

ELECTRIC SERVICE AGREEMENT
BETWEEN
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
AND
CASCADE DIGITAL MINING, LLC

This ELECTRIC SERVICE AGREEMENT is entered into by and between the PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY, WASHINGTON (hereinafter the “District”) and CASCADE DIGITAL MINING, LLC, a Delaware limited liability company doing business in the State of Washington, (“Customer”). The District and Customer may be referred to herein each individually as a “Party” and collectively as “Parties.” Capitalized words used in this Agreement shall have the definition given in Exhibit A.

RECITALS

- A. The District is a not-for-profit public utility district that owns and operates an electric generation, transmission, and distribution system that is used to serve electric energy to its customers. The District was formed in 1936 by the voters of Pend Oreille County.
- B. The District’s General Service load is approximately 30 megawatts on an average basis.
- C. With respect to new, large industrial loads, the District’s longstanding principle is that its General Service customers shall not be harmed in any way. This requires new, large, industrial loads to pay for all costs the District incurs on their behalf, and avoid or compensate for the risk that their loads bring to the District. That principle is fundamental to the District’s operations, and to this Agreement.
- D. Customer or its Affiliates own and operate a Facility on certain real property located within the District’s service area. The location of the Facility is more particularly described as:

Address: 422767 SR 20, Usk, WA 99180

Tax Parcel Numbers: 443208000005 and 443205500001

Abbreviated Legal Description: 3-59 F4 NE1/4; N1/2NW1/4; SE1/4NW1/4; NW1/4SE1/4; 08-32-44

District Meter Numbers: Usk Substation Meter Nos. 12-15.

- E. The District is party to a certain BPA Contract which provides for the annual calculation of the District's Net Requirement that the District must purchase from BPA on a take-or-pay basis. The District would not have a Net Requirement but for Customer's planned electric load at the Facility.
- F. Although Customer, as a planned New Large Single Load under BPA's policies, is not eligible to be served with federal preference power, Customer is responsible for compensating the District for the displacement effect that the District's BPA Net Requirement has on the District's other resources, that will be used to serve a portion of Customer's load in an amount equal to or less than the Net Requirement volume, as determined by the District.
- G. In order to meet Customer's requested power needs in excess of the District's presently available power supply, the District and Customer selected Shell Energy North America (US), L.P. ("Shell Energy"). The District and Shell Energy have negotiated and executed a separate WSPP Confirmation for the purpose of providing wholesale power to the District to meet Customer's energy, capacity, and transmission needs in excess of System Product under this Agreement.
- H. BPA conducted a System Impact Study of Customer's initial load request, which determined that Customer may consume up to 100 MW of power at the Facility with a near-unity power factor. Customer has submitted a request for additional BPA studies for higher power volumes; however, in the event higher volumes are later authorized by BPA, provision of such additional power will require an amendment or replacement of this Agreement, as well as numerous other conditions being first satisfied.
- I. The District has also communicated with its Balancing Authority regarding Customer's planned load. Pursuant to the terms of the District's Balancing Authority Agreement, Customer may consume up to 100 MW of power at the Facility. The Parties intend that this Agreement will not adversely affect the District's Balancing Authority Agreement or the District's relationship with its Balancing Authority, and that all costs associated with the provision of balancing services for Customer's load will be Customer's responsibility.
- J. The Parties desire to enter into this Agreement for the District to procure and sell, and for Customer to accept and purchase, a certain amount of Product and related services for its Facility, up to 100 MW.

NOW, THEREFORE, in consideration of the mutual promises, covenants and provisions contained herein, the mutual benefits to be derived therefrom, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Recitals Incorporated.** The above-referenced Recitals are incorporated into and made a part of this Agreement.

2. **Effective Date.** The Effective Date of this Agreement shall be the date on which the last of the following conditions precedent has occurred:
 - 2.1. The Parties have each duly executed and delivered this Agreement;
 - 2.2. The District and Shell Energy have each executed and delivered the WSPP Confirmation in the form as attached hereto as Exhibit G, and any conditions precedent to the WSPP Confirmation (other than the execution and delivery of this Agreement by Customer and the District) have been either fully satisfied or expressly waived in writing;
 - 2.3. Customer has prepaid for all costs relating to Product in the first Delivery Month, and the District has confirmed the purchase of any Market Product for the first Delivery Month;
 - 2.4. Customer has posted and delivered to the District all Performance Assurance required as of the Effective Date under this Agreement; and
 - 2.5. Allrise Capital Inc. has delivered to the District an executed guaranty, for the benefit of the District, in the form attached hereto as Exhibit H.
3. **Term.** Subject to Section 31.8, and unless earlier terminated by either Party according to the terms hereof, the Term of this Agreement shall begin on the Effective Date and shall expire on the last date of the Delivery Period.
4. **Delivery Period.** The Delivery Period will begin at hour ending (“HE”) 01:00 PPT on the later to occur of: (a) three (3) Business Days following the Effective Date; or (b) September 1, 2022. The Delivery Period will end at HE 24:00 PPT on September 30, 2023, unless this Agreement is earlier terminated in accordance with its terms.
5. **Electric Services Provided by the District.**
 - 5.1. **Electric Service.** Pursuant and subject to the terms and conditions of this Agreement, for each hour of the Delivery Period the District will sell and deliver to Customer at the Facility Delivery Point, and Customer will purchase and receive from the District at the Facility Delivery Point, Product in an amount equal to the sum of the monthly System Product Quantity and any confirmed Market Product Quantity, up to the Contract Quantity Cap (“Electric Service”). The District shall be the exclusive provider of Electric Service to the Facility.
 - 5.2. **Sources of Product.** The Customer expressly acknowledges and agrees that the Product delivered to the Facility shall not include any Priority Firm power purchased by the District from BPA. A portion of the Product needed to provide Electric Service to the Facility may be System Product. The System Product Quantity will be diurnal monthly blocks of Product in whole megawatts, in an amount established by the District as set forth below. On a planning basis, any Product needed to provide Electric Service to the Facility above and beyond the

System Product Quantity, up to the Contract Quantity Cap, shall be Market Product purchased by the District from Shell Energy pursuant to the WSPP Confirmation.

- A. The System Product Quantity will be less than or equal to the District's Net Requirement for each BPA Fiscal Year, in an amount determined annually by the District. The initial System Product Quantity is set forth in Exhibit B. Customer acknowledges and agrees that the District's Net Requirement may change each BPA Fiscal Year. The District may, by giving written notice to Customer, adjust the System Product Quantity set forth in Exhibit B within ten (10) Business Days following BPA's initial publication of the District's forecasted Total Retail Load (as defined in the BPA Contract) for the following BPA Fiscal Year, and may further adjust the System Product Quantity set forth in Exhibit B within ten (10) Business Days following BPA's final determination of the District's Net Requirement for the following BPA Fiscal Year (through issuance of a revised Exhibit B to the BPA Contract).
 - B. The District shall determine, in its sole and exclusive discretion, which District power resources will be used to provide the System Product.
- 5.3. **Facility Delivery Point.** The Facility Delivery Point shall be the line of demarcation between the District Electric System and the Customer's electric facilities. Except as expressly provided herein, each Party shall be responsible for designing, constructing, operating, and maintaining its own electric facilities.
- 5.4. **Risk of Loss.** Title to and risk of loss for all Product delivered under this Agreement shall pass from the District to Customer at the Facility Delivery Point. Customer shall be responsible for all taxes imposed on or in respect of the Product once title to the Product has passed from the District to the Customer.
- 5.5. **Environmental Attributes.** Customer has not requested or paid for, and the District is not obligated to deliver, any specified-source or carbon-free Product under this Agreement. Customer acknowledges that no specified-source Product will be delivered to Customer under this Agreement. No Environmental Attributes are transferred to Customer under this Agreement, regardless of the source of Product, and Customer may not claim any specified-source or environmental or carbon-free attributes associated with such Product. To the extent that any sources of Product used or acquired by the District to satisfy its obligations under this Agreement include Environmental Attributes, Customer shall, unless otherwise expressly agreed by the Parties in a signed writing, have no right or claim to, or ownership of, such Environmental Attributes. If Customer requests, and the Parties agree in a signed writing, to acquire a non-emitting or carbon free power source to be included in the Product solely for Customer's benefit, then any such Environmental Attributes shall be paid for and owned by Customer pursuant to the terms of the Parties' separate agreement. The District makes no commitments or guarantees on resource type or Environmental Attributes of the Product delivered to Customer; provided, to the extent the District is required by an Environmental

Law to source all or a portion of the Product sold to Customer from a renewable, non-emitting, or carbon-free source, the District will ensure compliance with such Environmental Law(s), subject to Customer's payment obligations under Section 7.5.

A. **Customer Environmental Attribute Reporting.** Upon written request by the District, Customer shall provide the District with a report on the volume and nature of any Environmental Attributes purchased by Customer from third parties for Customer's own use and benefit, including, without limitation, any renewable energy credits or carbon offsets.

6. **Facility Load Forecasting.** To assist in the District's planning processes, Customer shall, upon written request by the District, promptly provide to the District a non-binding Load Forecast consisting of Customer's expected Product requirements for the Facility for each month of the following 24-month period (even if such period extends beyond the Term of the Agreement), using a forecast template provided by the District. Customer's Load Forecast shall identify any scheduled outages at the Facility. Customer's expected Product requirements shall be limited to the Contract Quantity Cap.

7. **Billing Inputs for Electric Service.** The amount to be invoiced by the District and paid by the Customer for Electric Service to the Facility shall be calculated by the District for each Delivery Month based on the following billing inputs, as applicable.

7.1. **Power Supply Costs.** Power supply costs incurred by the District for the provision of Electric Service to the Facility shall be passed through to the Customer as set forth below.

A. **System Product Costs.** The cost to Customer for System Product shall be equal to the wholesale power costs incurred by the District under the BPA Contract due to the District's provision of Electric Service to the Facility. The District shall determine in its sole but reasonable discretion what portion of its total wholesale power and related costs under the BPA Contract shall be allocated to Customer based in part on the ratio of the System Product Quantity to the District's Net Requirement.

(i) Customer shall be obligated to pay the District for all System Product costs on a take-or-pay basis, even if Customer's actual consumption is less than the System Product Quantity.

B. **Market Product Costs.** The District shall pass through to Customer all amounts due and owing by the District to Shell Energy for Market Product purchases and related charges under the WSPP Confirmation.

(i) Customer shall be obligated to compensate the District for all costs incurred under the WSPP Confirmation for the Market Product Quantity.

(ii) Customer accepts all risks associated with market-price volatility.

- 7.2. **District Delivery Fee.** Customer shall be responsible for paying the District a District Delivery Fee. The District Delivery Fee shall be \$292,000 for each Delivery Month of the Term of this Agreement. Customer's obligation to pay this District Delivery Fee is a take-or-pay obligation for the entire Term of this Agreement. Customer shall provide \$3,796,000 as Performance Assurance for Customer's obligations under this Section 7.2, in addition to any other Performance Assurance required herein.
- 7.3. **Market Delivery Fee.** Customer shall be responsible for paying the District a Market Delivery Fee. The Market Delivery Fee for each Delivery Month shall be the greater of (i) \$2.50 multiplied by the total MWhs of Market Product in that Delivery Month, or (ii) the amount for the respective Delivery Month identified in Exhibit B. Customer's obligation to pay the Market Delivery Fee identified in Exhibit B for each Delivery Month is a take-or-pay obligation for the entire Term of this Agreement. Customer shall provide \$1,483,375 as Performance Assurance for Customer's obligations under this Section 7.3, in addition to any other Performance Assurance required herein.
- 7.4. **Deviation Charges.** Customer is responsible for all Deviation Charges. Deviation Charges shall reflect the imbalance costs charged to the District by its Balancing Authority to the extent such costs are caused by or attributable to the District's provision of Electric Service to the Facility, as determined by the District in its sole but commercially reasonable discretion. Imbalance charges incurred by Shell Energy and charged to the District under the WSPP Confirmation shall be passed through to Customer on the next Monthly Invoice. The Parties agree to make reasonable efforts to mitigate Deviation Charges via Schedule Adjustments pursuant to Section 10, to the extent allowed under the District's Balancing Authority Agreement.
- 7.5. **Environmental Costs.** Customer will pay the District for, and will indemnify and hold the District harmless from and against, all costs incurred by the District that are associated with the District's compliance with existing or future Environmental Laws applicable to the District's provision of Electric Service to the Facility. This includes, without limitation, all such costs incurred by the District in order to comply with CETA and the Climate Commitment Act due to the District's provision of Electric Service to the Facility.
- 7.6. **Resource Adequacy Program Costs.** In the event the District participates in a mandatory regional resource adequacy program, including but not limited to the resource adequacy program being developed by the Western Power Pool, Customer shall pay its *pro rata* share of the District's costs in such program, which share the District shall demonstrate is reasonable via documentation of the District's total costs in such program, as well as the calculation of the Customer's *pro rata* share.
- 7.7. **Transmission Costs.** Customer shall be responsible for all transmission costs and losses incurred by the District under Section 12. For avoidance of doubt, this includes all transmission costs incurred on Remarketed Product.

- 7.8. **Taxes.** Customer shall be responsible for all taxes incurred by the District due to its performance under this Agreement, including, without limitation, all city utility taxes, state and local sales taxes, public utility taxes, and privilege taxes.

8. **Monthly Invoicing and Payment.**

- 8.1. **Monthly Invoices.** No later than the fourth Business Day of the month prior to the applicable Delivery Month, the District shall prepare and provide to Customer a Monthly Invoice for Electric Service in such Delivery Month (such Delivery Month, the "Invoice Period"). Monthly Invoices are in addition to, and distinct from, Market Product Invoices and Confirmation Invoices issued under Section 9.

