

CONTRACT FOR ELECTRIC SERVICE

This Contract for Electric Service (“Agreement”) is entered into on \_\_\_\_\_, 202\_ (the “Effective Date”) by and between the City of Sandersville, Georgia, a municipal corporation of the State of Georgia located in Washington County, Georgia (the “CITY”), and CleanSpark, Inc., a corporation organized under the laws of Nevada and having its principal place of business at 2015 George Lyons Parkway, Sandersville, GA 31082 (the “CUSTOMER”).

WITNESSETH

WHEREAS, the CITY owns and operates an electric distribution system that supplies electric power to certain customers; and

WHEREAS, the CITY currently provides service to CUSTOMER under the existing agreement between the CITY and the CUSTOMER regarding the provision of up to 80 MW of electric power (“EXISTING SERVICE CONTRACT”); and

WHEREAS, when CUSTOMER execute this AGREEMENT, the CITY and CUSTOMER desire to supersede the EXISTING SERVICE CONTRACT; and

WHEREAS, the terms of this Agreement represent the terms and conditions that govern the CITY’s retail service, including the electric rate structure for high load factor customers (i.e., greater than ninety percent (>90%)) with capacity requirements in excess of 20 MW; and

WHEREAS, the CITY and the CUSTOMER agree that the CITY will sell and deliver, and CUSTOMER will receive and pay for, electric energy and capacity for service to the CUSTOMER’S premises located at 2015 George Lyons Parkway, Sandersville, GA 31082 and any other parcels

utilized within the scope of the EXPANSION, as defined below (collectively, the “PROPERTY”) within the City of Sandersville, Georgia pursuant to this AGREEMENT.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties hereto and other good and valuable consideration, it is agreed by and between the parties hereto as follows:

**1. PURCHASE, SALE, AND USE OF ELECTRIC ENERGY AND CAPACITY**

**(a) Electric Service**

On and after the EFFECTIVE DATE until the end of the TERM, the CITY shall sell and deliver, and CUSTOMER shall receive and pay for, the ELECTRIC SUPPLY. As used herein, “ELECTRIC SUPPLY” includes (i) the generation and transmission capacity set forth in Section **Error! Reference source not found.**, (ii) the electric energy set forth in Section 1(c), and (iii) the feeder capacity set forth in Section 1(g), but in all cases CITY’s obligation to provide ELECTRIC SUPPLY is limited by the energy and capacity provided to CITY by MEAG.

**(b) Generation and Transmission Capacity**

ELECTRIC SUPPLY includes generation and transmission capacity in the amount and at the times set forth in this Section. Notwithstanding anything to the contrary herein, CITY shall have no obligation to provide generation and transmission capacity in an amount more than 230 MW or the amount of capacity provided to CITY by its all-requirements energy, transmission capacity and generation capacity supplier, the Municipal Electric Authority of Georgia (“MEAG”). Upon the Effective Date, CITY will provide 80 MW of generation and transmission capacity. At such time as WHOLESAL SUPPLIER makes available an additional 150 MW of generation and transmission capacity (the “EXPANSION”) to the CITY, CITY will supply such additional capacity to

CUSTOMER. CITY has no obligation hereunder to procure energy or capacity or other services from any supplier other than MEAG. To the extent that CITY may have energy or capacity in excess of the 230 MW discussed herein, CITY and CUSTOMER agree to negotiate in good faith regarding the potential to expand the ELECTRIC SUPPLY made available by CITY to CUSTOMER in excess of the 230 MW.

**(c) Electric Energy**

ELECTRIC SUPPLY includes electric energy required for operating CUSTOMER's facility on the PROPERTY. CITY will deliver such electric energy to the DP defined in Section 3. Notwithstanding anything to the contrary herein, CITY shall have no obligation to provide ELECTRIC SUPPLY in an amount more than provided to CITY by WHOLESAL SUPPLIER.

As a condition to the receipt of ELECTRIC SUPPLY from CITY, CUSTOMER's load factor and load shall meet or exceed 90% and 20 MW respectively ("Required Load"), as measured by the CITY. If CUSTOMER fails to meet or exceed the Required Load for three consecutive months or a total of six months during the TERM of the agreement the CITY shall no longer be obligated to provide ELECTRIC SUPPLY at the rate described in this AGREEMENT.

**(d) Renewable Sources**

CITY will endeavor to provide, subject to availability and CUSTOMER's agreement to pay all associated costs, electric energy that is a minimum of seventy percent (70%) from renewable resources; provided, however, that CITY shall have no liability if its energy supply is less than seventy percent (70%) from renewable resources.

**(e) No Resale**

All ELECTRIC SUPPLY provided under this AGREEMENT shall be used by CUSTOMER for its load at the PROPERTY, and no portion of such primary electric service shall be resold by CUSTOMER or provided to another person or entity without charge.

**(f) Interconnection**

All interconnections by CUSTOMER with CITY'S electrical supply system, or any facility owned or controlled by MEAG, shall meet standard technical requirements (the National Electric Safety Code, or its successor) for such interconnections, as approved by the CITY.

