bear interest from the date of delivery to the purchaser(s) thereof as provided in the Bond Agreement, with a rate of interest not to exceed six percent (6.00%) per annum. The principal and interest requirements of the Bonds are specified in the Bond Agreement and in the specimen Bond(s).

3. APPROVAL AND AUTHORIZATION OF EXECUTION OF THE BONDS, LEASE AGREEMENT, BOND AGREEMENT, IN-LIEU OF TAX PAYMENTS AGREEMENT, DISBURSEMENT AND PAYMENT AGREEMENT AND OTHER AGREEMENTS.

The following documents in the respective forms attached to this Resolution are hereby approved, subject to such amendments, changes, insertions (including dates and other information) and/or omissions as may be approved by the County Judge Executive, without further action of the Fiscal Court, such approval to be conclusively evidenced by his/her execution of said documents, in order to effectuate the purposes of this Resolution; and the County Judge Executive is hereby authorized to execute and acknowledge the same for and on behalf of the Issuer; and the County Clerk is authorized to attest same and to affix thereto the corporate seal of the Issuer. The forms of said documents are hereby ordered to be filed in the office of the County Clerk, labeled respectively, Exhibits A, B, C, D, E and F, as identified below, and each of said documents in final form, when executed and delivered by the parties thereto, is ordered to be recorded with this Resolution in the official records of the Issuer:

- (a) The Bond(s), substantially in the form attached as Exhibit A.

(b) The Lease Agreement (the “Lease Agreement”) between the Issuer and the Company with respect to the Project, substantially in the form attached as Exhibit B. It is noted that the legal description to be attached to the Lease Agreement needs to exclude from the leased premises a certain tract of land approximately 17.677 acres in size to be used for one or more county services facilities and/or a cell tower site (the “Excluded Tract”). To the extent that the legal description of the land attached to the Lease Agreement later requires amendment to effectively delete the Excluded Tract from the legal description attached to it, or to otherwise modify or amend the Excluded Tract description consistent with the foregoing, an amendment to Lease Agreement (the “Lease Amendment”) shall be subsequently entered into, provided that such Lease Amendment is in form and substance satisfactory to, and is approved by, Lessee, Bondholder and the Issuer; the approval by the Issuer to be evidenced by the execution and delivery of the Lease Amendment by the County Judge/Executive following review by the County Attorney, without the need for further action of the Issuer’s Fiscal Court.

(c) The Bond Agreement (the “Bond Agreement”) by and among the Issuer, the Company and 2022 Battery Park, LLC, as the Purchaser (the “Purchaser”), with respect to the Bonds, substantially in the form attached as Exhibit C, providing for the sale of the Bonds at the aggregate price of 100% of par and upon the respective terms and conditions set forth in the Bond Agreement. The approval of said Bond Agreement by the Company and a separate letter from the Company to the Issuer evidence the request of the Company that the Bonds be sold at private sale upon a negotiated basis to the Purchaser, pursuant to KRS 103.230.

(d) The Deed from the Company to the Issuer, whereby the existing property on which the Project is to be constructed will be transferred by the Company to the Issuer, substantially in the form attached as Exhibit D.

(e) The In-Lieu of Tax Payments Agreement between the Company and the Issuer, under which the Company will agree to make payments of the amounts set forth therein, in recognition of the tax benefits the Company will receive and in support of lost potential tax revenue to the Issuer from the transfer of the Property to the Issuer pursuant to the Industrial Building Revenue Bond Act, substantially in the form attached as Exhibit E.

(f) The Disbursement and Payment Agreement by and among the Issuer, the Company and the Purchaser, with respect to the disbursement of Bond proceeds and the payment of the Bonds, substantially in the form attached as Exhibit F.

For each phase of the acquisition, construction, installation, improvement, commissioning and equipping of the Project, and the financing thereof, the Issuer at Company's request shall execute, acknowledge, and deliver on behalf of the Issuer any mortgage(s) or other financing statements or agreements authorized and approved by the Company and the owner or owners of any series of the Bonds (collectively, the "Bondholder"), including any collateral sharing or subordination agreements, as may be required by the Company and the Bondholder, without further action of the Fiscal Court, provided that the terms of such mortgage(s), financing statements or agreements, or collateral sharing or subordination agreements are not inconsistent with the provisions of the Industrial Building Revenue Bond Act or this Resolution and do not create a general obligation or general liability of the Issuer. The approval of such mortgage(s), financing statements or agreements, or collateral sharing or subordination agreements, for any series of the Bonds, shall be conclusively evidenced by their execution by the Judge/Executive, which execution and approval are hereby authorized without further action of the Fiscal Court.

4. THE BONDS SHALL NOT BE A GENERAL OBLIGATION OF THE ISSUER BUT A SPECIAL LIMITED OBLIGATION PAYABLE SOLELY FROM THE AMOUNTS

PAYABLE UNDER THE LEASE AGREEMENT AND OTHER REVENUES OF THE PROJECT. NEITHER THE ISSUER, THE COMMONWEALTH OF KENTUCKY NOR ANY OTHER POLITICAL SUBDIVISION OF THE COMMONWEALTH SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO EXCEPT FROM THE REVENUES OF THE PROJECT PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE ISSUER, THE COMMONWEALTH OR ANY POLITICAL SUBDIVISION OF THE COMMONWEALTH IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, OR PREMIUM, IF ANY, OR INTEREST ON THE BONDS OR OTHER COSTS INCIDENT THERETO.