- 8.2. **Monthly Invoice Components.** Each Monthly Invoice shall include:

- A. All System Product costs for the Invoice Period;
- B. All Delivery Fees for the Invoice Period, pursuant to Sections 7.2 and 7.3;
- C. All Deviation Charges incurred to Customer's account for the prior Delivery Month(s), pursuant to Section 7.4;
- D. All environmental costs for the Invoice Period, pursuant to Section 7.5;
- E. All resource adequacy program costs for the Invoice Period, pursuant to Section 7.6;
- F. All transmission costs for the Invoice Period, pursuant to Sections 7.7 and 12;
- G. All taxes for the Invoice Period, pursuant to Section 7.8;
- H. A credit for any Remarketed Product not already credited, pursuant to Section 10; and
- I. Any other costs or credits contemplated under this Agreement, including costs or true-up amounts incurred in prior months that have not yet been invoiced, credited, or paid.

- 8.3. **Payment.** Customer shall pay the District all amounts invoiced pursuant to this Section 8 within five (5) Business Days after its receipt of the Monthly Invoice.

- 8.4. **Billing Disputes.** If Customer disputes any portion of a Monthly Invoice, the Customer shall provide the District prompt written notice of the nature and amount of the dispute. The Parties agree to work in good faith to resolve any clerical errors in the invoice within three (3) Business Days following such written notice. If there is no clerical error, the entire amount of the invoice, including the disputed amount, shall be paid in full when due, irrespective of any additional or pending billing dispute. All such billing disputes shall be resolved pursuant to the Dispute

Resolution process set forth in Section 28. Upon determination of the correct invoice amount, any adjustment to the amount invoiced and paid shall be tendered to the Party to whom it is owed, including interest thereon at the rate of 8% per annum, within ten (10) Business Days.

- 8.5. **Billing Verification.** Within ten (10) Business Days following a written request by Customer, and subject to any applicable third-party confidentiality or other legal or contractual restrictions, the District shall provide Customer such information and documentation in the District's possession as is reasonably appropriate to verify the accuracy of any invoice.

9. **Market Product Requests; Fixing Periods.**

- 9.1. **Market Product Requests.** On the first Business Day of each calendar month during the Delivery Period, Customer shall submit a written request to the District for Market Product (each a "Market Product Request") for the following Delivery Month. Each Market Product Request shall be in whole-megawatt, flat diurnal blocks identifying the requested Market Product for all LLHs and all HLHs in the Delivery Month. Each Market Product Request must be submitted via email (with delivery confirmation) by Customer's Authorized Scheduling Agent to the District's Authorized Scheduling Agent (both as identified on Exhibit D). If Customer does not submit a Market Product Request for any given Delivery Month consistent with this Section 9.1, Customer will not receive any Market Product for such Delivery Month. The District will not consider any Market Product Requests that do not strictly comply with this Section 9.1.

- A. For the avoidance of any doubt, and solely for illustrative purposes, the following table depicts the date on which Customer must submit a Market Product Request for the respective Delivery Month:

Market Product Request Due	Delivery Month
September 1, 2022	October 2022
October 3, 2022	November 2022
November 1, 2022	December 2022

- B. If the District determines, in its sole discretion, that the use of flat diurnal blocks or the ramping between diurnal blocks materially impairs the District's Balancing Authority Agreement or the District's Electric System or operations, then the District will notify Customer of the nature of the impairment and will prescribe a remedy to be taken at Customer's cost, which could include limiting Market Product Requests to flat monthly blocks.
- 9.2. **Indicative Pricing Period.** Within two (2) Business Days of receipt of a Market Product Request, the District shall request an Indicative Price for the volumes of Market Product from Shell Energy. The District shall have no obligation to request an Indicative Price, or purchase Market Product, from any other third party. Within

one (1) Business Day of receiving the Indicative Price from Shell Energy, the District shall prepare a Market Product Invoice and send the same to Customer.

- A. The Market Product Invoice shall identify the deadline for payment, which shall be no later than two (2) Business Days from the invoice date, and shall include all identifiable Market Product costs for the Delivery Month, including all Shell Energy and District transmission, taxes, and losses for such Market Product.
- B. Customer shall be deemed to have accepted the Indicative Price and the responsibility to pay the final price for such Market Product (the "Confirmation Price") as indicated in Section 9.2(D) upon the District's receipt of full payment of the Market Product Invoice by the deadline set forth on the invoice. In no event will the District be obligated to confirm or purchase Market Product from Shell Energy prior to Customer's full payment of the Market Product Invoice.
- C. If Customer fails to pay the Market Product Invoice in full by the deadline set forth on the invoice, Customer will receive no Market Product in that Delivery Month. In this case, any late or partial payment of the Market Product Invoice shall be timely returned to the Customer.
- D. **Customer acknowledges and agrees that, due to the very short timeframes for which Market Product pricing can be held, the Indicative Price identified on the Market Product Invoice could vary greatly from the Confirmation Price. By paying the Market Product Invoice, Customer agrees to pay for any price increase between the Indicative Price and the Confirmation Price for such Market Product.**

9.3. Confirmation Period.

- A. If Customer timely pays the Market Product Invoice in full pursuant to Section 9.2(B), the District will promptly confirm the purchase of Market Product from Shell Energy at the Confirmation Price.
- B. Within two (2) Business Days of confirming the purchase of Market Product from Shell Energy, the District shall prepare a Confirmation Invoice and send the same to Customer.
 - (i) The Confirmation Invoice shall identify the deadline for payment, which shall be no later than two (2) Business Days from the invoice date, and shall include all identifiable costs, including Market Product costs, for the Delivery Month that have not already been paid by Customer.
 - (ii) If the Confirmation Price is less than the Indicative Price, the District will apply a credit in such amount to Customer's next Monthly Invoice.

- C. Customer shall pay the Confirmation Invoice by the deadline set forth on the invoice.

10. Schedule Adjustments; Remarketing.

- 10.1. In the event Customer is not able to take all scheduled Product, Customer will promptly provide written notice to the District of a Schedule Adjustment and the District will apply reasonable efforts (either by working with Shell Energy or otherwise) to remarket any Product in excess of the Schedule Adjustment. Any net proceeds realized by the District in connection with Remarketed Product shall be credited to Customer on the next Monthly Invoice; *provided*, that the amount of such credit shall not exceed the cost that Customer would have otherwise paid for such Remarketed Product (such cost excluding taxes, transmission, losses, and Delivery Fees). For purposes of calculating the remarketing credit, the District will be deemed to have remarketed Market Product first, then System Product.
- 10.2. Schedule Adjustments are intended to account for unplanned outages and other equipment- or safety-related load fluctuations at the Facility in order to minimize Deviation Charges incurred by the District and payable to the District under this Agreement. Schedule Adjustments may not be made by the Customer for the purpose of remarketing Product for the Customer's economic gain.
- 10.3. Pursuant to Section 7.1, and subject to Section 10.1, Customer will remain responsible for paying the District for the full cost of System Product and Market Product as if no Real-Time Adjustment had been made.

11. Ramping; Mitigation Protocol.

- 11.1. **Ramping Coordination.** When increasing or decreasing its load, whether transitioning between LLH and HLH or following a load curtailment, Customer shall ramp its load (upward or downward) in a way that conforms to industry standard of no more than 5 MW per minute, starting no later than 10 minutes before the top of the hour and ending no later than 10 minutes after the top of the hour (*i.e.*, 20 minutes total ramping). Customer shall coordinate its ramping with the District's System Operators.
- 11.2. **Mitigation of Material Adverse Conditions.** The Parties have agreed to a set of processes to manage Material Adverse Conditions, including significant imbalances between power resources and load, which is attached as Exhibit E and incorporated into this Agreement by reference.

12. Transmission.

- 12.1. Customer shall be responsible for all transmission costs associated with the delivery of Product under this Agreement and the WSPP Confirmation, both to the District Delivery Point and Facility Delivery Point.

- 12.2. The District will arrange for BPA short-term (i.e., less than or equal to one year), non-firm transmission to deliver Product to Customer, subject to the following:
- A. If Customer requests that the District use firm transmission for any portion of the Product to be delivered under this Agreement, such written request must be received by the District at least 60 calendar days before the beginning of the requested term of firm transmission, which term shall be for not less than one Delivery Month. The District will use commercially reasonable efforts to reserve firm transmission as requested.
 - B. If the District determines, in its sole discretion, that the use of non-firm transmission materially impairs the District's Balancing Authority Agreement, then the District will notify Customer of the nature of the impairment and will prescribe a remedy to be taken at Customer's cost, which could include the use of firm transmission.
- 12.3. Notwithstanding anything to the contrary in this Agreement, in no event shall the District be liable to Customer for any Deviation Charges, damages, losses, or liquidated damages if transmission is curtailed for any reason other than willful misconduct by the District.
- 13. No Resale of Product.** Customer agrees to use the Product furnished by the District under the terms of this Agreement only at the Facility, and agrees not to resell any Product to any other Person. Notwithstanding this limitation, nothing in this Agreement shall preclude Customer from seeking reimbursement of costs of energy, transmission and associated fees and taxes from Persons who may be tenants of the Facility or who are Affiliates of Customer and are conducting business operations at the Facility.
- 14. No Exercise of PURPA Rights.** Customer agrees that, as a condition and material inducement of the District entering into this Agreement, Customer (including Customer's Affiliates) shall not exercise any rights it may have under PURPA to require the District to purchase energy from a Qualifying Facility developed by Customer during the Term. If Customer requires the District to purchase energy from a Qualifying Facility developed by Customer, the District may terminate this Agreement pursuant to Section 15.
- 15. Default and Termination.**
- 15.1. **Events of Default.** Each of the following shall constitute an "Event of Default" hereunder:
- A. The failure of either Party to make any payment when due as required by this Agreement or any other agreement between the Parties, if such failure is not cured within three (3) Business Days after such payment becomes due;
 - B. Customer's failure to timely respond to an MAC Notification under the Mitigation Protocol (Exhibit E);

- C. Either Party makes an assignment for the benefit of its creditors or files a petition or otherwise commences, authorizes, or acquiesces in the commencement of a proceeding or cause of action under any Bankruptcy, insolvency, or similar law for the protection of creditors, or has such petition filed against it and such petition is not withdrawn or dismissed within ten (10) Business Days of written notice from the Non-Defaulting Party;
 - D. Customer fails to timely post, adjust, replenish, or maintain in full force and effect any Performance Assurance, and such failure is not cured, upon written notice, within two (2) Business Days;
 - E. Customer makes, or attempts to make, a transfer or assignment in violation of Section 31.3, if such attempt, transfer, or assignment is not cured, upon written notice, within five (5) Business Days;
 - F. Customer exercises its rights under PURPA to require the District to purchase energy from a Qualifying Facility, in violation of Section 14, if such default is not cured, upon written notice, within five (5) Business Days;
 - G. Customer fails to meet any of the power quality standards or requirements in Exhibit C, if such failure is not cured, upon written notice, within five (5) Business Days;
 - H. Customer breaches any provision of Section 29.1;
 - I. Customer or any Affiliate of Customer is found, by a court, agency, Governmental Authority, or other tribunal of competent jurisdiction, to have violated an Anti-Corruption Law(s);
 - J. Customer or any Affiliate of Customer is sanctioned by the U.S. Government or any other Governmental Authority, or is found, by a court, agency, Governmental Authority, or other tribunal of competent jurisdiction, to have violated any Economic Sanctions Laws; or
 - K. The failure of either Party to satisfy any other material performance obligation under this Agreement or any other agreement between the Parties (other than the payment of money or provision of Performance Assurance when due), if such failure is not cured, upon written notice, within five (5) Business Days.
- 15.2. **Termination for Default.** If an Event of Default shall have occurred and be continuing, the Non-Defaulting Party shall have the right:
- A. to terminate this Agreement by designating an effective termination date in a written notice provided to the Defaulting Party, which day shall be no earlier than the day such notice is effective and no later than twenty (20) days after the day such notice is effective, as an early termination date (“Early Termination Date”).

- B. to withhold any payments due to the Defaulting Party under this Agreement; provided, however, in no event shall any such withholding continue for longer than ten (10) Business Days unless an Early Termination Date shall have been declared and notice thereof been given pursuant to this Section.
 - C. to suspend performance under this Agreement without liability; provided, however, in no event shall any such suspension continue for longer than ten (10) Business Days unless an Early Termination Date shall have been declared and notice thereof been given pursuant to this Section;
 - D. to recover from the Defaulting Party any direct damages incurred as a result of such Event of Default (including during any applicable cure period whether or not the Non-Defaulting Party has elected to suspend performance during such cure period), including the Termination Payment under Section 15.4 when Customer is the Defaulting Party and the District elects to terminate this Agreement pursuant to Section 15.2(A); and
 - E. to exercise any other remedy available at law or in equity.
- 15.3. **Duty to Mitigate.** Each Party shall use commercially reasonable efforts to mitigate the costs, expenses, fees, losses, and other measures of damages that may be due under this Agreement.
- 15.4. **Termination Payment.** In the event of early termination of this Agreement, except for termination by Customer upon an uncured Event of Default by the District, Customer shall pay to the District an amount equal to all unrecovered costs, fees, charges, expenses, or losses incurred or to be incurred by the District to provide Electric Service to the Facility ("Termination Payment") for the remaining Term of the Agreement. The Termination Payment shall include all take-or-pay amounts owed by Customer under this Agreement, including for System Product costs and Delivery Fees. The Termination Payment may also include, but shall not be limited to, all unrecovered costs, fees, charges, expenses, or losses incurred or to be incurred by the District:
- A. To terminate, unwind, liquidate, or otherwise comply with contracts executed by the District in order to provide Electric Service to the Facility, including the WSPP Confirmation.
 - B. Pursuant to the BPA Contract for the remaining Term of this Agreement resulting from the District's Net Requirement attributable to Customer. For clarity, in the event of early termination, the District shall remarket its System Product allocated to Customer in Exhibit B, with the proceeds of such remarketing being netted against any costs of early termination pursuant to the BPA Contract.
 - C. For transmission, which after reasonable efforts cannot be terminated or remarketed at full value by the District.