**(g) Distribution Feeders and Bond**

Distribution Feeder Fee. Each month subsequent to the EXPANSION, CUSTOMER shall be billed and shall pay CITY \$6,840.00, which represents a pro-rata portion of the Distribution Feeder Fee based upon the TERM of this AGREEMENT [ $\$820,800/120 \text{ months} = \$6,840.00$ ]. The monthly Distribution Feeder Fee will be adjusted to account for any change in the Feeder Rate by MEAG so that the CITY fully recovers its costs for distribution feeders obtained to serve CUSTOMER. In no event shall the CITY collect more than \$820,800 for the Distribution Feeder Fee unless the Feeder Rate charged to the CITY by MEAG increases.

Distribution Feeder Fee Bond. On or before March 1, 2024 CUSTOMER will procure a bond payable to CITY in the amount of \$820,800 to secure CUSTOMER's payment of the Distribution Feeder Fee. Such bond will be in the form and issued by a surety deemed satisfactory to CITY in its reasonable discretion. This bond amount is described as the Distribution Feeder Fee and is calculated as follows:  $(\$760 \times 12 \text{ months} \times 10 \text{ years}) \times 9 \text{ distribution feeders}$ . Upon issuance of this DISTRIBUTION FEEDER FEE BOND and completion by MEAG of the 230-KV substation under construction to serve CUSTOMER, CUSTOMER will be guaranteed feeder capacity up to 150 MW

from such substation. CITY will request MEAG to complete the 230-KV substation. The CITY has no responsibility to construct, install, or maintain the substation and related transmission facilities.

**(h) Ownership of Facilities and Resources**

CUSTOMER will have no ownership interest in any capacity (e.g. feeder, generation, or transmission capacity) or in any equipment purchased or acquired by or on behalf of CITY.

CUSTOMER shall furnish, install, and keep in good and safe condition, in accordance with prudent utility practices, all electric lines, machinery, and apparatus that may be required for receiving electric power from CITY on the CUSTOMER side of the delivery point and for distributing and using such power.

**2. EFFECTIVE DATE; TERM**

- A. Effective Date. This AGREEMENT shall be in force and effect on the Effective Date, subject to any conditions precedent set forth herein.
- B. TERM. This AGREEMENT for electric power service shall be binding upon CITY and CUSTOMER, and their permitted successors and assigns, and shall remain in effect for an initial “TERM” of 10 years from the Initial Operational Date. The Initial Operational Date is the date on which CITY receives written notice from CUSTOMER that the facility is operational.
- C. Renewal. Prior to the end of the 10-year TERM, this AGREEMENT may be renewed if both parties agree in writing and in accordance with Section 4 – AGREEMENT RENEWAL.

- D. SECURITY. As a condition precedent to CITY's obligations to provide the services related to the EXPANSION hereunder, CUSTOMER shall provide the DISTRIBUTION FEEDER FEE BOND, and the SECURITY required by Section 12.
- E. Termination. If this AGREEMENT is terminated by either party for any reason or if CUSTOMER ceases to take electric power from CITY or takes substantially less electric power than anticipated, has a load factor less than anticipated, or uses less than the nine feeders specified in Section 1, CUSTOMER shall remain responsible for all payments to CITY related to energy, feeder capacity, generation capacity, and transmission capacity obtained by CITY to serve CUSTOMER. CITY may repurpose or terminate procurement of such energy and capacity, and in such event, CUSTOMER's liability shall be reduced by any value received or cost avoided. The value of repurposing or cost avoided shall be calculated by CITY separately for each category of capacity, shall be reduced by any costs associated with the repurposing or termination, and in no case shall result in a refund to CUSTOMER for a category and no surplus in one category shall be allocated to another category. No margin shall be added to termination costs.

### **3. RATES**

The CUSTOMER will be billed and shall pay to CITY wholesale cost plus a margin for the CITY as described in this section. The CITY will work with its MEAG to pursue multiple wholesale options to provide electricity to the CUSTOMER. CUSTOMER shall not pay more for energy than the CITY's actual energy cost at Delivery Point ("DP") as specified in this Section 3. The electric bill will be the total of all these costs plus MARGIN for the CITY.

The charge for the feeders, consumption, and generation and transmission capacity is calculated using the following formula.

$$\text{Bill} = (\text{Base Bill \$} + \text{Margin \$}) + \text{Sales Tax \$}$$

$$\text{Base Bill \$} = \text{Cost}_{\text{ENERGY}} + \text{Cost}_{\text{GEN}} + \text{Cost}_{\text{TRANS}} + x \text{ Feeder Rate}$$

$$\text{Cost}_{\text{GEN}} = \text{GBD KW} \times \text{Generation Capacity Rate}$$

$$\text{Cost}_{\text{TRANS}} = \text{TBD KW} \times \text{Transmission Rate}$$

$$\text{Cost}_{\text{ENERGY}} = \sum(\text{kWh}_{\text{Hr}} \times \text{Market Price}_{\text{Hr}}) @ \text{DP}$$

$$\text{Margin \$} = \text{see explanation below}$$

Definitions;

