



County of Los Alamos

Los Alamos, NM 87544
www.losalamosnm.us

Agenda - Final County Council - Special Session

Wednesday, June 19, 2019

2:30 PM

Council Chambers - 1000 Central Avenue
TELEVIEWED

1. OPENING/ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

4. APPROVAL OF AGENDA

5. PUBLIC HEARING(S)

A OR0855-19c Incorporated County of Los Alamos Ordinance No. 694
AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED
COUNTY OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE
BONDS (PEBBLE LABS U.S.A., INC., PROJECT)

Presenters: Joanie Ahlers, Economic Vitality Administrator

Attachments: A - Ordinance No. 694 Industrial Revenue Bonds for
Pebble Labs
B - Notice of Intent to Adopt IRB Ordinance No. 694.pdf
C - Pebble Labs Lease Agreement with LAC
D- Pebble Labs Bond Purchase Agreement_FINAL
E - Pebble Labs Indenture
F - Notice of Publication of Ordinance No. 694.pdf

6. PUBLIC COMMENT

7. ADJOURNMENT

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the County Human Resources Division at 662-8040 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes can be provided in various accessible formats. Please contact the personnel in the Office of the County Manager at 663-1750 if a summary or other type of accessible format is needed.



County of Los Alamos

Staff Report

June 19, 2019

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.: A

Index (Council Goals):

Presenters: Joanie Ahlers, Economic Vitality Administrator

Legislative File: OR0855-19c

Title

Incorporated County of Los Alamos Ordinance No. 694 AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE BONDS (PEBBLE LABS U.S.A., INC., PROJECT)

Recommended Action

I move that Council approve, Incorporated County of Los Alamos Ordinance No. 694; AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE BONDS (PEBBLE LABS U.S.A., INC., PROJECT), IN ONE OR MORE TAXABLE OR TAX- EXEMPT SERIES IN AN AMOUNT NOT TO EXCEED SIXTY MILLION DOLLARS (\$60,000,000.00) (THE "BONDS") FOR THE BENEFIT OF PEBBLE LABS U.S.A., INC., (THE "COMPANY") FOR THE PURPOSE OF ACQUIRING LAND, BUILDINGS, EQUIPMENT AND INFRASTRUCTURE LOCATED IN LOS ALAMOS COUNTY, NEW MEXICO ("COUNTY"); PROVIDING FOR THE PAYMENT OF THE BONDS FROM LEASE PAYMENTS TO BE RECEIVED BY COUNTY PURSUANT TO A LEASE AGREEMENT BETWEEN COUNTY AND PEBBLE LABS U.S.A, INC.; APPROVING FORMS OF A LEASE AGREEMENT, INDENTURE, BOND PURCHASE AGREEMENT AND OTHER PROJECT DOCUMENTS RELATING TO THE BONDS; AND PROVIDING THAT COUNTY SHALL NOT BE PLEDGING ITS FAITH AND CREDIT TO THE PAYMENT OF THE BONDS, PROVIDING THAT THE COMPANY SHALL MAKE CERTAIN PAYMENTS IN LIEU OF TAXES TO COUNTY; APPROVING AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH and ask staff to assure that it is published as provided in the County Charter.

County Manager's Recommendation

The County Manager recommends that Council approve this Ordinance.

Body

Industrial Revenue Bonds (IRB) are an economic development tool available to counties and municipalities in New Mexico established by State statute. IRBs incentivize development of projects within a county, providing job growth, capital investment and increased economic activity.

IRBs provide tax abatements to companies for eligible projects. Without the tax abatements the projects are often not feasible. In this instance Pebble Labs USA is seeking to issue IRBs to finance a ten-year buildout of a corporate campus at Entrada Business Park in Los Alamos.

Fiscal and Staff Impact/Unplanned Item

The IRB issuance will not exceed \$60 million with a 20-year term. The project will have a property tax abatement on it for the entire term of the bonds. Pebble Labs has agreed to a Payment in Lieu of Taxes (PILT) of approximately 50.5% of the tax rate to keep LAPS and UNM-LA in a hold harmless financial position.