- D. Pursuant to the Balancing Authority Agreement to the extent incurred to provide Electric Service to the Facility.
- E. For capital costs and reasonably estimated costs for operation and maintenance of the District Electric System which continue after the Early Termination Date, and to the extent used to provide Electric Service to the Facility.

- 15.5. **Notice of Termination Payment.** As soon as practicable after the declaration of an Early Termination Date by the District, the District shall give notice to Customer of the amount of any Termination Payment. The notice shall include a written statement explaining in reasonable detail the calculation of the Termination Payment. The Termination Payment shall be made by the Customer within ten (10) Business Days after the day such notice is effective.
- 15.6. **Effect of Termination.** All material performance obligations due and owing as of the termination of this Agreement, including without limitation, payment of the Termination Payment, shall survive until fully satisfied.
- 15.7. **Cross-Default; Cross-Termination.** If the WSPP Confirmation expires or terminates for any reason, then this Agreement shall automatically terminate without further action by either Party. In such event, unless such termination is due to an Event of Default by the District, the District shall calculate, and Customer shall pay, the Termination Payment as provided in Section 15.4; *provided*, in no event shall the District be required to pay a Termination Payment to Customer.
- 15.8. **No Liability for Curtailments.** Customer agrees that, in the event the District curtails deliveries of Electric Service to the Facility under Section 15.2, Customer shall indemnify, defend, and hold harmless the District from all claims relating to such curtailment, whether direct or third-party claims, including claims for damages to real or personal property, business interruption, or lost profits.
16. **Guaranty.** Allrise Capital Inc. will guaranty the obligations of Customer to the District under this Agreement, by delivery of an executed guaranty, for the benefit of the District, in the form attached hereto as Exhibit H.
17. **Performance Assurance.** Customer's Performance Assurance obligations owed to the District under this Agreement are as follows:
- 17.1. **Transfer of Performance Assurance.** At least three (3) Business Days prior to the first day of the Delivery Period under this Agreement, Customer shall transfer Performance Assurance to the District, in the form and amount set forth below. Customer shall maintain such Performance Assurance at all times during the Delivery Period, and for so long thereafter until all financial obligations of Customer to the District under this Agreement have been satisfied in full.
- 17.2. **Amount of Performance Assurance.** The initial amount of the Performance Assurance to be transferred by Customer shall be sixteen million sixty-five

thousand dollars (\$16,065,000), consisting of the sum of a fixed amount (“Fixed Assurance Amount”) plus a variable amount (“Variable Assurance Amount”) as set forth below. The amount of Performance Assurance to be maintained by Customer may be adjusted by the District in the District’s sole but commercially reasonable discretion. The amount of the Performance Assurance as determined and adjusted by the District, and to be maintained by the Customer, is intended to reflect the District’s exposure, including the reasonable estimate of any Termination Payment, that would be due to the District if there were an Event of Default by Customer.

- 17.3. **Increase in Performance Assurance.** If the District determines in its sole but commercially reasonable discretion that increases in the amount of Performance Assurance are required hereunder, then Customer shall transfer the increased amount of Performance Assurance within five (5) Business Days following written notice by the District.
- 17.4. **Decrease in Performance Assurance.** If the District determines in its sole but commercially reasonable discretion that decreases in the amount of Performance Assurance are required hereunder, then the District shall return or release the excess Performance Assurance within five (5) Business Days following written request by the Customer.
- 17.5. **Determination of Fixed Assurance Amount.** The Fixed Assurance Amount shall be determined by the District, and revised in conjunction with its annual determination of System Product Quantity as set forth in Section 5.2(A), and shall be sufficiently sized to cover the sum of Fixed Assurance Amount determinants (i) through (iv) as set forth below:

(i) *Three Highest Months of System Product Take-or-Pay Obligation*

$$= (\text{SSQ1} * \text{Hrs1} + \text{SSQ2} * \text{Hrs2} + \text{SSQ3} * \text{Hrs3}) * (\text{BPA Index})$$

Where:

- SSQ1, SSQ2, and SSQ3 are the first through third largest monthly System Product Quantities in the applicable BPA Fiscal Year, as set forth in Exhibit B; and
- Hrs1, Hrs2, and Hrs3 are the hours in each month corresponding to SSQ1, SSQ2, and SSQ3 respectively.

(ii) *District Delivery Fee Take-or-Pay Obligation*

= \$3,796,000, representing thirteen (13) months of the District Delivery Fee.

(iii) *Market Delivery Fee Take-or-Pay Obligation*

= \$1,483,375

(iv) Market Product

= \$7,000,000, fixed for the Term of this Agreement.

- 17.6. **Determination of Variable Assurance Amount.** The Variable Assurance Amount shall be determined periodically by the District to cover the sum of Variable Amount determinants (v) and (vi) below, and supplemented if necessary by determinant (vii) below.

(v) Potential Future Exposure of System Product

= PFE of Residual System Product Quantity

Where:

- PFE is a measure of the District's potential future exposure to Customer's System Product take-or-pay obligation, modeled as the potential future value of the Residual System Product Quantity. PFE will be calculated using a fixed price of the BPA Index assuming a 95% single tail probabilistic representation of a downward move in the ICE Mid-Columbia Hub On-Peak and Off-Peak Index, as modeled by the District using standard Monte Carlo stochastic simulation techniques. In the event this is a positive number (i.e., positive value to the District), the PFE shall be deemed zero. In the event this is a negative number (i.e., negative value to the District), the PFE shall be the absolute value of the resulting number.
- Residual System Product Quantity is the System Product Quantity as set forth in Exhibit B for all months remaining in the current BPA fiscal year each time PFE is calculated, less SSQ1, SSQ2, and SSQ3.

(vi) Deviation Charges

= The greater of \$50,000 or 1.2 x Historic Deviation Charges

Where:

- Historic Deviation Charges is the largest historic monthly amount invoiced to Customer under this Agreement as Deviation Charges during Delivery Term.

(vii) Imbalance Deviation Charges

Should the District declare an Imbalance under Exhibit E of this Agreement, the District may determine, in its sole but commercially reasonable discretion, the potential associated Deviation Charges incurred by the District from its Balancing Area Authority relating to such Imbalance ("Imbalance Deviation Charges"). Whenever the sum of Imbalance Deviation Charges so determined within a month exceeds \$20,000, the District may immediately increase the Variable Assurance

Amount by the amount of the Imbalance Deviation Charges and issue written notice per Section 17.3 above. For avoidance of doubt, multiple Imbalance declarations within a month may result in multiple increases to the Variable Assurance Amount in that same month. This determinant (v) resets to \$0 (zero) upon the next normal determination of Variable Assurance Amount.

- 17.7. **Form of Performance Assurance.** The form of Performance Assurance to be transferred by Customer to the District shall be one or more Letters of Credit issued or confirmed by a Qualified Institution. All Letters of Credit transferred as Performance Assurance hereunder must be in a form acceptable to the District, and payable upon presentment by the District at a branch or office of the issuer located in the Continental United States. All Letters of Credit transferred by Customer to the District shall have a term equal to the Term of this Agreement, unless agreed to in writing by the District. All Letters of Credit transferred as Performance Assurance also must be renewed or replaced by Customer at least forty-five (45) days prior to its expiration. If any Letter of Credit provided hereunder will expire in forty-five (45) days or less, then the District may draw the entire face value of such Letter of Credit and hold the proceeds as Performance Assurance in the form of cash.

- A. Letter of Credit Default. Customer shall have five (5) Business Days to deliver a substitute Letter of Credit if one or more of the following occurs with respect to a Letter of Credit issued as Performance Assurance: (i) the issuer of such Letter of Credit fails to maintain a Credit Rating as set forth in the definition of Letter of Credit; (ii) the issuer of such Letter of Credit indicates its intent not to renew such Letter of Credit and such Letter of Credit is set to expire prior to the expiration of the Delivery Term; (iii) such Letter of Credit will expire in fewer than twenty (20) days; or (iv) the issuer of such Letter of Credit fails to honor Seller's properly documented request to draw on such Letter of Credit by such issuer (each such event, a "Letter of Credit Default").

- 17.8. **No Performance Assurance Obligation by the District.** The District shall not be required by this Agreement, or by any other agreement, to transfer Performance Assurance to Customer or any other person.

18. **Rights to Call on Performance Assurance.**

- 18.1. **Draws by the District.** The District may draw on any Performance Assurance transferred to it by Customer pursuant to this Agreement as necessary to off-set any outstanding financial obligations of Customer to the District upon an Event of Default by Customer or other termination event under this Agreement. Customer agrees that, in the event the District draws on the Performance Assurance transferred to it by Customer, and if Customer disputes the basis for the draw, Customer shall take no action to enjoin the District from making such draw pending the outcome of any related Dispute Resolution.

- 18.2. **Replenishment of Performance Assurance.** Customer shall fully replenish the requisite Performance Assurance within five (5) Business Days after such Performance Assurance was drawn down for any reason permitted under this Agreement.

19. Indemnity.

- 19.1. To the fullest extent permitted by law, and notwithstanding any other provision in this Agreement, Customer will indemnify, defend, and hold harmless the District and its officers, directors, employees, affiliates, successors (collectively, "District") from and against any and all third-party demands, claims, or other legal actions, whether threatened or filed, including any investigation, enforcement action, or penalty imposed by a Governmental Authority, that relate to the subject matter of this Agreement or to Customer's ownership or operation of the Facility ("Claims"). Claims include any resulting losses, damages, reasonable expenses, attorney fees and court costs, whether incurred by settlement or otherwise.
- 19.2. Customer's indemnity obligations under this Section do not apply to Claims to the extent caused by or resulting from the gross negligence or willful misconduct of the District.
- 19.3. Customer's indemnity obligations under this Section will: (i) survive termination of this Agreement; (ii) extend to claims occurring after termination of this Agreement; (iii) not be limited in any manner by Customer's Performance Assurance required under this Agreement; and (iv) not be limited in any manner by any limitation of liability set forth in this Agreement or any other agreement between the Parties.

- 20. Metering.** All deliveries of Product under this Agreement shall be deemed to be made during the hours and in the amounts as metered by the District at the Facility Delivery Point. The District shall, at Customer's cost, install, maintain, and read meters that shall be used exclusively for the purpose of measuring Product used by the Facility. The District shall provide metering calibration certification of the meters to Customer, if requested by Customer, not more frequently than on an annual basis. Customer shall cooperate with the District to schedule and allow the District to perform required maintenance of the District's meters and equipment.

- 21. Limitation of Liability.** Except as elsewhere provided herein, the District shall not be liable to Customer for:

- (i) Any indirect, special, consequential, or punitive damages, including, but not limited to, damages for lost profits, business expectancy, revenues, benefits, use of property, or the cost of capital, even if the District has been advised of the possibility or existence of such damages; or
- (ii) Claims, losses, or damages caused by or related to any curtailment, interruption, fluctuation, or outage (including both unplanned and scheduled maintenance

outages) of Electric Service provided by the District to the Facility, including without limitation any change in voltage or other electric disturbances.

- 22. Safety and Inspections.** Except as expressly provided below, Customer shall not modify, alter, or tamper with any District Electric Facilities, even if located on Customer's property. Customer shall be responsible, at Customer's sole risk and expense, for the regular inspection and maintenance, and any reasonably necessary repairs, of Customer's electric facilities. If there is any casualty or damage to Customer's electric facilities that requires replacement or rebuilding, Customer shall be solely responsible for the cost to rebuild or repair the facilities.
- 23. Right of Access.** Customer shall grant to the District, without charge to the District, any license or non-exclusive easements reasonably necessary or desirable for: (i) the District's provision of Electric Service to the Facility; and (ii) the District's operation and maintenance of its Electric System. Customer shall execute such documents as the District may require in furtherance of this provision. The duly authorized agents and employees of the District shall have access to Customer's Facility as may be reasonably necessary to install, inspect, test, maintain, and remove any District equipment located thereon, and for any other purpose related to carrying out its obligations under this Agreement, including operating the switchgear located on the Customer's side of the transformer(s) for the purposes of deenergizing the Facility in accordance with the Mitigation Protocol attached as Exhibit E.
- 24. Cooperation.** Customer agrees to fully cooperate with the District in minimizing the cost of indebtedness to the District. Such cooperation shall be limited to the following:
- 24.1. Customer agrees to cooperate with the District in the District's marketing of any bonds or other evidence of indebtedness it may wish to sell; and
 - 24.2. Customer shall make reasonable efforts upon request by the District's bond rating agencies, on a confidential basis, to make available financial statements or information and related documents necessary to enable bond rating agencies to make their determinations; and
 - 24.3. Customer shall cooperate with the District and furnish information as reasonably requested for the preparation of any preliminary official statement, final official statement, or other document required by the District for the sale of its revenue bonds or other evidence of indebtedness.
- 25. Representations and Warranties.** As of the Effective Date, each Party represents and warrants to the other Party as follows:
- 25.1. It is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation;
 - 25.2. The execution, delivery, and performance of this Agreement are within its powers, have been duly authorized by all necessary action, and do not violate any of the

terms and conditions in its governing documents, any contracts to which it is a party, or any law, rule, regulation, or order applicable to it;

- 25.3. This Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to equitable defenses and applicable Bankruptcy, insolvency, and similar laws affecting creditors' rights generally;
- 25.4. Each of its representatives executing this Agreement is authorized to act on its behalf;
- 25.5. It possesses the necessary corporate, governmental, regulatory, and legal authority, right, and power to enter into and agree to this Agreement and to perform each and every duty imposed herein;
- 25.6. It is not Bankrupt, and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt;
- 25.7. It has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to make or take delivery of all Product referred to in this Agreement;
- 25.8. It is a producer, processor, commercial user, or merchant handling the Product, and it is entering into this Agreement for purposes related to its business as such;
- 25.9. It has made its own independent decision to enter into this Agreement, and, as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions, and risks of this Agreement; and
- 25.10. No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement.