- a. Feeder Rate (in \$/feeder per month) is established by MEAG annually in their budget approval process.
- b. Transmission Billing Demand (TBD) is highest of the following (in KW) for
  - i. Estimated annual peak demand (first year), OR
  - ii. The highest peak demand year to date, OR
  - iii. Anticipated annual peak demand of the current year, OR
  - iv. CUSTOMER's peak demand in kW at the time of MEAG's Coincident Peak for the month.
- c. Transmission Rate is the Transmission Capacity rate (in \$/kW-month).
  - i. The Transmission Capacity Rate (in \$/kW-month) is based on the MEAG annual budget transmission rate for the billing year.
- d. Generation Billing Demand (GBD) is the highest of the following (in kW) x 1.15

- i. Estimated annual peak demand (first year, as determined by CITY and MEAG in consultation with CUSTOMER), OR
  - ii. The highest peak demand year to date, OR
  - iii. Anticipated annual peak demand of the current year (as determined by CITY and MEAG in consultation with CUSTOMER), OR
  - iv. CUSTOMER's peak demand in kW at the time of MEAG's Coincident Peak.
- e. Generation Capacity Rate (in \$/kW-month) is determined by the supplemental budget as published by MEAG or actual cost for the billing year.
- f.  $\sum$  means the sum over all hours of the billing period
- g. kWh<sub>Hr</sub> is the CUSTOMER's kWh usage in the specific hour
- h.  $Cost_{ENERGY}$  is the cost of energy obtained by CITY to serve CUSTOMER's load under this AGREEMENT. This is calculated by summing for each hour of the billing period MEAG's posted hourly market price in \$/kWh for Georgia Integrated Transmission System (Georgia ITS) at Level DP multiplied by the CUSTOMER's load at that same point. Level DP is defined as "the distribution voltage side of each transformer of each substation facility of MEAG or other entity that supplies power directly to the CUSTOMER."
- i. MARGIN is 3 mills per kWh that the CUSTOMER uses.
- j. Sales Tax \$ is the applicable state and local Sales tax(es) that will apply to all components of the rate.

Notwithstanding anything to the contrary in the AGREEMENT, CITY and CUSTOMER agree that all costs under this AGREEMENT, except CITY's margin, are



intended to be pass-through costs to CUSTOMER of all costs, including but not limited to energy, feeder, generation, and transmission capacity costs, incurred by CITY related to this AGREEMENT, without shortfall or additional margin. At least once per calendar year (but more frequently if mutually agreed) the costs will be trued up to reflect this intent. Unless otherwise mutually agreed, true-up amounts will be included by CITY as a credit or charge on the next invoice and will be payable according to the terms applicable to regular charges. In the true-up process CITY shall not be required to provide a current credit in consideration of an anticipated future credit from MEAG.

#### **4. AGREEMENT RENEWAL**

- A. At the end of the TERM, this AGREEMENT shall terminate. The parties may opt to renew this Agreement under Section 4(B) by mutual written agreement signed by the authorized representatives of both parties. In the event the initial TERM (or any subsequent term) ends without renewal in writing, and service continues to be provided, the service shall be considered to be provided on a month-by-month basis for a maximum of 4 months in accordance with this agreement. The CITY shall have no obligation to continue to provide electric power to CUSTOMER for more than four months after the end of the initial term or subsequent term without a renewed agreement, but if it does so, such provision will not be considered a renewal of this AGREEMENT.
- B. At least 90 days prior to the end of the initial TERM, both parties will begin discussions to extend or amend the AGREEMENT.

## **5. POINT(S) OF DELIVERY.**

Electric service will be provided to distribution voltage DP for the following site: 2015 George Lyons Pkwy East, Sandersville, GA 31082 and any other parcels utilized within the scope of the EXPANSION.

## **6. FORCE MAJEURE**

In the event that CITY is unable, wholly or in part, by reason of force majeure to deliver the electric power to be sold under the AGREEMENT, then, on giving notice in full particulars of such force majeure, before the occurrence if practicable or, if not, then as soon as practicable after the occurrence of the cause relied on, the obligations of the CITY, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch. The term "force majeure" as used herein means act of God; strikes, lock-outs, or other industrial disturbances; acts of public enemy, blockages, wars, insurrections, foreign or domestic terrorists or riots; epidemics; landslides, earthquakes, fires, storms, floods, or wash-outs, arrests, governmental restraint, civil disturbances; explosions; any other event creating conditions under which the CITY's compliance with the AGREEMENT would become impossible or create a substantial, demonstrable financial burden upon CITY or its taxpayers and other causes beyond the reasonable control of a party. Upon the occurrence of any change in law that results in additional cost(s) to CITY related to this AGREEMENT, CITY shall take the following steps: (a) Promptly notify CUSTOMER of the change in law and corresponding additional costs (which shall be only pass-thru costs without additional margin); (b) Allow CUSTOMER thirty (30) days to elect whether to terminate this AGREEMENT or pay the additional costs. If CUSTOMER elects to

terminate, it shall have six (6) months to vacate the PROPERTY and shall be responsible for payment of the additional costs for that period and any applicable costs under Section 2C.