Attachments

- A-Ordinance No. 694 Industrial Revenue Bond Ordinance for Pebble Labs
- B- Notice of Intent to Adopt IRB Ordinance Pebble Labs
- C- Pebble Labs Lease Agreement with LAC
- D- Pebble Labs Bond Purchase Agreement
- E- Pebble Labs Indenture
- F- Notice of Publication of Ordinance No. 694

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2
3
4 **INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO**
5

6 **ORDINANCE NO. 694**
7

8 AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED COUNTY
9 OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE BONDS (PEBBLE
10 LABS U.S.A., INC. PROJECT), IN ONE OR MORE TAXABLE OR TAX-
11 EXEMPT SERIES IN AN AMOUNT NOT TO EXCEED SIXTY MILLION
12 DOLLARS (\$60,000,000) (THE "BONDS") FOR THE BENEFIT OF PEBBLE
13 LABS U.S.A., INC. (THE "COMPANY") FOR THE PURPOSE OF ACQUIRING,
14 LAND, BUILDINGS, EQUIPMENT AND INFRASTRUCTURE LOCATED IN
15 LOS ALAMOS COUNTY, NEW MEXICO (THE "COUNTY"); PROVIDING FOR
16 THE PAYMENT OF THE BONDS FROM LEASE PAYMENTS TO BE
17 RECEIVED BY THE COUNTY PURSUANT A LEASE AGREEMENT
18 BETWEEN THE COUNTY AND PEBBLE LABS U.S.A, INC.; APPROVING
19 FORMS OF A LEASE AGREEMENT, INDENTURE, BOND PURCHASE
20 AGREEMENT AND OTHER PROJECT DOCUMENTS RELATING TO THE
21 BONDS; AND PROVIDING THAT THE COUNTY SHALL NOT BE PLEDGING
22 ITS FAITH AND CREDIT TO THE PAYMENT OF THE BONDS; PROVIDING
23 THAT THE COMPANY SHALL MAKE CERTAIN PAYMENTS IN LIEU OF
24 TAXES TO THE COUNTY; APPROVING AND RATIFYING ACTION
25 PREVIOUSLY TAKEN IN CONNECTION THEREWITH
26

27 **WHEREAS**, the Incorporated County of Los Alamos, New Mexico (the "County") is a legally
28 and regularly created, established, organized and existing county under the general laws of the State
29 of New Mexico with municipal home-rule powers; and

30 **WHEREAS**, the County is authorized by Sections 3-32-1 to 3-32-16, inclusive, and 4-59-1 to
31 4-59-16, inclusive, NMSA 1978, as amended (the "Act"), to acquire industrial revenue projects to be
32 located within the County; and, is authorized to adopt ordinances to provide for the safety, preserve
33 the health, promote the prosperity and improve the morals, order, comfort and convenience of the
34 County and its inhabitants (collectively, the "Act"); and

35 **WHEREAS**, the County has determined that it is in the best interests of the County and its
36 inhabitants to issue its Industrial Revenue Bonds (Pebble Labs U.S.A., Inc. Project), in one or more
37 series in the aggregate principal amount not to exceed sixty million dollars (\$60,000,000) (the
38 "Bonds") to provide funds necessary to acquire land and infrastructure and to acquire and equip
39 scientific laboratories and related facilities located in the County, to be leased to Pebble Labs U.S.A.,
40 Inc. (the "Company"), and to defray part or all of the cost of acquiring assets, including without

1 limitation, reimbursing the Company for any expenditures and costs incurred by the Company for the
2 Project (the "Project") and to pay the costs of issuance of the Bonds; and

3 **WHEREAS**, the Bonds will be issued by the County pursuant to the Act and in accordance
4 with the terms of an Indenture (the "Indenture") dated as of July 15, 2019 by and among the County,
5 the Company, the Depositary and the Purchaser of the Bonds as defined in the Indenture; and

6 **WHEREAS**, the Purchaser of the Bonds, will purchase the Bonds by paying the purchase price
7 of the Bonds as set forth in the Bond Purchase Agreement; and

8 **WHEREAS**, the County is not pledging its faith and credit to the payment of the principal of or
9 the interest on the Bonds;