26. Uncontrollable Forces.

- 26.1. Subject to limitations set forth in this Agreement, if either Party is rendered wholly or partly unable to timely perform any obligation under this Agreement (other than the obligation to pay money when due) because of an Uncontrollable Force, such obligation of a Party shall be suspended to the extent and for the duration of the Uncontrollable Force. The Party affected by such Uncontrollable Force shall, as soon as reasonably practical after the occurrence of the claimed Uncontrollable Force, give the other Party prompt verbal notice, followed by a written notice that complies with Section 27. The Party affected by such Uncontrollable Force shall use reasonable efforts to remedy its inability to perform as soon as reasonably practical.

- 26.2. “Uncontrollable Force” means any event that is beyond the reasonable control of the Party affected thereby, including but not limited to, acts or omissions of wholesale power or transmission providers (including interruption, curtailment (with respect to either firm or non-firm transmission) or failure of delivery), failure or loss of facilities (including the District Electric Facilities or facilities of third parties providing power or transmission service), failure or loss of wholesale power markets, flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance, labor dispute, sabotage, and any order lawfully issued by any court or government agency of proper jurisdiction that renders performance hereunder either unlawful or impossible, and that could not have been prevented nor remedied through the exercise of reasonable care by the Party affected thereby. An Uncontrollable Force shall not include Customer’s shut down of or curtailment of operations at the Facility for economic reasons.
- 26.3. Notwithstanding the other provisions of this Section, a Party shall not be relieved of liability for failure of performance if such failure is due to an Event of Default caused by the Party or due to causes that the Party could have remedied or prevented had the Party taken reasonably prompt action. Nothing herein, however, shall be construed to require any Party to remedy a labor dispute against its will.
27. **Notices.** All written notices, demands, or requests required by this Agreement shall be considered effective: (i) the same day when sent by email with delivery confirmation; or (ii) two Business Days following the date sent by certified U.S. mail, postage prepaid, or by certified overnight delivery service. All written notices, demands, or requests under this Section shall be directed to the attention of the appropriate Person(s) identified in Exhibit D.
28. **Dispute Resolution.**
- 28.1. **Dispute Resolution Process.** The Parties each agree to make a good-faith effort to resolve, without resort to litigation, any Dispute according to the procedures set forth herein; provided, however, no term or form of informal dispute resolution shall be a prerequisite to a Party instituting an action to enforce or defend its rights under this Agreement. If the Dispute cannot be resolved, then the Parties may elect to pursue whatever rights they may have at law or equity consistent with Sections 28.2 and 28.3 below.
- 28.2. **Governing Law.** This Agreement, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute, are governed by, and construed in accordance with, the laws of the State of Washington, United States of America, including its statutes of limitations, and without giving effect to the conflict-of-laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Washington.
- 28.3. **Jurisdiction and Venue.** Each Party irrevocably and unconditionally agrees that any legal action, litigation, or legal proceeding of any kind whatsoever against the

other Party in any way arising from or relating to this Agreement shall be brought and maintained in Pend Oreille County Superior Court. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of Pend Oreille County Superior Court. Notwithstanding the forgoing, each Party agrees that a final judgment in any such action, litigation, or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

28.4. **Attorney's Fees and Costs.** In any action, litigation, or proceeding arising out of or relating to this Agreement, the prevailing Party shall be entitled to its reasonable attorney's fees and costs, in addition to any other relief allowed.

29. **Compliance with Applicable Laws.** Each Party shall comply with all applicable laws and regulations in the performance of their obligations under this Agreement and in the ownership and operation of their respective businesses and facilities.

29.1. **Anti-Corruption and Sanctions Compliance.** In addition to the foregoing, Customer specifically represents, warrants, and covenants to the District: (i) Customer and its Affiliates will comply with the Anti-Corruption Laws and Economic Sanctions Laws with respect to all transactions under this Agreement; (ii) neither Customer nor its Affiliates have made, offered, authorized, or accepted, and neither Customer nor its Affiliates will make, offer, authorize, or accept, any payment, gift, or other benefit, directly or indirectly (whether via their affiliates, agents, contractors or other third parties), to or from any government official or any other person for the purpose of facilitating or carrying out any transaction hereunder which would violate the Anti-Corruption Laws or Economic Sanctions Laws; (iii) Customer will promptly notify the District if it has actual or constructive notice of any violation of the Anti-Corruption Laws or Economic Sanctions Laws by Customer or any of its Affiliates, whether or not related to any transactions under this Agreement; and (iv) Customer will promptly notify the District if it is accused of violating any Anti-Corruption Laws or Economic Sanctions Laws, or if Customer has actual or constructive notice that one or more of its Affiliates are accused of violating any Anti-Corruption Laws or Economic Sanctions Laws, whether or not related to any transactions under this Agreement, and whether or not Customer or its Affiliate(s) dispute the basis for such accusation.

30. **Consistency with Balancing Authority Agreement.** As a material provision of this Agreement, each Party shall perform its respective obligations under this Agreement consistent with the Balancing Authority Agreement. Customer acknowledges and agrees that the District's current Balancing Authority Agreement may be renegotiated during the Term, and that Customer shall be responsible to pay for any additional costs related to the Balancing Authority Agreement that arise from the District's provision of Electric Service to Customer under this Agreement.

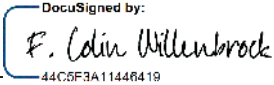
31. **Miscellaneous.**

- 31.1. **Customer Business Registration.** At all times during the Term of this Agreement, Customer shall be actively registered with the Washington State Secretary of State (either as a company domesticated in Washington or as a foreign company doing business in Washington), and shall maintain all applicable state and local business licenses.
- 31.2. **Final Agreement.** This Agreement and the exhibits attached hereto constitute the final agreement of the Parties with respect to the provision of Electric Service to the Facility. The Parties expressly acknowledge that this Agreement supersedes and replaces any prior communications or representations by or between the Parties concerning the subject matter hereof including, without limitation, the Interim Agreement.
- 31.3. **Assignability.** Customer may not transfer or assign its interests or obligations under this Agreement without first obtaining the express written consent of the District, which consent shall not be unreasonably delayed or withheld. As a condition of such consent, any third party to whom such assignment is made shall agree to be bound by the terms and conditions of this Agreement. Customer may be required to demonstrate to the reasonable satisfaction of the District that the proposed transferee or assignee is legally and financially capable of fulfilling Customer's obligations under this Agreement without harm or prejudice to the District.
- 31.4. **No Dedication.** No undertaking by one Party to the other under any provision of this Agreement shall constitute the dedication of that Party's system or assets or any portion thereof to the other Party or to the public.
- 31.5. **District Authority.** Nothing in this Agreement shall be construed to alter or affect the authority of the District to provide electric service to a customer within or without the District's service area, or the authority of the District to exercise its discretion and control over the operation and management of the District Electric System, including budget, financing, and ratemaking authority.
- 31.6. **Amendment.** No amendment, modification or change to this Agreement shall be valid unless set forth in a written instrument executed by both Parties.
- 31.7. **No Waiver.** If either Party fails to require the other to perform any term of this Agreement, that failure does not prevent the Party from later enforcing that term. If either Party waives the other's breach of a term, that waiver is not treated as waiving a later breach of the term.
- 31.8. **Survival of Terms and Conditions.** Whenever required to give meaningful effect to provisions in this Agreement, such provisions shall continue in effect after the expiration or termination of this Agreement, including but not limited to providing for final billings and adjustments related to the period prior to expiration or termination.

- 31.9. **Severability.** If any part of this Agreement is for any reason held to be unenforceable, the rest of it remains fully enforceable.
- 31.10. **Remedies Cumulative.** All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties, or otherwise.
- 31.11. **Preparation.** This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission, or other event of negotiation, drafting, or execution hereof.
- 31.12. **Calculation of Time.** If any time period specified herein expires on a Saturday, Sunday, or legal holiday, such time period will be automatically extended through the close of business on the next regular Business Day.
- 31.13. **Headings.** Headings are for convenience only and do not affect the interpretation of this Agreement.
- 31.14. **Execution.** This Agreement may be executed electronically and in counterparts, each of which (including signature pages) is an original, but all of which together is one and the same instrument. The Parties also agree to execute any further documents, and take any further actions, as may be reasonable and necessary in order to carry out the purpose and intent of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Electric Service Agreement to be executed in their respective names by their respective officers thereunder duly authorized.

**PUBLIC UTILITY DISTRICT NO. 1 OF
PEND OREILLE COUNTY,**
a municipal corporation of the State of
Washington

By: 
44C5F3A11446419

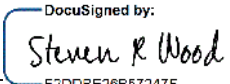
Name: Colin Willenbrock

Title: General Manager

Date: 8/2/2022

CASCADE DIGITAL MINING, LLC,

a Delaware limited liability company

By: 
F2DD3E26B57247F...

Name: Steven Wood

Title: Treasurer/Secretary

Date: 8/2/2022

EXHIBIT A

Defined Terms

1. “Affiliate” of a Party shall mean any Person or entity, directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with such Party by means of possessing or being subject to, directly or indirectly, the power to direct or cause the direction of the management or policies, whether through ownership of voting securities, the ability to exercise voting power, by contract, by virtue of being or controlling the general partner, managing member, manager, board of managers or board of directors, by virtue of beneficial ownership of, or control over a majority of the economic interest or otherwise. For this purpose, “control” means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power. Without limitation of the foregoing, “Affiliate” shall also include Bitmain Delaware Holding Company, Inc., a Delaware corporation.
2. “Agreement” means this Electric Service Agreement, including all exhibits.
3. “Anti-Corruption Laws” means (a) the United States Foreign Corrupt Practices Act of 1977; (b) the United Kingdom Bribery Act 2010; and (c) all applicable laws that prohibit money laundering, or otherwise dealing in the proceeds of crime, or the bribery of, or the providing of unlawful gratuities, facilitation payments, or other benefits to any government official or any other person, or tax evasion.
4. “Applicable Standards” means WECC reliability standards, North American Energy Standards Board standards, NERC Reliability Standards, WECC regional criteria or other directives, and the Northwest Power Pool Agreement and Energy Emergency Plan.
5. “Average Weekly Load” means Customer’s average hourly load for the Schedule Week measured in kilowatt hours that is derived from the average of Customer’s daily loads during such Schedule Week.
6. “Balancing Authority” means the District’s then-effective balancing area authority, which as of the Effective Date of this Agreement is Avista Corporation.
7. “Balancing Authority Agreement” means that certain Transaction Record between the District and Avista Corporation effective October 1, 2021, as may be amended or replaced from time to time.
8. “Bankrupt” or “Bankruptcy” means, with respect to any Person, such Person (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

9. “BPA” means the Bonneville Power Administration.
10. “BPA Contract” means that certain Power Sales Agreement between the District and BPA, as amended (BPA Contract No. 09PB-13090).
11. “BPA Fiscal Year” means October 1 through September 30.
12. “BPA Index” means the price paid by the District for all energy, capacity, and other services under the BPA Contract, including but not limited to all applicable transmission, losses, taxes, and other costs.
13. “Business Day” means any weekday, Monday through Friday, excluding Federal Reserve Holidays; provided, however, that for purposes of Notices, the day after the U.S. Thanksgiving holiday shall not be considered a Business Day. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. local time for the relevant Party’s principal place of business. The relevant Party, in each instance unless otherwise specified, shall be the Party from whom the Notice, payment, or delivery is being sent and by whom the Notice or payment or delivery is to be received.
14. “CETA” means Washington State’s Clean Energy Transformation Act, E2SSB 5116, Laws of 2019, and its implementing regulations.
15. “Claims” has the meaning set forth in Section 19.
16. “Climate Commitment Act” means Washington State’s Climate Commitment Act, ESSB 5126, Laws of 2021, and its implementing regulations.
17. “Confirmation Invoice” means an invoice reflecting the Confirmation Price, and including identifiable Market Product costs for the respective Delivery Month that have not already been paid by Customer.
18. “Confirmation Price” has the meaning set forth in Section 9.2(B).
19. “Contract Quantity” means the amount of Product, in megawatts (“MW”), forecasted to be purchased by Customer for each month of the Delivery Period as set forth in Exhibit B, which shall be the sum of the System Product Quantity and forecasted Market Product Quantity for each Delivery Month, subject to the Contract Quantity Cap.
20. “Contract Quantity Cap” means 100 MW.
21. “Credit Rating” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its unsecured, senior long-term debt, then the rating then assigned to such entity as an issuer rating by S&P, Moody’s, Fitch, or DBRS. If ratings by S&P, Moody’s, Fitch, and DBRS are not equivalent, the lower rating shall apply.