## **7. CURTAILMENT; TEMPORARY INTERRUPTIONS**

The electrical energy supplied by the CITY may be curtailed in whole or in part by the CITY at any time that an emergency exists, in the reasonable judgment of the CITY or MEAG Power, by reason of any of the following conditions: to protect essential human need uses such as hospitals, schools and residences in such manner and priority as the CITY deems appropriate, or to preserve the integrity of the CITY's electrical system and the integrity of the Integrated Transmission System (ITS). Additionally, the CITY shall not be liable for any loss by CUSTOMER of production, revenue, or profits, or for any consequential damages, including damage to CUSTOMER owned equipment, as a result of the temporary interruption or failure of service, or the temporary increase or decrease in energy, power or voltage. The CITY shall use its best efforts to provide uninterrupted service and to restore normal service as quickly as possible when it is interrupted, but does not guarantee same.

Should CUSTOMER voluntarily curtail, CUSTOMER agrees to do so in accordance with MEAG Dispatch Policy for Interruptible Loads, dated May 21, 2013, (or its successor), hereto attached as EXHIBIT B. Notwithstanding anything else herein to the contrary, CUSTOMER will pay or reimburse CITY for any non-energy related costs incurred by CITY related to CUSTOMER, including but not limited to load management or curtailment costs.

To potentially mitigate the costs of transmission and generation capacity associated with this AGREEMENT, the CITY will work with CUSTOMER to explore options with MEAG to limit the impact of the CUSTOMER's load during peak usage periods. If successful, such agreement will be

documented separately, and this paragraph shall not be construed as an obligation by CITY or CUSTOMER to enter into such an agreement.

**8. TIME OF THE ESSENCE AND ASSIGNMENT.**

Time is of the essence of this AGREEMENT. Neither party may assign this AGREEMENT without the prior written consent of the other, and any attempted assignment without such consent will be void.

**9. NO THIRD-PARTY BENEFICIARIES**

Except as otherwise specifically provided in this AGREEMENT, the parties do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this AGREEMENT of any duty, covenant, obligation, or understanding established under this AGREEMENT, except to their successors and assigns.

**10. NON-WAIVER**

None of the provisions of this AGREEMENT shall be considered waived by either party except when such waiver is given in writing. The failure of either party to insist in any one or more instances upon strict performance of any of the provisions of this AGREEMENT or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

**11. NOTICES**

All correspondence required of a party to the other party shall under this AGREEMENT be addressed as follows:

To CITY:

City Administrator

City of Sandersville

\_\_\_\_\_

Sandersville, Georgia

Email: \_\_\_\_\_

With an additional required copy to:

City Attorney

City of Sandersville

Address:

Email:

And

David Cook

Address:

Email:

To CUSTOMER:

CleanSpark, Inc.

2370 Corporate Circle

Suite 160

Henderson, NV 89074

With an additional required copy to:

[Legal@cleanspark.com](mailto:Legal@cleanspark.com) and [Zach@cleanspark.com](mailto:Zach@cleanspark.com)

Except for invoices as described in Section 3, such notice shall be given by First Class mail, appropriate postage prepaid, addressed as specified above, with email copies as provided herein. Such notice shall be effective as of the date of its receipt by its intended addressee except that notice of failure of payment under Article 13 shall be deemed effective at the time an email is sent to both specified email addresses. A party may update its notice information, including providing separate notification information for payment issues, without amending this agreement by communicating such updated information to the other party in writing.

## **12. DEPOSIT OR FINANCIAL SECURITY INSTRUMENT**

(A) A deposit, a letter of credit, or indemnity bond (collectively "SECURITY") will be used to protect the CITY from default by CUSTOMER. Regardless of the option selected, the total amount of the SECURITY will be calculated by CITY to reflect all amounts for which CITY is committed in support of its performance under this agreement (excluding amounts covered by the DISTRIBUTION FEEDER FEE BOND), plus the projected cost of 40 days of energy usage under this AGREEMENT. The CITY will provide data supporting its calculation upon request by CUSTOMER. The CITY may modify the SECURITY amount to reflect changes in the Rate or its financial commitments in support of the AGREEMENT upon 30 days written notice to CUSTOMER. Also, upon request of CUSTOMER, but no more than twice in a twelve-month period, the CITY shall recalculate the SECURITY amount. Any increase in the SECURITY may be included by CITY as an additional charge on the next regular invoice and will be payable according to the terms for charges under the AGREEMENT unless an existing indemnity bond or letter of credit covers the increased amount. CUSTOMER may provide a revised letter of credit or indemnity bond if one is already in place but does not cover the increased amount, in which case, upon receipt of

the revised letter of credit or indemnity bond, the CITY will credit the deposit increase in the next invoice.