10 **WHEREAS**, the Company has agreed to make certain payments in lieu of taxes ("PILT") to the
11 County for the term of the Bonds; and

12 **WHEREAS**, all required authorizations, consents or approvals of any state, governmental
13 body, agency or authority in connection with the authorization, execution and delivery of the Bonds
14 which are required to have been obtained by the date hereof, have been obtained, and which will be
15 required to be obtained prior to the date of the issuance of the Bonds, will have been obtained by
16 such date; and

17 **WHEREAS**, the following documents have been prepared in connection with the issuance of
18 the Bonds and have been reviewed by the County's Bond Counsel and are on file with the County
19 Clerk:

- 20 (a) the Indenture;
- 21 (b) Lease Agreement by and between the County and the Company dated as of
22 July 15, 2019 (the "Lease Agreement");
- 23 (c) Bond Purchase Agreement dated as of July 15, 2019; and
- 24 (d) Notice of Intent to Adopt an Ordinance dated May 28, 2019, published May
25 30, 2019;

26 **WHEREAS**, there is on deposit with the County Clerk the proposed form of Bond Ordinance;

1 **NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF LOS ALAMOS**
2 **COUNTY, NEW MEXICO:**

3 **SECTION 1.** *Approval of Indenture;* The Indenture substantially in the form presented
4 herewith, with such changes, insertions, deletions and modifications as may be approved by the
5 Chair or Vice Chair of the Council and as may be recommended by the County's Bond Counsel is
6 hereby ratified and approved. All such changes, insertions, deletions and modifications shall be
7 deemed to have been approved by the County upon execution and delivery of the Indenture, such
8 execution and delivery to be conclusive evidence of such approval. All capitalized terms in this
9 Ordinance shall have the meanings set forth in the Indenture unless otherwise defined herein.

10 **SECTION 2.** *Authorization of the Bonds.* The Council hereby authorizes and approves the
11 issuance of the Bonds for the purposes of acquiring and equipping the Project and for defraying part
12 or all of the cost of acquiring assets, including without limitation, reimbursing the Company for any
13 costs and expenses incurred by the Company for the Project, and paying the costs of issuance of the
14 Bonds including, but not limited to, the reimbursement of certain costs incurred by the Company
15 prior to the adoption of this Ordinance. The Bonds shall be issued under the terms and conditions of
16 the Indenture including provisions for the payment of principal of and interest on the Bonds, and
17 shall be signed by or bear the facsimile signature of the Chair of the Council, or the Vice Chair
18 acting in her absence, and the County Clerk, or a deputy County Clerk acting in her absence. All
19 Bonds issued hereunder shall be issued no later than July 1, 2024, and shall not mature later than July
20 1, 2044.

21 **SECTION 3.** *Approval of Lease Agreement.* The Chair, or the Vice Chair, of the Council is
22 hereby authorized and directed to execute and deliver the Lease Agreement on behalf of the County
23 in substantially the form presented herewith, with such changes, insertions, deletions and
24 modifications as may be approved by the Chair, or the Vice Chair, of the Council and as may be
25 recommended by the County's Bond Counsel. All such changes, insertions, deletions and modifica-
26 tions shall be deemed to have been approved by the County upon execution and delivery of the Lease
27 Agreement, such execution and delivery to be conclusive evidence of such approval. The Lease
28 Agreement requires the Company to maintain the Project in good repair and condition (excepting

1 reasonable wear and tear) and carry proper insurance with respect to the Project. The Lease
2 Agreement requires the Company to make payments sufficient to pay the principal of, redemption
3 premium, if any, and interest on the Bonds as principal, redemption premium and interest become
4 due, as well as certain payments in lieu of taxes as agreed to by the Company and County.

5 The County finds that the maximum amount necessary in each year, required of the Company
6 to pay the principal and interest on the Bond, assuming the initial issuance of the Bond as of July 15,
7 2019, in the maximum aggregate principal amount of \$60,000,000, bearing interest at the rates
8 provided in the Indenture as more particularly stated in Appendix A which is attached hereto and
9 incorporated herein by reference, is sufficient to finance the Project and that the County further finds
10 that no reserve fund is necessary in addition to the semi-annual payments of principal and interest on
11 the Bond as provided in the Indenture, the Lease and the Bond Purchase Agreement. The Council
12 further finds that the Basic Rent and Additional Payments made by the Company to the County under
13 the Lease Agreement are sufficient to pay the principal of and interest on the Bond used to finance
14 the Project.