22. “Customer” means Cascade Digital Mining, LLC, a Delaware limited liability company doing business in the State of Washington.
23. “DBRS” means DBRS Morningstar, or its successor.
24. “Defaulting Party” has the meaning set forth in Section 15.
25. “Delivery Fees” means the sum of the District Delivery Fee and Market Delivery Fee.
26. “Delivery Month” means each calendar month in the Delivery Period in which Product is sold and delivered by the District to Customer.
27. “Delivery Period” has the meaning set forth in Section 4.
28. “Deviation Charges” means all imbalance costs charged to the District by its Balancing Authority to the extent such costs are caused by or attributable to the District’s provision of Electric Service to the Facility, as determined by the District in its sole but commercially reasonable discretion.
29. “Dispute” means any dispute, controversy, or claim by and between the Parties arising out of or relating to a Party’s performance, non-performance, rights, or obligations under this Agreement.
30. “Dispute Resolution” means the process of resolving a dispute under Section 28.
31. “District” means Public Utility District No. 1 of Pend Oreille County.
32. “District Delivery Point” means the place of interconnection or change of ownership at the District’s electrical system boundary, designated at POPD.BPAT or such other interconnection point as may be authorized by the District from time to time.
33. “District Electric Facilities” shall mean any electric facilities and equipment owned, operated, and maintained by the District that are necessary to provide Electric Service.
34. “District Electric System” means the District’s electric generation, transmission, and distribution system that is used to serve electric energy to its customers.
35. “District Delivery Fee” means the price to be paid by Customer to the District for the District’s cost of distributing Product to Customer through the District Electric System.
36. “Effective Date” has the meaning set forth in Section 2.
37. “Electric Service” has the meaning set forth in Section 5.1.
38. “Early Termination Date” has the meaning set forth in Section 15.2.
39. “Economic Sanctions Laws” means any law(s) administered by the U.S. Office of Foreign Assets Control or any other Governmental Authority imposing economic sanctions and trade embargoes against designated countries, regimes, entities, and persons.

40. “Environmental Attributes” shall include the environmental or specified-source qualities of any Product provided under this Agreement, and the value associated therewith, including but not limited to any and all renewable energy credits, “green tags,” carbon dioxide credits or allowances, carbon or non-carbon value, or other environmental credits or allowances of any kind or nature whether existing now or in the future that may be associated with the Product.
41. “Environmental Law” means any current or future law or regulation regarding greenhouse gasses or clean energy requirements that apply during the Term of this Agreement. This would include, without limitation, CETA and the Climate Commitment Act.
42. “Event of Default” has the meaning set forth in Section 15.1.
43. “Facility” means Customer’s facility or facilities described in Recital D.
44. “Facility Delivery Point” means the place of interconnection or change of ownership between District Electric Facilities and the Customer’s electric facilities, which is located at the primary bushing on the load-side of the metering point, as set forth in the one-line diagrams attached hereto as Exhibit F.
45. “Fixed Assurance Amount” has the meaning set forth in Section 17.
46. “General Service” means the District’s ratepayers, excluding Customer and other Large Industrial Service customers.
47. “Governmental Authority” means a municipality, county, governmental board, public power authority, public utility district, joint action agency, or other political subdivision or public entity of the United States, one or more States or territories, or any combination thereof.
48. “HE” means hour ending.
49. “Heavy Load Hours” or “HLH” means all hours ending 07:00 PPT through 22:00 PPT, Monday through Saturday, excluding NERC holidays.
50. “Hourly Quantity” means the amount of Product, in MW, to be delivered to Customer in any given hour within a Delivery Period, which shall be the sum of the System Product Quantity and Market Product Quantity for such hour.
51. “IEEE” means the Institute of Electrical and Electronic Engineers.
52. “Imbalance” has the meaning set forth in Exhibit E.
53. “Imbalance Deviation Charges” has the meaning set forth in Section 17.6.
54. “Imbalance Notification” has the meaning set forth in Exhibit E.

- 55. “Indicative Price” means an initial price for Market Product from Shell Energy, subject to the final Confirmation Price.
- 56. “Interim Agreement” means the Parties’ Electric Service Agreement dated August 5, 2021 for interim power supply to the Facility, as amended.
- 57. “Letter[s] of Credit” means one or more irrevocable, transferable, unconditional, standby letters of credit issued or confirmed by a Qualified Institution, in an amount, form, and substance reasonably acceptable to the District.
- 58. “Light Load Hours” or “LLH” means all hours ending 01:00 through 06:00, and 23:00 through 24:00 PPT Monday through Saturday, and all hours on Sunday and holidays designated by NERC.
- 59. “Load Forecast” means Customer’s non-binding forecast of its load for the following 24-month period, as described under Section 6.
- 60. “Load Reduction Deadline” means the deadline by which Customer must meet the Minimum Load Reduction prescribed by the District in a MAC Notification.
- 61. “MAC” means Material Adverse Condition, as defined under Exhibit E.
- 62. “MAC Notification” has the meaning set forth in Exhibit E.
- 63. “Market Delivery Fee” means the delivery fee charged by Shell Energy to the District under the WSPP Confirmation, described in Section 7.3.
- 64. “Market Product” means that wholesale energy purchased by and delivered to the District from third parties for the purpose of selling and delivering such energy to Customer.
- 65. “Market Product Invoice” means an invoice reflecting the Indicative Price for Market Product, and including those elements described in Section 9.2(A).
- 66. “Market Product Quantity” means the amount of Market Product, in megawatts, requested and prepaid by Customer for each Delivery Month pursuant to Section 9.
- 67. “Market Product Request” means a written request by Customer to the District for Market Product for a specified calendar month in the Delivery Period.
- 68. “Megawatt” or “MW” means a unit of power equal to one thousand kilowatts.
- 69. “Minimum Load Reduction” means the minimum amount of Facility load that must be shed to alleviate a MAC under the Mitigation Protocol.
- 70. “Mitigation Protocol” means the protocol set forth in Exhibit E.
- 71. “Monthly Invoice” means an invoice issued by the District to Customer pursuant to Section 8.

72. “Moody’s” means Moody’s Investors Services, Inc., or its successor.
73. “NERC” means North American Electric Reliability Corporation.
74. “Net Requirement” means the amount of federal power that the District is required to purchase from BPA as determined under the BPA Contract.
75. “Non-Defaulting Party” has the meaning set forth in Section 15.
76. “Party” and “Parties” have the meanings set forth in the first paragraph of this Agreement.
77. “Performance Assurance” has the meaning set forth in Section 17.
78. “Person” means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, or other entity, including an entity that is a Governmental Authority.
79. “Power Factor” means the ratio of the real power absorbed by a load to the apparent power flowing in the circuit serving that load.
80. “PPT” means Pacific Prevailing Time.
81. “Product” means all electrical energy, capacity, and balancing area and ancillary services delivered to Customer for each hour during the Delivery Period.
82. “Prudent Industry Practice” means the practices, methods, techniques and standards that are then commonly used by or applied by a prudent Person in the electric generation, marketing or utility industry in the United States, in the exercise of reasonable judgment in light of the facts known at the time the decision was made and having due regard for, among other things, contractual obligations, the terms of this Agreement, applicable laws and requirements of Governmental Authorities, operating rules or procedures of transmission operators and reliability councils, Applicable Standards, and other existing market conditions, and accomplishing the desired result at a reasonable cost consistent with the good business practices, reliability and safety. Prudent Industry Practice is not intended to be the optimum practice, method, or act, to the exclusion of all others, but rather to be a spectrum of commonly used practices, methods, or acts.
83. “PURPA” means the Public Utilities Regulatory Policies Act (Pub. L. 95-617, 92 Stat. 3117).
84. “Qualified Institution” means a major U.S. commercial bank, a trust company, or a U.S. branch office of a major foreign commercial bank organized under the laws of the United States (or any state or political subdivision thereof) with such bank having shareholders’ equity of at least \$10 billion (U.S. Dollars) and a Credit Rating of at least A+ by S&P, A1 by Moody’s, A+ by Fitch, or A(high) by DBRS.
85. “Qualifying Facility” has the meaning ascribed to it under PURPA.

86. “Remarketed Product” means any Product that has been successfully remarketed.
87. “S&P” means the Standard & Poor’s Financial Services, LLC (a subsidiary of The McGraw-Hill Companies, Inc.) or its successor.
88. “Schedule Adjustment” means a written notification by Customer to the District that Customer is unable to take delivery of some or all Product for any given period of time.
89. “Schedule Week” means 01:00 hours on Saturday through 24:00 hours on Friday.
90. “SCR” means short circuit ratio.
91. “Shell Energy” means Shell Energy North America (US), L.P., a limited partnership formed and existing under the laws of the State of Delaware.
92. “System Product” means Product that is derived from the District’s non-BPA resources.
93. “System Product Quantity” means the amount of System Product, in megawatts, for the applicable Delivery Month set forth on Exhibit B, as may be adjusted by the District in accordance with the terms of this Agreement.
94. “Term” means the term of this Agreement, commencing on the Effective Date and terminating on the last date of the Delivery Period, unless earlier terminated by either Party in accordance with the terms of this Agreement.
95. “Termination Payment” has the meaning set forth in Section 15.4
96. “THD” means total harmonic distortion.
97. “Uncontrollable Force” has the meaning set forth in Section 26.2.
98. “Variable Assurance Amount” has the meaning set forth in Section 17.
99. “WECC” means the Western Electricity Coordinating Council or its successor organization(s).
100. “Weekly Load Factor” means the result of Customer’s Average Weekly Load divided by its Weekly Peak.
101. “Weekly Peak” means Customer’s peak hourly load for the Schedule Week measured in KW.
102. “WSPP Confirmation” means that separate WSPP Master Transaction Confirmation for Energy Supply between the District and Shell Energy effective September 1, 2022, for the purpose of providing wholesale power to the District to meet Customer’s needs under this Agreement in excess of System Product.

EXHIBIT B**Contract Quantity**

Year	Month	Contract Quantity Cap (MW)	Contract Quantity (MW)		System Product Quantity (MW)		Market Product Quantity (MW)		District Delivery Fee (Take-or- Pay Amount)	Market Delivery Fee (Minimum Take-or-Pay Amount)
			HLH	LLH	HLH	LLH	HLH	LLH		
2022	September	100	60	60	1	22	59	38	\$292,000	\$89,400
2022	October	100	61	61	*3	*9	58	52	\$292,000	\$102,960
2022	November	100	72	72	*42	*42	30	30	\$292,000	\$54,075
2022	December	100	75	75	*37	*37	38	38	\$292,000	\$70,680
2023	January	100	78	78	*53	*53	25	25	\$292,000	\$46,500
2023	February	100	81	81	*51	*51	30	30	\$292,000	\$50,400
2023	March	100	84	84	*44	*44	40	40	\$292,000	\$74,300
2023	April	100	87	87	*0	*3	87	84	\$292,000	\$154,200
2023	May	100	90	90	*0	*0	90	90	\$292,000	\$167,400
2023	June	100	93	93	*0	*0	93	93	\$292,000	\$167,400
2023	July	100	96	96	*0	*11	96	85	\$292,000	\$169,100
2023	August	100	99	99	*0	*11	99	88	\$292,000	\$175,560
2023	September	100	100	100	*1	*22	99	78	\$292,000	\$161,400

*District's estimated System Product Quantity based on Net Requirement in BPA FY 2022.

EXHIBIT C

Power Quality Requirements

1. **Power Factor.** For each hour during the Delivery Period, Customer shall maintain a Power Factor not less than 0.97 when Customer's load is less than 85 MW, and a Power Factor not less than 0.99 when Customer's load is between 85 MW and 100 MW.
2. **Load Factor.** Upon written demand by the District at any point during the Term of this Agreement, Customer shall maintain a Weekly Load Factor of at least 90%. Customer's Weekly Load Factor shall be the result of Customer's Average Weekly Load divided by its Weekly Peak. For purposes of this calculation, the following definitions shall apply:
 - A. "Average Weekly Load" means Customer's average hourly load for the Schedule Week measured in kilowatt hours that is derived from the average of Customer's daily loads during such Schedule Week.
 - B. "Weekly Peak" means Customer's peak hourly load for the Schedule Week measured in KW.
 - C. "Schedule Week" means HE 0100 on Saturday through HE 2400 on Friday.
3. **Current Imbalance.** Customer shall balance its load as nearly as practicable between all phases of the three-phase service at the Facility Delivery Point. For each time of occurrence, the difference in amperes between any three phases at the time of the Customer's peak load should not be greater than 10% or 50 amperes (at the service delivery voltage), whichever is greater.
4. **Voltage Regulation.** Customer is responsible for Customer's own voltage regulation on the Customer's side of the Facility Delivery Point.
5. **Total Harmonic Distortion and Voltage Fluctuations.**
 - 5.1. In general, the application of any nonlinear load by the Customer (e.g., static power converters, arc furnaces, adjustable speed drive systems, etc.) shall not cause any power system voltage and/or current Total Harmonic Distortion ("THD") levels greater than those recommended by the Institute of Electrical and Electronic Engineers ("IEEE") Standard 519-2014, or subsequent revision, on the District's electric system at the Facility Delivery Point to the Customer's Facility. The District will determine the appropriate short circuit ratio ("SCR") at the Customer's Facility for the purpose of applying IEEE Standard 519, and will communicate such SCR to Customer. Likewise, the application of any fluctuating electrical loads (e.g., motor starting currents, welders, compressors, etc.) shall not cause any voltage variation (flicker) greater than those recommended by IEEE Standard 519-2014, or subsequent revision, on the District's electric system at the Delivery Point to the Customer's Facility. Moreover, for any communication interference, noise, or other disturbances within the District's and other entity's electrical or communication systems that are caused by harmonic distortion due to the Customer's nonlinear loads or voltage fluctuations (flickers) caused by fluctuating

loads, it is the responsibility of the Customer to resolve. Overall, the District will not supply electric service to the operating equipment of a customer which is determined to be detrimental to the electric service or communications of other customers and entities or to the District.