The formula for determining the projected energy cost element of the SECURITY will be (kW-load x 24 hrs/day x 40 days x .95 (load factor) x Market Price<sub>Hr</sub> in \$/kWh). The kW Load is by transformer and will be based on a load sheet provided to the CITY by CUSTOMER and will be the lower of the estimated maximum draw or maximum load on the meter that the CITY would connect to the CUSTOMER.

The CITY is authorized to use the SECURITY, in whatever form, to cover any short, delayed, or missing payment. Use of the SECURITY by the CITY will not avoid a finding of CUSTOMER default.

(B) DEPOSIT. As provided herein, CUSTOMER shall pay to the CITY a deposit to be paid before electricity is energized to the project, which will be refundable upon deactivation of the account, provided the account is in good standing and nothing is owed to the CITY by CUSTOMER for electricity usage, otherwise the deposit will be used to offset any deficiency in the amount owed to the CITY for power usage to the time of deactivation.

**(C) LETTER OF CREDIT**

As an alternative to SECTION 12 (B) DEPOSIT, and if the CITY and CUSTOMER mutually agree, CUSTOMER shall provide a financial security instrument substantially in the form of the IRREVOCABLE STANDBY LETTER OF CREDIT attached as EXHIBIT "A" and agreeable to both parties. The financial security instrument is to be in place before electricity is energized to the

customer's point(s) of delivery and may be terminated upon deactivation of the account, provided the account is in good standing and nothing is owed to the CITY by CUSTOMER for electricity usage, otherwise CITY is authorized to take payment from the letter of credit to offset any deficiency in the amount owed to the CITY.

(D) INDEMNITY BOND

As an additional alternative to Section 12 (B) deposit, and if the CITY and CUSTOMER mutually agree CITY may accept an indemnity bond established consistent with the language in EXHIBIT "B" attached. The face value of this indemnity bond will be calculated consistent with the language in Section 12 (A) of this document. To the extent that CUSTOMER has a cash deposit on file with CITY and elects to submit an indemnity bond instead, CITY shall refund CUSTOMER's cash deposit pursuant to the following: (a) after six (6) months of timely payments, CUSTOMER shall be permitted to provide an indemnity bond in the amount of 50% of the deposit, and be refunded the other 50% of the cash deposit; (b) after twelve (12) months of timely payments, CUSTOMER shall be permitted to provide an indemnity bond in the amount of 100% of the deposit, and be refunded the remaining 50% of the cash deposit.

**13. PAYMENTS**

The CITY will invoice CUSTOMER at least monthly but may in its sole discretion, after consultation with CUSTOMER, choose to invoice energy consumption and other charges twice each month. The CITY may base invoice amounts on reasonable estimates of anticipated actual charges, but in such cases will true-up invoice amounts to reflect actuals as soon as reasonably



practicable. Under no circumstances will CUSTOMERs invoice be larger than specified in the language contained in this agreement.

CUSTOMER shall, at the time of the execution of this AGREEMENT, provide to the CITY the bank account information from which automatic payments by bank under this AGREEMENT shall be made to the CITY. The payments made by CUSTOMER to CITY under this AGREEMENT shall be automatically drafted by the CITY on the 10th day following receipt of an invoice by the CUSTOMER for each billing period of this AGREEMENT. If at any time, the bank draft is dishonored by the bank, upon 48 business hours electronic notification to CUSTOMER of the dishonored draft and failure of CUSTOMER to cure, the CITY may suspend provision of ELECTRIC SUPPLY to CUSTOMER for non-payment of account until the account is brought current. Such suspension shall not relieve CUSTOMER of the obligation to pay for all costs incurred by CITY in connection with the services provided under this AGREEMENT including the additional costs to suspend and reestablish service. Continued default for 5 business days (whether or not service has been suspended and whether or not the CITY has utilized the SECURITY to cover all amounts due) shall constitute a material default for which CITY may terminate this AGREEMENT.

#### **14. INDEMNIFICATION**

Subject to the limitations on consequential damages contained herein, CITY and CUSTOMER will assume full responsibility and liability for the maintenance and operation of its properties or any equipment, lines, machinery, or apparatus, or other property. CITY and CUSTOMER will indemnify, defend, and hold harmless the other from all liability, expense, damages, claims, or actions, including but not limited to injury to or death of persons, arising from any act or accident in connection with the installation, presence, maintenance, or operation

of the property, equipment, lines, machinery, or apparatus, or other property. Nothing in this AGREEMENT will require indemnification in violation of O.C.G.A. § 13-8-2.

## **15. MISCELLANEOUS**

### **(a) Counterparts**

This Agreement may be separately executed in counterparts, each of which when so executed shall be deemed to constitute one and the same Agreement.