5. DISBURSEMENT OF PROCEEDS OF BONDS.

The Company and the Issuer are authorized to carry out the procedures specified in the Lease Agreement, the Bond Agreement and the Disbursement and Payment Agreement for the supervision of the acquisition and construction of the Project and for the payment from time to time of the costs of such acquisition and construction and related expenses as same progresses.

6. REVENUES OF THE PROJECT.

The revenues and other payments to be received by the Issuer under the terms of the Lease Agreement are determined to be sufficient to pay the principal of and interest on the Bonds as the same become due and payable and all said payments and other payments received under the Lease Agreement and all other revenues arising out of or in connection with the Lease Agreement are hereby pledged to secure such payments and revenues, and in addition, for such other purposes as are more fully specified in the Bond Agreement.

7. EXECUTION OF BONDS.

Each Bond shall be executed by the Issuer in the manner provided in the Bond Agreement and shall be delivered to the Bondholder.

8. COUNTY JUDGE EXECUTIVE AND OTHER OFFICIALS OF ISSUER TO TAKE ANY OTHER NECESSARY ACTION.

Pursuant to the Constitution and laws of the Commonwealth of Kentucky, the County Judge Executive, the County Clerk and all other appropriate officials of the Issuer are hereby authorized and directed to take any and all further action and to execute and deliver all other documents as may be necessary to effect the issuance and delivery of the Bonds and the transactions contemplated thereby, including, but not limited to, the acceptance of a bill of sale from the Company for personal property included in the Project, and the execution and delivery of an assignment of lease agreement, closing documents and other documents consistent with the approvals set forth herein.

[9. EXECUTION AND DELIVERY OF FUTURE EASEMENTS, RIGHTS-OF-WAY AND RELATED DOCUMENTS.

Under the Lease Agreement, the Issuer, as Lessor, has agreed to execute and deliver all easements, rights-of-way, restrictions, agreements, subdivision or similar plats, conveyance deeds or other similar documents with respect to the Land that is subject to the Lease Agreement (all such documents, collectively, "Easement and Right-of-Way Documents"), as may be requested by the Company in a written request from the Company to the Issuer. All such Easement and Right-of-Way Documents shall require the prior written approval of each of the Company, the Bondholder and the Issuer, and if a mortgage is of record with respect to the Land, may require the prior written approval of the mortgagee and secured party under such mortgage pursuant to the terms thereof. The approval by the Issuer of any Easement and Right-of-Way



Document shall be evidenced by the execution and delivery of such document by the County Judge/Executive following the document's review by the County Attorney, without the need for further action of the Fiscal Court. The review, negotiation and delivery of Easement and Right-of-Way Documents as requested by the Company, including reasonable attorney fees, shall be at the sole expense of the Company.]

10. SEVERABILITY CLAUSE.

If any section, paragraph, clause or provision of this Resolution shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

11. CAPTIONS OF CLAUSE.

The captions of this Resolution are for convenience only and are not to be construed as part of this Resolution nor as defining or limiting in any way the scope or intent of the provisions hereof.


To the extent any resolution, ordinance or part thereof is in conflict, the provisions of this Resolution shall prevail.

12. EFFECTIVE DATE OF RESOLUTION.

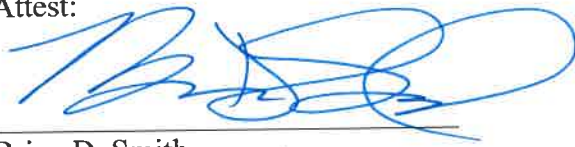
This Resolution shall take effect from and after its adoption, approval and publication of Notice of Passage hereof, including the title of this Resolution, which publication may be in summary form and which publication is hereby approved by the County Clerk pursuant to KRS 103.210.

INTRODUCED, SECONDED, AND ADOPTED AT A DULY CONVENED MEETING OF THE FISCAL COURT OF THE COUNTY OF HARDIN, KENTUCKY, held on December 12, 2023, on the same occasion signed in open session by the County Judge/Executive as evidence of his approval, attested under seal by the County Clerk, ordered to be filed and recorded as required by law, and declared to be in full force and effect according to law.

COUNTY OF HARDIN, KENTUCKY

By  \_\_\_\_\_  
Keith L. Taul  
Hardin County Judge/Executive

Attest:

  
\_\_\_\_\_  
Brian D. Smith  
Hardin County Clerk

(Seal of Issuer)

CERTIFICATION

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of Hardin County, Kentucky, and, as such County Clerk, further certify that the foregoing is a true copy of a Resolution duly adopted by the Fiscal Court of said County at a duly convened meeting of said Fiscal Court held on December 12, 2023, signed by the County Judge/Executive of said County, and duly filed and recorded in my office, all as appears from the official records of said Fiscal Court in my possession and under my control.

IN WITNESS WHEREOF, I have hereto set my hand and affixed the seal of said County this 21 day of December, 2023.



Brian D. Smith  
Hardin County Clerk

(Seal of Issuer)

**EXHIBIT A**  
Form of specimen Bond(s)

**EXHIBIT B**  
Form of Lease Agreement

**EXHIBIT C**  
Form of Bond Agreement

**EXHIBIT D**  
Form of Deed

**EXHIBIT E**

Form of In-Lieu of Tax Payments Agreement



**EXHIBIT F**  
Form of Disbursement and Payment Agreement

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