- 5.2. If the District determines that IEEE Standard 519-2014 is insufficient or inadequate to avoid electrical or communication interference, noise, or other disturbances, the District, in its sole but reasonable discretion, may establish a higher standard for the elimination of such interference, noise, or other disturbances.
- 5.3. Customer shall disclose to the District all nonlinear loads and large fluctuating loads prior to connection. The District may at its own expense test the Customer's load to determine the THD levels and current/voltage fluctuation levels. The District shall notify Customer in writing if Customer loads contain unacceptable levels of THD or voltage/current or flicker. Such notice will contain the District's recommendation of what is necessary to resolve the unacceptable characteristics.
- 5.4. It shall be Customer's responsibility to assure that the power system THD, voltage flicker, and communication requirements are met, including the purchase of necessary filtering equipment or motor starting equipment. Any load found not in compliance with these requirements shall be corrected immediately by the Customer at the Customer's expense. If not corrected within a reasonable period of time, not to exceed 10 Business Days, following written notification to Customer, the District may terminate service to the Customer's Facility; provided, the District may terminate service to the Facility within a shorter period of time if necessary to prevent material harm to persons or property.
- 5.5. Customer shall be liable for all damages, losses, claims, costs, expenses, and liabilities of any kind or nature arising out of, caused by, or in any way connected with the application by the Customer of any nonlinear or linear load operating with maximum THD power system levels and voltage flicker levels in excess of the values stated and conditions inferred to in this Section. Customer shall hold harmless and indemnify the District from and against any claims, losses, costs of investigation, expenses, reasonable attorneys' fees, damages, and liabilities of any kind or nature arising out of, caused by, or in any way connected with the application by the Customer of any nonlinear load operating with maximum power system THD levels and large fluctuating loads operating with voltage flicker levels in excess of the values stated and inferred in this Section or any communication problems outlined in this Section.
6. **Protective Devices.** Customer shall install and maintain all appropriate protective devices that are required by the National Electric Safety Code to properly protect its facilities. This may include a switch and an Over Current Protective Device just beyond the Customer's side of the primary metering. The District shall not be responsible for any loss or damage caused by the Customer or improper operation of the Customer's protective devices.

The Customer shall select and install such protective devices as may be necessary to coordinate properly with the District's protective devices to avoid exposing other customers to unnecessary service interruptions. The Customer shall equip its three-phase motor installations with appropriate protective devices, or use motors with inherent features, to completely disconnect each such motor from its power supply, giving particular consideration to the following:

- 6.1. Open-phase protection to prevent damage due to overheating in the event of abnormal or loss of voltage on one phase.
- 6.2. Reverse phase protection where appropriate to prevent uncontrolled reversal of motor rotation in the event of accidental phase reversal.

EXHIBIT D
Notices

DISTRICT	CUSTOMER
All Notices: Attn: General Manager P.O. Box 190 130 N. Washington Newport, WA 99156 Via Email: notices@popud.org With Copy To: cwillenbrock@popud.org	All Notices: Attn: Chief Executive Officer 422767 Highway 20 Usk, WA 99180 Via Email: Todd@merklestandard.com With Copy to: Melissa@allrisecapital.com
Invoices: Attn: Chief Financial Officer P.O. Box 190 130 N. Washington Newport, WA 99156 Via Email: accountspayable@popud.org With Copy To: aowen@popud.org	Invoices: Attn: Treasurer 422767 Highway 20 Usk, WA 99180 Via Email: Steve@merklestandard.com With Copy to: Jason@allrisecapital.com
Scheduling: Attn: Power Supply Department P.O. Box 190 130 N. Washington Newport, WA 99156 Via Email: scheduling@popud.org With Copy To: djackson@popud.org Authorized Scheduling Agent(s): April Owen and Diana Jackson Email: aowen@popud.org djackson@popud.org	Scheduling: Attn: Power Manager 422767 Highway 20 Usk, WA 99180 Via Email: Todd@merklestandard.com With Copy to: Monty@merklestandard.com Authorized Scheduling Agent(s): Todd Behrend and Steve Wood Email: Todd@merklestandard.com Steve@merklestandard.com
System Operators: 509-447-6700 systemoperators@popud.org	Facility Operators: Caleb Wiese c.wiese@merklestandard.com (509) 671-5134
Wire Transfer: Attn: Key Accounts P.O. Box 190 130 N. Washington Newport, WA 99156 Via Email: keyaccounts@popud.org	Wire Transfer: Attn: Treasurer 422767 SR 20 Usk, WA 99180 Via Email: Steve@merklestandard.com

With Copy To: sholderman@popud.org	With Copy to: Jason@allrisecapital.com
Credit and Collections: Attn: Key Accounts P.O. Box 190 130 N. Washington Newport, WA 99156 Via Email: keyaccounts@popud.org With Copy To: sholderman@popud.org	Credit and Collections: Attn: Treasurer 422767 SR 20 Usk, WA 99180 Via Email: Steve@merklestandard.com With Copy to: Melissa@allrisecapital.com
Defaults: Attn: General Counsel P.O. Box 190 130 N. Washington Newport, WA 99156 Via Email: notices@popud.org With Copy To: whitney@popud.org	Defaults: Attn: Treasurer 422767 SR 20 Usk, WA 99180 With Copy To: Andrew Moratzka Stoel Rives LLP 33 South Sixth St., Suite 4200 Minneapolis, MN 55402 Via Email: Steve@merklestandard.com With Copy to: Melissa@allrisecapital.com And To: Andrew.Moratzka@stoel.com

EXHIBIT E

Mitigation Protocol

Background and Purpose:

This Mitigation Protocol is intended to guide the actions that the District and Customer may take in the event of a material adverse condition (“MAC”) within the District’s Electric System. A MAC is an event outside the District’s reasonable control that can reasonably be expected to have a significant risk to the District’s system reliability or safety of personnel. MACs include, without limitation, effects on the District’s system from severe weather; reliability or system-wide emergencies declared by BPA, WECC, NERC, the District’s Balancing Authority, or other regulatory bodies; and significant real-time Facility load-resource imbalances caused by either Facility load operating at levels materially above the Hourly Quantity, or by Product deliveries to the Delivery Point at levels materially below the Hourly Quantity (in either case, “Imbalance”). For purposes of this Protocol, an Imbalance shall occur when the difference between actual load and the applicable Hourly Quantity is equal to the greater of 10 MW or 7.5% of Customer’s actual load.

Protocol Trigger

District personnel will determine on behalf of the District when a MAC has occurred and is ongoing such that remedial action is necessary. The District will notify Customer’s Facility Operators of the MAC by phone and email not later than 30 minutes after the District has actual knowledge of the MAC (“MAC Notification”). In the event the District issues a MAC Notification to Customer, this Mitigation Protocol is triggered, and the Parties will undertake the steps detailed below.

Protocol Steps

STEP 1: Customer Mitigation: Each MAC Notification shall include: (i) as much detail about the MAC as can be reasonably ascertained at the time; (ii) the minimum amount of Facility load that must be shed to alleviate the MAC (“Minimum Load Reduction”); and (iii) the deadline by which the Minimum Load Reduction must be achieved (“Load Reduction Deadline”), which shall not be less than 30 minutes from the MAC Notification unless a shorter deadline is required (a) for the protection of life, property, or system reliability, or (b) by BPA, WECC, NERC, the District’s Balancing Authority, or other regulatory bodies. Upon receipt of a MAC Notification from the District, Customer will, no later than the Load Reduction Deadline, de-energize its load until the Minimum Load Reduction has been met. The District will reasonably assist Customer during this process (e.g., by confirming SCADA load readings to Customer while load is being de-energized).

The District’s failure to reach Customer’s Facility Operators does not preclude the District from performing remaining Mitigation Protocol steps without delay.

STEP 2: Market Power Replacement: In the event Product serving Customer load has been interrupted, resulting in an Imbalance, and Customer does not timely respond to the MAC Notification or does not adequately mitigate the Imbalance acting on its own, the District will make reasonable efforts to alleviate each Imbalance by replacing missing Product with other Market

Product in accordance with the steps detailed below. This Protocol Step 2 will, to the extent reasonably possible, be undertaken before Step 3. However, in the event time or circumstances do not reasonably allow for the actions in this Step 2, as determined in the District's sole but reasonable discretion, employed consistent with Prudent Industry Practice, the District may go directly to Protocol Step 3.

When time and circumstances permit, the District will take the following actions to complete Protocol Step 2:

- a. The District will contact its Balancing Authority to determine whether the Balancing Authority is willing to sell replacement Market Product and at what price.
- b. The District will attempt to contact at least one other market power supplier of its choice to determine whether such market supplier is willing to sell replacement Market Product and at what price.
- c. So long as the offered price for replacement Market Product delivered to the District Delivery Point is less than \$65/MWh, the District will accept the lowest price available for replacement Market Product and will purchase replacement Market Product to mitigate the Imbalance. Customer shall be invoiced at the District's cost for all replacement Market Product, plus associated fees and costs.
- d. If replacement Market Product is not available after taking the steps above, or is not available at a price less than \$65/MWh, the District will immediately move to Protocol Step 3 below.

STEP 3: Facility Load Shedding: Separate from this Agreement, Customer will prepare and maintain a procedure detailing how Facility operators may safely shed load within certain time limits ("Load Shedding Procedure") and furnish a current copy of the Load Shedding Procedure to the District upon adoption or revision. The District will refer to the current Load Shedding Procedure prior to executing Protocol Step 3.

After making efforts pursuant to Protocol Steps 1 and 2 above, the District may determine that Customer's load must be shed to mitigate the MAC. In either case, the District will undertake the following steps to shed load for the duration of the MAC:

If the Load Reduction Deadline is reached and the Minimum Load Reduction has not been met, the District may immediately shed load remotely or on-site at the Facility as necessary to alleviate Imbalance per Table 1 below. The District will use reasonable efforts to shed load consistent with the prioritization indicated, beginning with breakers indicated as Load Shedding Priority 1, and continuing with breakers indicated as Load Shedding Priority 2-10 if necessary to achieve the Minimum Load Reduction.

Table 1: Load Shedding Switchgear and Priority

Breaker Reference	Load Center Description	Approximate Load (MW or % of Facility Load)	Load Shedding Priority
13A	Not used	10 MW	N/A
13B	Not used	10 MW	N/A
14A	Zone 1	10 MW	1
14B	Zone 2	10 MW	2
15A	Zone 4	6.3 MW	4
15B	Zone 5	8.4 MW	3
20A	Zone 3	10 MW	5
20B	Zone 6	10 MW	7
21A	Zone 7	10 MW	6
21B	Zone 8	4.4 MW	8
22A	Zone 9	9.9 MW	9
22B	Zone 10	11 MW	10

Customer acknowledges that the coarse nature of load shedding may result in de-energizing load greater than the Minimum Load Reduction. In the event load shedding is implemented to mitigate a MAC, Customer shall indemnify, defend, and hold the District harmless for all damages, costs, or losses incurred by such action. Each Party will act reasonably under this Mitigation Protocol to minimize risk to the personnel and equipment of each Party.

Actions taken under this Protocol to alleviate a MAC shall remain in place through the duration of the MAC. In the event the District mitigates a MAC by acting pursuant to this Mitigation Protocol, the District shall provide and deliver to Customer a written summary of steps taken to complete the mitigation.

EXHIBIT F
One-Line Diagrams

One-line diagrams are attached as a separate document with separate page numbering.

As new/updated one-lines are developed, Cascade will provide copies to the District.

EXHIBIT G
WSPP Confirmation

The WSPP Confirmation is attached as a separate document with separate page numbering.

Public Utility District No.1 of Pend Oreille County Attention: Colin Willenbrock Phone: 509.447.6758 Email: cwillenbrock@popud.org	Shell Energy North America (US), L.P. Attention: Matt McNeal/Dan Loewen Phone: 509.216.8914 Fax: 858.320.1550 Email: Matthew.McNeal@Shell.com; Dan.Loewen@Shell.com
Contract ID:	Contract ID:

MASTER TRANSACTION CONFIRMATION FOR ENERGY SUPPLY

This Master Transaction Confirmation for the purchase and sale of Energy (the “Master Confirmation”) sets forth the agreement by and between **Public Utility District No. 1 of Pend Oreille County** (“POPUD” or “Buyer”) and **Shell Energy North America (US), L.P.** (“Shell Energy” or “Seller”) regarding the purchase and sale of certain Product under the terms and conditions set forth below. POPUD and Shell Energy may be referred to individually herein as a “Party” and collectively as the “Parties.” This Master Confirmation shall be effective as of September 1, 2022.

Master Agreement: This Master Confirmation shall be governed by the terms and conditions of the WSPP Agreement, version dated effective August 12, 2021, promulgated by WSPP, Inc. (as amended from time to time, the “Master Agreement”), such terms and conditions are incorporated by reference as if fully set forth in this Master Confirmation.

Seller: Shell Energy

Buyer: POPUD

*Transaction
Summary:*

During the Delivery Term, Seller agrees to sell and deliver to the Point of Delivery, and Buyer agrees to purchase and receive, a volume of Product to be designated by Buyer for each monthly Delivery Period up to the Product Limit for such Delivery Period. For all Product delivered during each Delivery Period, Buyer shall pay Seller a mutually agreeable Energy Price, together with the applicable Delivery Fee for such Delivery Period.