### **(b) CUSTOMER impact on electric system**

CUSTOMER shall use electrical power in such a manner as will not cause objectionable voltage fluctuations or other electrical disturbances on the electric system used to deliver power to CUSTOMER. In the event of objectionable voltage fluctuations or other electrical disturbances on the electric system, CITY may curtail service in order to avoid such fluctuations and disturbances and may require CUSTOMER, at CUSTOMER's expense, to take such corrective measures as CITY may reasonably require. CITY reserves the right to discontinue service if electrical disturbances are not corrected by CUSTOMER within three (3) days from the date of written notice by CITY to CUSTOMER. Notwithstanding any language to the contrary herein, CITY may in its sole discretion immediately discontinue service if it deems it appropriate to prevent risk or damage to the electric system or other users of the electric system.

### **(c) Exclusive Supplier**

CUSTOMER agrees that CITY is and shall remain its exclusive supplier of electric energy and capacity required at the PROPERTY described herein. If CITY gives its

written consent for other supply of energy and/or capacity it may be conditioned upon reasonable changes in terms, conditions, and rates. CITY and CUSTOMER agree that this provision shall be applicable notwithstanding any change in Georgia law that would allow CUSTOMER to choose another electric supplier.

**(d) Easements**

If the distribution facilities utilized to provide service to meet the obligations of CITY under this AGREEMENT are located on property owned or leased by the CUSTOMER, the CUSTOMER, without cost to CITY, shall provide or cause to be provided to CITY and MEAG easements, leases and other rights with respect to the CUSTOMER's property as may be required for the construction, installation, operation and maintenance of such facilities. In addition, CUSTOMER at no cost shall provide to CITY or MEAG any easements, leases or other rights that may become necessary or appropriate for the CITY to perform its obligations or exercise its rights under the provisions of this AGREEMENT.

**(e) Right of Access**

Employees or authorized representatives of CITY, including but not limited to employees or authorized representatives of MEAG shall be permitted to enter the PROPERTY at any time in order to carry out the provisions of this AGREEMENT.

**(f) Open Records and Open Meetings**

As a municipal corporation of the State of Georgia, CITY is subject to the Georgia Open Records Act, O.C.G.A., Title 50, Chapter 18, Article 4, and the Georgia Open Meetings Act, O.C.G.A., Title § 50, Chapter 14.

**(g) Governing Law and Forum**

This agreement shall be governed by, construed, and enforced in accordance with the laws of Georgia, without regard to rules governing conflicts of law. The parties consent to the jurisdiction and venue of any federal or state court located in or serving Washington County, Georgia for any action or proceeding related to the AGREEMENT.

**(h) Entire Agreement and Amendment**

This agreement contains the entire agreement between the parties relating to the subject matter hereof. This agreement supersedes all prior contracts, proposals, representations and commitments, oral, written or otherwise, related to the subject matter hereof. This agreement may only be amended by an instrument signed by the authorized representatives of both parties. Notwithstanding anything to the contrary herein, any existing liability of CUSTOMER under the EXISTING SERVICE CONTRACT will survive the term thereof.

**(i) CITY's Standard Terms**

Unless otherwise expressly provided herein or conflicting herewith, the CITY's standard utility service tariffs, terms, conditions, and rules shall apply to service hereunder.

**(j) UCC**

Utility commodities (e.g., electricity, gas or water) under the Contract will be considered a “good” governed by the Georgia Uniform Commercial Code.

**(k) Forward Contract**

CUSTOMER acknowledges and agrees that utility services and the transactions contemplated hereby constitute “forward contracts” and that CITY and such customer is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.

**(l) Severability**

If any provision hereof is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions thereof as nearly as possible in accordance with applicable law.

**(m) Warranties**

Each party represents and warrants to the other party that i) its execution and performance under this AGREEMENT will not violate the legal rights of any third party, ii) in entering into this AGREEMENT and performing hereunder it will comply with all applicable laws, iii) it has full capacity and authority to perform and fulfill its obligations under this AGREEMENT, and iv) the signatory listed in the signature block below has all power and authority to so bind the signatory’s respective principle.

IN CONSIDERATION OF THESE MUTUAL PROMISES, THE AUTHORIZED REPRESENTATIVES OF CITY and CUSTOMER have executed this AGREEMENT and caused their seals to be affixed this \_\_\_\_ day of \_\_\_\_\_, 202\_.

ATTEST:

CITY OF SANDERSVILLE,  
GEORGIA

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Title: CITY CLERK

Title: Mayor

[SEAL]

ATTEST:

CUSTOMER -

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[SEAL]

Title: \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_

## EXHIBIT "A" (with Exhibits 1 and 2 attached)

### IRREVOCABLE STANDBY LETTER OF CREDIT

Bank:

Irrevocable Standby Letter of Credit Number: [[REDACTED]]

Date of Issue:

Beneficiary: **City of Sandersville**

Dear Sir or Madam:

We hereby issue this Irrevocable Standby Letter of Credit ("Letter of Credit") in favor of **City of Sandersville**, Georgia and its permitted successors or assigns (as set forth below) ("Beneficiary") for the account of **CLEANSPARK.**, for the amount of \_\_\_\_\_ ( United States Dollars) which amount shall be automatically reduced by the amount of each drawing hereunder (the "Available Amount").