15 It shall not be necessary to deposit any amount in a debt service reserve fund or repair and
16 replacement reserve fund for the maintenance of the Project Property (as defined in the Indenture).

17 **SECTION 4.** *Approval of Bond Purchase Agreement.* The Chair of the Council is hereby
18 authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the County
19 in substantially the form presented herewith, with such changes, insertions, deletions and
20 modifications as may be approved by the Chair of the Council and as may be recommended by Bond
21 Counsel. All such changes, insertions, deletions and modifications shall be deemed to have been
22 approved by the County upon execution and delivery of the Bond Purchase Agreement, such
23 execution and delivery to be conclusive evidence of such approval.

24 **SECTION 5.** *General Authorization.* The Council hereby authorizes, empowers and directs
25 each of the officers (including the Council officers) and employees of the County, and its counsel, to
26 execute, carry out or cause to be carried out, and to perform, such obligations of the County and such

1 other actions as they, in consultation with Bond Counsel and advisors to the County in connection
2 with the issuance, sale and delivery by the County of its Bonds, shall consider necessary or advisable
3 in connection with this Ordinance, including but not limited to the Indenture, the Lease Agreement,
4 and such other documents and any amendments thereto, deemed necessary, and for the issuance, sale
5 and delivery of the Bonds.

6 **SECTION 6. *Severability.*** If any one or more provisions of this Ordinance should be
7 determined by a court of competent jurisdiction to be contrary to law, any such provision shall be
8 deemed separable from the remaining provisions hereby and the invalidity or unenforceability
9 thereof shall in no way affect the validity or the enforceability of the other provisions of this
10 Ordinance.

11 **SECTION 7. *No Recourse and Liability.*** All covenants, stipulations, obligations and
12 agreements of the County contained in this Ordinance, and in the documents hereby approved and
13 authorized for execution, shall be deemed to be the covenants, stipulations, obligations and
14 agreements of the County, and all such covenants, stipulations, obligations and agreements shall be
15 binding upon the County, and, except as otherwise provided in this Ordinance and such documents,
16 all rights, powers and privileges conferred, and duties and liabilities imposed, upon the County by
17 the provisions of this Ordinance, and in the documents hereby approved and authorized for
18 execution, shall be exercised or performed by the Council; provided that no covenant, stipulation,
19 obligation or agreement herein contained or contained in any document hereby approved and
20 authorized for execution shall be deemed to be a covenant, stipulation, obligation or agreement of
21 any officer, director, member, or employee of the County in his individual capacity, and neither the
22 members of the Council nor any officials executing the Bonds shall be liable personally on the Bonds
23 or be subject to any personal liability or accountability by reason of the issuance thereof.

24 **SECTION 8. *Approval of Indemnification.*** The Council specifically requires that the Lease
25 contain provisions relating to indemnification which provide that the Company shall indemnify and
26 hold harmless the County and its County Council, officials, employees and agents against liability to

the Company, or to any third parties, that may be asserted against the County or its County Council, officials, members, officers, employees or agents with respect to the County's ownership of the Project Property or the issuance of the Bonds and arising from the condition of the Project Property or the acquisition, installation and operation of the Project Property by the Company, except to the extent Section 56-7-1 NMSA 1978 may preclude such indemnity, and except claims for any loss or damage to the extent caused by the gross negligence or willful misconduct of the County or its County Council, or any official, employee or agent of the County.

SECTION 9. *Ordinance Irrepealable.* After the Bonds are issued, this Ordinance shall be and remain irrepealable until the Bonds and the interest thereon shall be fully paid, canceled and discharged, as provided in the Indenture or there has been a defeasance as provided in the Indenture.

SECTION 10. *Repealer Clause.* All bylaws, orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, resolution or ordinance, or part thereof, heretofore repealed.

SECTION 11. *Effective Date.* This ordinance becomes effective thirty (30) days after Recordation by the County Clerk.