Product: Schedule C Firm Energy

Delivery Term: Commencing the Hour Ending 0100 September 1, 2022, and continuing through Hour Ending 2400 September 30, 2023, Pacific Prevailing Time.

Delivery Period(s): For purposes of this Master Confirmation, each calendar month during the Delivery Term shall be a Delivery Period.

Delivery Rate: On-Peak, Off-Peak, or ATC, as designated by the Buyer for each Delivery Period.

Delivery Point: POPD.BPAT

Monthly Quantity: Not later than the eighth (8th) Business Day of the month preceding each Delivery Period (unless otherwise agreed between Buyer and Seller), Buyer shall request in writing a quote from Seller for the quantity of Product to be delivered by Seller during such Delivery Period in whole MW increments up to the Product Limit applicable to such Delivery Period (each a “Monthly Quantity”). The Monthly Quantity may consist of different HLH and LLH monthly flat blocks. For avoidance of doubt, if Seller and Buyer do not execute a Monthly Confirmation as set forth below for a particular Delivery Period, no Product will be delivered or purchased in that Delivery Period, and Buyer’s only obligation will be to pay Seller the take-or-pay Delivery Fee for the Delivery Period as identified in Table 2 below.

Product Limit: The maximum Monthly Quantity for any Delivery Period is 100 MW per hour.

Transmission: Seller will be responsible for all transmission costs, ancillary services, and losses incurred to deliver the Product to the Delivery Point.

Scheduling Protocols: Buyer shall use all reasonable efforts to provide Seller with prompt advance notice of any anticipated changes in the Monthly Quantity designated by Buyer for a Delivery Period.

Seller will provide scheduling services in accordance with regional scheduling protocols as necessary to effectuate this Master Confirmation. Seller will reasonably comply with all terms and conditions applicable to the scheduling and delivery of Product as imposed by Buyer’s Balancing Authority.

Contact Information:

Table 1 – Contact Information	
For Buyer:	For Seller:
Commercial: Colin Willenbrock 509.447.6758 cwillenbrock@popud.org	Marketing: Matt McNeal 509.216.8914 Matthew.McNeal@Shell.com
Invoices & Payments: April Owen 509.447.9321 aowen@popud.org accountspayable@popud.org	Term Trading: Ryan Renshaw 509.688.6047 Ryan.Renshaw@shell.com
Forecasting/Operations: April Owen 509.447.9321 aowen@popud.org and Diana Jackson	Day Ahead Trading: Bo Tully 509.688.6050 Bo.Tully@shell.com and Hilary Bell

509.447.9330 djackson@popud.org	509.688.6110 Hilary.Bell@shell.com
Hourly Operations: 509.447.6700 SystemOperators@popud.org	Spokane Real-Time Desk 509.688.6110

Delivery Fee:

For each hour of each Delivery Period, Buyer shall pay Seller a Delivery Fee in an amount equal to \$2.50 multiplied by each MW of Product delivered from Seller to Buyer. Notwithstanding the foregoing, Buyer agrees to pay Seller a minimum Delivery Fee each month on a take-or-pay basis, in accordance with Table 2 below, regardless of whether Buyer purchases Product in the respective Delivery Period. The Parties agree that the take-or-pay Delivery Fees identified in Table 1 are based on a forecasted amount of Monthly Product for each Delivery Period as of the date of this Master Confirmation.

The Delivery Fee will be payable to Seller regardless of any rights arising from Sections 21 and 22 of the Master Agreement.

Table 2 – Take-or-Pay Delivery Fee Schedule				
Delivery Period	Forecasted Monthly HLH Product (MW/hr)	Forecasted Monthly LLH Product (MW/hr)	Total Forecasted Monthly Product (MWh)	Take-or-Pay Delivery Fee
September 2022	59	38	35,760	\$89,400
October 2022	58	52	41,184	\$102,960
November 2022	30	30	21,630	\$54,075
December 2022	38	38	28,272	\$70,680
January 2023	25	25	18,600	\$46,500
February 2023	30	30	20,160	\$50,400
March 2023	40	40	29,720	\$74,300
April 2023	87	84	61,680	\$154,200
May 2023	90	90	66,960	\$167,400
June 2023	93	93	66,960	\$167,400
July 2023	96	85	67,640	\$169,100
August 2023	99	88	70,224	\$175,560
September 2023	99	78	64,560	\$161,400

*Energy Price; Monthly**Confirmations:*

The “Energy Price” shall be a fixed price (\$/MWh) for Product delivered during a Delivery Period to be established by mutual agreement of the Parties as follows:

Within one (1) Business Day following Buyer’s designation of a Monthly Quantity for a Delivery Period, Seller shall offer Buyer in writing a good-faith Energy Price for such Delivery Period (“Indicative Price”), together with reasonable market information to support the Energy Price offer. The Indicative Price offered by Seller shall include all costs (e.g., commodity, transmission, required fees and market premiums) necessary for Seller to

deliver the Monthly Quantity to the Delivery Point. Buyer may request Indicative Price updates until the Parties mutually agree on a transactable price for the Monthly Quantity (“Confirmation Price”). A purchase and sale transaction for a Delivery Period will only occur if Seller and Buyer mutually agree to a Confirmation Price for the Monthly Quantity. The Parties shall memorialize the terms for each purchase and sale of Monthly Quantity in a confirmation subject to the terms of this Master Confirmation (each a “Monthly Confirmation”). Any transaction pursuant to this Confirmation shall be transacted on or before five (5) Business Days prior to the first day of the Delivery Period.

Market and

Regulatory Changes: The Parties agree that if, at any time during the Delivery Term, there are changes to the applicable wholesale power market structure that: (i) occur after the date on which this Master Confirmation is executed; and (ii) have a material impact on prices, fees, rates, terms or conditions contemplated by this Master Confirmation, then the Parties shall, upon the request of either Party, come together in good faith to discuss whether the change in market structure should be reflected in a change to the terms and conditions of this Master Confirmation. Such changes to the current market structure may include, but are not limited to, the implementation of the Western Resource Adequacy Program or other formal capacity market, implementation, or changes to carbon, greenhouse gas emission legislation, or Renewable Portfolio Standards, and transitioning to a Regional Transmission Organization or Independent System Operator, but only to the extent the condition set forth in (ii) above is met. However, neither Party shall be required to agree to any change to the terms and conditions of this Master Confirmation, except in its sole discretion and upon receipt of all required management approvals. Any such change to this Master Confirmation must be set forth in a written amendment signed by both Parties. If the Parties are unable to agree on changes to this Master Confirmation within ninety (90) days of initiating negotiations, then either Party may terminate this Transaction with written notice.

Commodity Exchange

Representation: To the extent that this Master Confirmation (alone or combined with related transaction(s) or Monthly Confirmations) is deemed by either Party or by the Commodity Futures Trading Commission (“CFTC”) to be a commodity trade option under part 32 of the CFTC's regulations (including certain forward transactions with volumetric optionality that are not excluded from the definition of "swap"):

The seller of the option represents to the buyer of the option that in connection with this Master Confirmation or Monthly Confirmations, the seller of the option is either (i) an eligible contract participant as defined in section 1a(18) of the Commodity Exchange Act (“Act”) and the regulations of the CFTC, or (ii) a producer, processor, commercial user of or a merchant handling the commodity that is the subject of this Master Confirmation or Monthly Confirmations, or the products or byproducts thereof, and is

offering or entering into this Master Confirmation or Monthly Confirmations solely for purposes related to its business as such.

The buyer of the option represents to the seller of the option that, in connection with this Master Confirmation or Monthly Confirmations, the buyer of the option is a producer, processor, commercial user of or a merchant handling the commodity that is the subject of this Master Confirmation or Monthly Confirmations, or the products or by-products thereof, and is offering or entering into this Master Confirmation or Monthly Confirmations solely for purposes related to its business as such.

Each Party represents to the other that this Transaction is intended to be physically settled so that, if exercised, the option would result in the sale of an exempt commodity for immediate or deferred delivery.

Seller shall be responsible for complying with any swap reporting obligations relating to this Master Confirmation or Monthly Confirmations that arise out of the Act or CFTC regulations.

Performance Assurance:

Section 27 of the Master Agreement shall not apply to this Master Confirmation or Monthly Confirmations, and is replaced in its entirety with the following:

“If Buyer’s Credit Rating falls below BBB- by Fitch or Baa3 by Moody’s, or if Seller’s Credit Rating falls below BBB- by S&P or Baa3 by Moody’s, or neither of the foregoing rating agencies provides a Credit Rating for a Party (as applicable to that Party), they shall be deemed the Non-Creditworthy Party. The Creditworthy Party will notify the Non-Creditworthy Party for the purpose of discussing possible reasonable and adequate assurances. The Parties shall have five (5) Business Days from the effective date of notice to mutually agree on reasonable and adequate assurances. If the Parties cannot mutually agree on reasonable and adequate assurances, the Creditworthy Party may elect to declare an Event of Default.

Within this section, the following definitions shall apply:

- ‘Credit Rating’ means with respect to an entity: (a) the current ratings issued or maintained by Moody’s, S&P, Fitch, or DBRS with respect to such entity’s long-term, senior unsecured, debt obligations not supported by third-party credit enhancements; or (b) if such debt rating is not available, then the current corporate credit rating by S&P and long-term issuer rating by Moody’s.
- ‘Fitch’ means Fitch Ratings, or its successor.

- ‘Moody’s’ means Moody’s Investors Service, Inc., or its successor.
- ‘S&P’ means S&P Global Ratings, or its successor.”

Cash Prepayment

Notwithstanding anything to the contrary contained herein or in the Master Agreement, in order to secure Buyer’s payment obligations, Buyer shall be required, at Seller’s option, to make advance payment in cash (“Prepayment”) to Seller for all the Product purchased by Buyer hereunder, plus the Delivery Fee, in the following manner:

For each Delivery Period during the Delivery Term, Seller shall issue an invoice for Prepayment (“Prepayment Invoice”) within two (2) Business Days of agreeing on a Confirmation Price. For Delivery Periods when Monthly Quantity is zero or no Confirmation Price is agreed, then Seller shall issue the Prepayment Invoice no later than five (5) Business Days prior to the start of the applicable Delivery Period. The deadline for Prepayment shall be on or before the close of the last Business Day before the start of the applicable Delivery Period.

Prepayment shall be made by wire transfer to an account specified by Seller and shall be in an amount equal to:

- Energy Price multiplied by the Monthly Quantity for that Delivery Period, if any; plus
- Take-or-Pay Delivery Fee for that Delivery Period per Table 2; plus
- In the event that the Monthly Quantity for that Delivery Period exceeds the Total Forecasted Monthly Product for that same Delivery Period in Table 2, the Monthly Quantity MWhs in excess of the Forecasted Monthly Product MWhs multiplied by the Delivery Fee of \$2.50/MWh.

For avoidance of doubt, if the Monthly Quantity is zero, the Prepayment would consist only of the the Take-or-Pay Delivery Fee for that Delivery Period per Table 2 (i.e., (ii) above).

If the actual quantity of the Product delivered in any Month is less than the Monthly Quantity upon which Prepayment was made, an adjustment shall be made in the Prepayment for the following Month to account for any such overpayment. If Buyer fails to make any Prepayment when required under this section, then Seller shall have the right to withhold or suspend delivery of the Product under the Prepayment Transaction until such time as the required Prepayment is received. Such suspension of Product delivery shall not relieve Buyer of its obligation to purchase the Product pursuant to any Transaction and shall be in addition to, and not in replacement of, any other right or remedy available to Seller hereunder as a result of Buyer’s failure to make any payment when due.

Limitation on

Termination Payment:

Any Termination Payment owed to Seller under Sections 21 and 22 of the Master Agreement shall be limited to the sum of any unpaid Delivery

Fees identified in Table 2 in addition to any accounts receivable for the Term of this Master Confirmation.

Governing Law: Section 24 of the Master Agreement is amended by deleting the word “Utah” and replacing it with the word “Washington.”

Forward Contract Merchant: Section 35 of the Master Agreement is amended by adding the following language after the first sentence:

“Notwithstanding the forgoing, it shall not be an Event of Default hereunder with respect to either Party if a court having jurisdiction over the matter determines that such Party is not a forward contract merchant.”

Data Privacy: The Parties may provide each other with information related to an identified or identifiable individual (“Personal Data”), the processing and transfer of which will be done in accordance with applicable data protection law.

Anti-Corruption: Each Party represents, warrants and covenants to the other that: (i) it will comply with the Anti-Corruption Laws (as defined herein) with respect to this Master Confirmation; (ii) it has not made and will not make, offer, authorize, or accept any payment, gift, or other benefit, directly or indirectly (whether via its affiliates, agents, contractors or other third parties), to or from any government official or any other person for the purpose of facilitating or carrying out any transaction hereunder which would violate the Anti-Corruption Laws; (iii) it will promptly notify the other Party if it becomes aware of any violation of the Anti-Corruption Laws in connection with this Master Confirmation, subject to the preservation of legal privilege; and (iv) except as the other Party may agree in writing, all payments payable to a Party pursuant to this Master Confirmation shall be made only to the account of such Party, and not to the account of any other person. “Anti-Corruption Laws” mean (a) the United States Foreign Corrupt Practices Act of 1977; (b) the United Kingdom Bribery Act 2010; and (c) all applicable laws that prohibit money laundering, or otherwise dealing in the proceeds of crime, or the bribery of, or the providing of unlawful gratuities, facilitation payments, or other benefits to any government official or any other person, or tax evasion.