We hereby represent and warrant that the issuance of this Letter of Credit does not exceed our lending limit for **CLEANSPARK**.

Beneficiary is hereby irrevocably authorized to make one or more drawings each in an amount not in excess of the Available Amount in effect on the date such drawing is made by presentation of a draft(s) in the form of **Exhibit 2** hereto purportedly signed by an authorized representative of the Beneficiary to us at our office at ADDRESS. Upon a receipt of such draft, we will pay Beneficiary (or any transferee) the amount specified in immediately available funds not later than noon on the next business day.

Partial drawings: Permitted.

If a demand for payment does not conform to the terms and conditions of this Letter of Credit, we shall provide prompt notice that the demand for payment was not effected, stating the reasons therefor, and we will either hold the nonconforming documents or return the same, at the Beneficiary's direction. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, the Beneficiary may attempt to correct any such non-conforming demand for payment.

Our obligation under this Letter of Credit is independent and absolute and shall not be affected by any circumstance, claim or defense (real or personal), setoff or counterclaim of **CLEANSPARK** or any other person as to the enforceability of the Merchant Processing Agreement referenced herein, it being understood that our obligations shall be that of a primary obligor, and not that of a surety or guarantor. Our obligation under this Letter of Credit is in no way contingent upon reimbursement from **CLEANSPARK.** or anyone else.



This Letter of Credit is transferable in its entirety (but not in part) to any entity(ies) designated by Beneficiary as their transferee. A transfer of this Letter of Credit to a transferee shall be effected by Beneficiary's delivery to the transferee of a certificate duly executed and substantially in the form set forth as **Exhibit 1** to this Letter of Credit and to which this Letter of Credit is attached. A copy of the said certificate shall be presented to us at our office aforesaid promptly after signature of the certificate by the transferee.

Drafts must be presented to us on or before **DATE** or any automatically extended date. This Letter of Credit shall be deemed automatically extended upon without amendment for an additional 12 month period from the present or any future expiry date hereof, unless 90 days or more prior to any such date we shall notify you that we elect not to consider this Letter of Credit renewed for any such additional period. Any notification of non-renewal hereunder shall be made by certified mail, return receipt requested, or by overnight delivery with a courier of national reputation which tracks receipt, to **Beneficiary** at:

City of Sandersville  
Address

with a copy to:  
City Attorney

Upon Beneficiary's receipt of a notification of nonrenewal, Beneficiary may draw 100% of the Available Amount of this Letter of Credit at any time prior to the effective date of termination of this Letter of Credit set forth in the nonrenewal notification.

We hereby engage with Beneficiary that drafts drawn in conformity with the terms of this Letter of Credit (including its Exhibits) will be duly honoured on presentation. Please advise us all drawings immediately by telecommunication, swift/cable charges are for the account of Beneficiary.

This Letter of Credit shall remain in force and shall not expire until the Available Amount shall have been paid or until canceled upon the written request of the Beneficiary or its transferee.

This Letter of Credit sets forth in full the terms of our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference by any document, instrument or agreement in which this Letter of Credit is referred to or to which this Letter of Credit relates, and no such reference shall be deemed to incorporate herein by reference any document, instrument or agreement.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision or as revised), International Chamber of Commerce, Publication No. 600 and the law of the State of Georgia.

Authorized Signature

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EXHIBIT 1  
TO THE IRREVOCABLE STANDBY LETTER OF CREDIT

INSTRUCTIONS TO TRANSFER

\_\_\_\_\_, 20\_\_

Re: Irrevocable Standby Letter of Credit Number **[[xxxx]]**

Dear Sir or Madam:

The undersigned is named as a beneficiary in the Irrevocable Standby Letter of Credit referred to above (the "Standby Letter of Credit"). The undersigned now wishes to transfer to the transferee named below, all rights of the undersigned to draw under the Standby Letter of Credit.

\_\_\_\_\_  
Name of Transferee

\_\_\_\_\_  
Address

Therefore, for value received, the undersigned hereby irrevocably instructs you to transfer to such transferee all rights of the undersigned to draw under the Standby Letter of Credit. Such transferee shall hereafter have rights as a beneficiary under the Standby Letter of Credit.

Original of the Standby Letter of Credit is enclosed herewith.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

[NAME OF BENEFICIARY]

By: \_\_\_\_\_  
Title

The undersigned, \_\_\_\_\_  
**[[Name of Transferee]]**, hereby accepts the foregoing transfer of rights under the Standby Letter of Credit.

[NAME OF TRANSFEREE]

By: \_\_\_\_\_  
Title

Address:

[insert address]

EXHIBIT 2  
TO THE IRREVOCABLE STANDBY LETTER OF CREDIT

**INSTRUCTION TO DRAWDOWN**

The undersigned Beneficiary (or its Transferee) hereby demands payment of \$\_\_\_\_\_ under the Irrevocable Standby Letter of Credit Number \_\_\_\_ for the purpose of paying and/or assuring the future payment of any amounts owing or which may become owing from \_\_\_\_\_[identify merchant] to Beneficiary (or its Transferee) pursuant to the Merchant Processing Agreement (including all appendices and amendments thereto) dated \_\_\_\_\_ between \_\_\_\_\_[identify merchant], \_\_\_\_\_[identify processor] and \_\_\_\_\_ [identify acquiring bank] (or their successors and assigns).

Authorized Signature

\_\_\_\_\_

## EXHIBIT "B"

### INDEMNITY BOND

Effective on this \_\_\_ day of \_\_\_\_\_, \_\_\_, CleanSpark , Inc., a corporation having its principal place of business at 2015 George Lyons Parkway, Sandersville, GA 31082, and duly authorized to conduct and carry on business in Georgia (the "Principal"), and [NAME OF SURETY], a corporation organized under the laws of [name of state], having its principal office at [address of Surety], and duly authorized to conduct and carry on a general surety business in Georgia (the "Surety"), are each held and firmly bound to the **CITY OF SANDERSVILLE, GEORGIA** (the "Obligee"), in the sum of \$[dollar amount of bond] lawful money of the United States of America, for the payment of which to be made, Principal and Surety do now bind themselves, their respective heirs, legal representatives, and successors and assigns, jointly and severally.

#### RECITALS

- A. Under such Contract for Electric Service, Obligee agreed to supply and Principal agreed to receive and pay for electrical power for service to Principal's premises in the City of Sandersville, Georgia.
- B. The parties deem it necessary for Principal to furnish security for the prompt payment of electric bills for all electric service furnished and supplied to Principal by Obligee.

#### NOW, THEREFORE:

- 1. The condition of this obligation is such that if Principal shall well and faithfully perform the obligations herein recited and shall promptly pay for any electric service provided by Obligee, at any locations now or later served, whenever electric service is in Principal's name or Principal's assumed name, division name, or subsidiary name, regardless of ownership or occupancy of the site served with electric service, then the above obligations shall be null and void; otherwise, they remain in full force and effect.
- 2. If Principal fails to pay any amount due Obligee under the Contract for Electric Service, then Surety shall pay Obligee such amount due within fifteen (15) days after receipt of demand by Obligee. Within seven (7) days after receipt of such demand, Surety will contact Obligee to obtain payment directions such as bank-transfer instructions.
- 3. Surety's failure to satisfy the obligations under Section 2 hereof, within the time stated therein, shall be a material breach of this Indemnity Bond. The times stated therein are of the essence of this Indemnity Bond.
- 4. Surety's obligations hereunder (i) shall be unconditional, independent, absolute, and irrevocable; (ii) shall not be affected by any circumstance, claim, or defense (real or personal), setoff, or counterclaim of Principal or any other person, including but not limited to any defense of setoff or recoupment arising from or related to the Contract for Electric Service; and (iii) shall not be subject to any defense by reason of the actual or alleged

invalidity, illegality, or unenforceability of any agreement between Principal and Obligee, including but not limited to the Contract for Electric Service.

5. This bond shall be effective from and after the effective date hereof and shall remain in force until released in writing by Obligee.
6. No extension of time, change, modification of, alteration, or addition to the undertakings, covenants, terms, conditions, and agreements of the Contract for Electric Service shall in any way affect Surety's obligations under this Indemnity Bond. Surety waives notice of any such extension of time, change, modification of, alteration, or addition to the undertakings, covenants, terms, conditions, and agreements of the Contract for Electric Service.
7. Notwithstanding anything to the contrary herein, the penal sum of this Indemnity Bond shall be the total amount of Principal's liability to Obligee under the Contract for Electric Service, and will increase as Principal's liability under the Contract for Electric Service increases. Surety waives any right to notice of increase in Principal's liability under the Contract for Electric Service. Termination of the Contract for Electric Service shall not be a condition to Surety's obligations hereunder.
8. No exercise of Obligee's rights, or failure to exercise such rights, under the Contract for Electric Service will affect Surety's obligations hereunder.
9. Notwithstanding any contrary provision in the Contract for Electric Service, Principal will not attempt to assign or transfer the Contract for Electric Service without written consent by Surety and Obligee.
10. Surety's obligation hereunder (i) will not be affected by the receivership, bankruptcy, or insolvency of Principal or the attachment of Principal's property or (ii) as a result of any remedy from the operation of any present or future provision of the federal Bankruptcy Code.
11. Surety represents and warrants that it is now and will remain for the term of this Indemnity Bond (i) on the United States Department of Treasury's list of approved bond surety and (ii) authorized to transact the business of suretyship in the State of Georgia
12. Surety and Principal execute this Indemnity Bond under seal.

**Principal**

**CITY OF SANDERSVILLE, GEORGIA**

By:

By:

\_\_\_\_\_

\_\_\_\_\_

[Name of officer of Principal]

[Title of officer of Principal]

[SEAL]

**[Name of Surety]**

By:

\_\_\_\_\_

[Name of officer of Surety]

[Title of officer of Surety]

[Acknowledgments]

[SEAL]