Mobile-Sierra: Section 24 of the Master Agreement is amended by adding the following new Section 24B to the end thereof:

“24B. Binding Rates and Terms.

(a) Each Party irrevocably waives its rights, including its rights under Sections 205-206 of the Federal Power act, to seek or support a unilateral change in the rate(s), charges, classifications, terms or conditions of this Master Confirmation or any other agreements entered into in connection with this Master Confirmation. By this provision,

each Party expressly waives its right to seek or support: (i) an order from FERC finding that the rate, charges, terms or conditions agreed to by the Parties in this Master Confirmation or Monthly Confirmations are unjust and unreasonable; or (ii) any refund with respect thereto. Each Party agrees not to make or support such a filing or request, and that these covenants and waivers shall be binding notwithstanding any regulatory or market changes that may occur hereafter.

- (b) Absent the agreement of the Parties after the date of this Master Confirmation, the standard of review for changes to any section of this Master Confirmation or Monthly Confirmations (to the extent that any waiver in Section 24B above is unenforceable or ineffective), whether proposed by a Party, a nonparty or FERC acting *sua sponte* shall be the “public interest” standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956) (the “Mobile-Sierra Doctrine”).”

**Public Utility District No. 1 of
Pend Oreille County**

Shell Energy North America (US), L.P.

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

EXHIBIT H Form of Guaranty

GUARANTY

This GUARANTY (this “Guaranty”) is made and entered into as of [_____, 2022 by Allrise Capital Inc., a Delaware corporation (“Guarantor”), to and for the benefit of Public Utility District No. 1 of Pend Oreille County (“District”, and together with Guarantor, the “Parties”, and each, a “Party”). Capitalized terms not otherwise defined herein shall have the meaning given such terms in the Electric Service Agreement (as such term is defined below).

RECITALS

- A. Guarantor is a direct or indirect affiliate of Cascade Digital Mining, LLC, a Delaware limited liability company (“Customer”);
- B. Customer owns and operates a Facility on certain real property within the District’s service area, as more particularly described in the Electric Service Agreement (as such term is defined below);
- C. Customer and District propose to enter, are entering, or have entered into that certain Electric Service Agreement of even date herewith (the “Agreement”) pursuant to which District shall sell and Customer shall purchase a certain amount of electrical energy, capacity, and other services for the Facility;
- D. Guarantor will benefit, direct or indirectly, from the transactions contemplated under the Agreement;
- E. In order to induce District to enter into the Agreement, the District desires that Guarantor guaranty the performance the obligations of Customer under the Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants and provisions contained herein, the mutual benefits to be derived therefrom, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

- 1. The above-referenced Recitals are incorporated into and made part of this Guaranty.
- 2. Guarantor hereby absolutely, irrevocably, and unconditionally guarantees to District the full and timely performance when due, the payment of all amounts when due and owing, and observance when due of all covenants, terms, and agreements to be performed, paid, or observed, as applicable, by the Customer under the Agreement, all whether presently existing or from time to time hereafter created, incurred, or arising (collectively, the “Obligations”).

Notwithstanding any other provisions of this Guaranty to the contrary, this Guaranty shall not modify or expand the Obligations under the Agreement. This Guaranty is a continuing guarantee, and shall apply to all Obligations whenever arising.

3. Guarantor covenants to the District that if at any time Customer defaults in the payment or performance when due of any of its Obligations, Guarantor shall, promptly upon written notice by District (provided that no notice is required in case of an automatic stay), pay, or perform, or cause the payment or performance of, such Obligations.

4. It is expressly understood and agreed by Guarantor that, to the extent Guarantor's obligations hereunder relate to Obligations which require performance other than the payment of money, District may proceed against Guarantor for payment of damages (as limited by the Agreement) resulting from Customer's nonperformance. Guarantor hereby covenants to perform or cause to be performed all of the obligations, terms, and conditions on the part of Customer to be performed under the Agreement for the balance of the term thereof.

5. All payments by Guarantor to District shall be made in the United States in United States Dollars and in immediately available funds and shall be paid within five (5) days after receipt by Guarantor from District of written demand for such payment. Each and every default or failure by Customer in making a payment or otherwise discharging or performing any of the Obligations shall give rise to a separate liability of Customer to District and a separate cause of action hereunder and a separate suit may be brought hereunder as each liability or cause of action arises.

6. Subject to Section 14(d) below, Guarantor agrees to pay all costs, expenses and fees, including all reasonable attorneys' fees, which have been incurred by District in enforcing this Guaranty, whether by suit or otherwise, but only to the extent payment or performance under this Guaranty is otherwise due and District is the prevailing party in its claim against Guarantor.

7. The obligations of Guarantor under this Guaranty shall be irrevocable, absolute, and unconditional, except to the extent that Customer's payment or performance would be excused by District's failure to fulfill its obligations under the Agreement, and shall remain in full force and effect until such time as set forth in Section 15 hereof. The obligations of Guarantor shall not be affected, modified, impaired, or prejudiced (i) by any other performance assurance or security now or hereafter held by the District as security for the obligations of Customer under the Guaranteed Documents; or (ii) upon the happening from time to time of any one or more of the following whether or not with notice to or consent of District or Guarantor:

(a) the taking of any action by District to enforce any Obligation or the Agreement against Customer;

(b) the extension of time for payment of any amounts due or of the time for performance of any of the Obligations;

(c) the modification or amendment (whether material or otherwise) of any of the Obligations;

(d) the failure, omission, delay, or lack on the part of District to enforce, ascertain,

or exercise any right, power, or remedy under or pursuant to the terms of the Agreement or this Guaranty;

(e) the fact that Guarantor may at any time in the future dispose of all or any part of its direct or interest in Customer, or otherwise alter its direct or indirect investment in Customer in any manner;

(f) the bankruptcy, insolvency, winding up, dissolution, liquidation, administration, reorganization, or other similar or dissimilar failure or financial disability of Customer, or any legal limitation, disability, incapacity, or other circumstances relating to Customer;

(g) the addition or substitution of any guarantor, maker or other third party primarily or secondarily liable or responsible for the performance or observance of any of the Obligations or by any extension, waiver, amendment or thing whatsoever which may release or discharge (in whole or in part) any such guarantor, maker or other third party (other than as a result of the indefeasible payment and performance of the Obligations in full);

(h) the invalidity, nonbinding effect, or unenforceability of (x) the Obligations or (y) the Agreement in its entirety; or

(i) the taking, variation, renewal, addition, substitution, subordination, or partial or entire release of any performance assurance or other security for the Obligations or the enforcement or neglect to perfect or enforce any such security.

8. Guarantor irrevocably and absolutely waives any and all right of subrogation, contribution, indemnification, reimbursement, or similar rights against Customer with respect to the Guaranty, whether such rights arise under an express or implied contract or by operation of law, it being the intention of Guarantor that Guarantor shall not be deemed to be a “creditor” (as defined in Section 101 of the U.S. Bankruptcy Code or any other applicable law) of Customer by reason of the existence of this Guaranty in the event that Customer becomes a debtor in any proceeding under the U.S. Bankruptcy Code or any other applicable law. In addition, Guarantor will not exercise any rights which it may acquire by way of subrogation under this Guaranty by any payment made hereunder or otherwise, until all of the Obligations shall have indefeasibly been paid or performed in full. If any amount shall be paid to Guarantor on account of such subrogation rights at any time when all the Obligations shall not have been indefeasibly paid or performed in full, such amount shall be held in trust for the benefit of District and shall forthwith be paid to District and applied to such liabilities and obligations, whether matured or unmatured.

9. District shall have the right, in its sole judgment and discretion, from time to time, to make demand for payment or performance and to proceed against Guarantor for recovery of the total of any and all amounts due, or for the performance of any nonmonetary obligation owed, to District pursuant to this Guaranty, or to proceed from time to time against Guarantor for such portion of any and all such amounts, or for the performance of any and all such nonmonetary obligations, as District may determine.

10. So long as any Obligations are owed to District, Guarantor shall not, without the prior written consent of District, commence or join with any other Person in commencing, any

bankruptcy, reorganization, or insolvency proceeding against Customer. The obligations of Guarantor under this Guaranty shall not be altered, limited, or affected by any proceeding, voluntary or involuntary, involving the winding up, dissolution, administration, bankruptcy, reorganization, insolvency, receivership, liquidation, or arrangement or similar proceeding of Customer, or by any defense which Customer may have by reason of any order, decree, or decision of any court or administrative body resulting from any such proceeding.

11. With respect to all Obligations, this is a guarantee of payment and not of collection, and Guarantor hereby waives and relinquishes all rights and remedies accorded by applicable law to sureties or guarantors and agrees not to assert or take advantage of any such rights or remedies.

12. This Guaranty shall inure to the benefit of and be binding upon the Guarantor and District and their respective successors and assigns, provided, however, that Guarantor may not make an assignment or other transfer of this Guaranty or any interest herein by operation of law or otherwise unless it has obtained the prior written consent of District (which consent shall be solely within District's discretion) to such assignment or other transfer.

13. All written notices, demands, or requests required by this Agreement shall be considered effective: (i) the same day when sent by email with confirmed receipt; or (ii) two Business Days following the date sent by certified U.S. mail, postage prepaid, or by certified overnight delivery service. All written notices, demands, or requests under this Section shall be directed (i) if to District, to the attention of the appropriate Person(s) identified in Exhibit D to the Agreement, and (ii) if to Guarantor, as set forth below:

Guarantor:

Allrise Capital Inc.
200 Spectrum Drive, Suite 1450
Irvine, CA 92694
Attn: Mikhail Trubchik
E-Mail: Mikhail@allrisecapital.com

With a copy to:

Stoel Rives LLP
33 South Sixth St., Suite 4200
Minneapolis, MN 55402
Attn: Andrew Moratzka
E-Mail: andrew.moratzka@stoel.com

14. Dispute Resolution.

(a) The Parties each agree to make a good faith effort to resolve, without resort to litigation, any Dispute according to the procedures set forth herein. If there is a dispute between the Parties, then the representatives will attempt to resolve the Dispute by negotiation. If the Dispute cannot be resolved, then the parties may elect to pursue whatever rights they may have at law or equity consistent with Section 14(c) below

(b) This Guaranty, and all matters arising out of or relating to this Guaranty, whether sounding in contract, tort, or statute, are governed by, and construed in accordance with, the laws of the State of Washington, United States of America, including its statutes of limitations, and without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of Washington.

(c) Each Party irrevocably and unconditionally agrees that any legal action, litigation, or legal proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Guaranty shall be brought and maintained in Pend Oreille County Superior Court. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of Pend Oreille County Superior Court. Notwithstanding the forgoing, each Party agrees that a final judgment in any such action, litigation, or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(d) In any action, litigation, or proceeding arising out of or relating to this Guaranty, the prevailing Party shall be entitled to its reasonable attorney's fees and costs, in addition to any other relief allowed.

15. Termination; Reinstatement of Guaranty.

(a) Subject to the provisions of Section 15(b), this Guaranty shall terminate upon the full satisfaction of all Obligations (and such satisfaction is not disputed in good faith by District); *provided*, that Guarantor's liability hereunder shall survive any such termination with respect to any claims made by District hereunder with respect to matters arising prior to such termination.

(b) Notwithstanding the provisions of Section 15(a), this Guaranty shall be reinstated if at any time following the termination of this Guaranty under Section 15(a), any payment by Guarantor or Customer of the Obligations is rescinded or must otherwise be returned by District upon the insolvency, bankruptcy, reorganization, dissolution, or liquidation of Customer, all as though such payment had not been made. Such period of reinstatement shall continue until satisfaction of the conditions contained in, and shall continue to be subject to, the provisions of this Section 15.

16. Each Party shall comply with all applicable laws and regulations in the performance of their obligations under this Guaranty and in the ownership and operation of their respective businesses and facilities.

17. If any part of this Guaranty is for any reason held to be unenforceable, the rest of it remains fully enforceable.

18. No failure on the part of District to exercise, and no delay in exercising, any right, remedy, or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by District of any right, remedy, or power hereunder preclude any other or future exercise of any right, remedy, or power. Each and every right, remedy, and power hereby granted to District or allowed it by law or other agreement shall be cumulative and not exclusive of any other, and may be exercised by District at any time or from time to time.

19. This Guaranty, the Agreement, and the exhibits attached thereto constitute the final agreement of the Parties with respect to the provision of electric service to the Facility. The Parties expressly acknowledge that this Guaranty supersedes and replaces any prior communications or representations by or between the Parties concerning the subject matter hereof including, without limitation, the Interim Agreement (as defined in the Agreement). No amendment, modification, or change to this Guaranty shall be valid unless set forth in a written instrument executed by both Parties.

20. This Guaranty may be executed in any number of counterparts, including facsimile and PDF counterparts, each of which shall be deemed an original instrument, but all of which together shall constitute but one and the same instrument.

21. The Parties agree to execute any further documents, and take any further actions, as may be reasonable and necessary in order to carry out the purpose and intent of this Guaranty.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be executed as of the date first above written by its respective officers thereunder duly authorized.

ALLRISE CAPITAL INC.,
a Delaware corporation

By: _____

Name: Mikhail Trubchik

Title: _____

Date: _____

ACCEPTED BY: District acknowledges and accepts the above Guaranty for and on behalf of the District.

**PUBLIC UTILITY DISTRICT NO. 1 OF
PEND OREILLE COUNTY,**
a municipal corporation of the State of
Washington

By: _____

Name: Colin Willenbrock

Title: General Manager

Date: _____