SECTION 12. *General Summary for Publication.* Pursuant to the general laws of the State, the title and a general summary of the subject matter contained in this Ordinance shall be published in substantially the following form:

(Form of Summary of Ordinance for Publication)

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO

NOTICE OF ADOPTION OF ORDINANCE NO. 694

NOTICE IS HEREBY GIVEN of the title and of a general summary of the subject matter contained in Ordinance No. 694, duly adopted and approved by the Council of County Commissioners (the "Governing Body") of Los Alamos County, New Mexico (the "County") on June 19, 2019. A complete copy of Ordinance No. 694 is available for public inspection during the

normal and regular business hours of the County Clerk, 1000 Central Avenue, Los Alamos, New Mexico, 87544.

The Title of the Ordinance is:

AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE BONDS (PEBBLE LABS U.S.A., INC. PROJECT), IN ONE OR MORE TAXABLE OR TAX-EXEMPT SERIES IN AN AMOUNT NOT TO EXCEED SIXTY MILLION DOLLARS (\$60,000,000) (THE "BONDS") FOR THE BENEFIT OF PEBBLE LABS U.S.A., INC. FOR THE PURPOSE OF ACQUIRING, LAND, BUILDINGS, EQUIPMENT AND INFRASTRUCTURE LOCATED IN LOS ALAMOS COUNTY, NEW MEXICO (THE "COUNTY"); PROVIDING FOR THE PAYMENT OF THE BONDS FROM LEASE PAYMENTS TO BE RECEIVED BY THE COUNTY PURSUANT A LEASE AGREEMENT BETWEEN THE COUNTY AND PEBBLE LABS U.S.A, INC.; APPROVING FORMS OF A LEASE AGREEMENT, INDENTURE, BOND PURCHASE AGREEMENT AND OTHER PROJECT DOCUMENTS RELATING TO THE BONDS; AND PROVIDING THAT THE COUNTY SHALL NOT BE PLEDGING ITS FAITH AND CREDIT TO THE PAYMENT OF THE BONDS; APPROVING AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH

The following is a general summary of the subject matter contained in Ordinance No. 694:

Preamble recites such matters as the existence of the County; the authority of the County to issue bonds under the New Mexico law; the determination of the County to issue its Los Alamos County, New Mexico Industrial Revenue Bonds, (Pebble Labs U.S.A., Inc. Project), in one or more series, in the aggregate principal amount not to exceed \$60,000,000 (the "Bonds") to provide funds for the purposes of acquiring land, buildings, equipment, and infrastructure for the purpose of operating scientific laboratories located in the County, to be leased to Pebble Labs U.S.A., Inc., (the "Company"), and for defraying part or all of the cost of acquiring land, buildings, equipment, and infrastructure, including without limitation, reimbursing the Company for any costs incurred by the Company (the "Project"), and to pay the costs of issuance of the Bonds; to be sold to the Holder and at the price to be set in the Indenture; recites that the County is not pledging its faith and credit to the payment of the principal of or interest on the Bonds; recites that all required governmental authorizations or approvals have been obtained or will be obtained by the date of issuance of the

Bonds; recites that project documents have been reviewed by Bond Counsel; recites that the form of Bond Ordinance is on deposit with the County Clerk.

SECTION 1 approves the Indenture.

SECTION 2 authorizes the issuance of the Bonds.

SECTION 3 approves the Lease Agreement including the Company's payment in lieu of taxes to the County.

SECTION 4 approves the Bond Purchase Agreement.

SECTION 5 is the General Authorization provision which directs the officers of the Council and employees of the County to execute all required documents.

SECTION 6 is the severability clause.

SECTION 7 provides that no individual member of the Council or employee of the County shall be personally liable on the Bonds.

SECTION 8 provides that the Lease Agreement contains provisions relating to the indemnification by the Company of the County.

SECTION 9 provides that the Ordinance is not repealable by the County so long as there are Bonds outstanding.

SECTION 10 provides that all inconsistent resolutions and ordinances are repealed.

SECTION 11 provides that the Ordinance shall be in full force and effect thirty (30) days after recordation.

SECTION 12 provides for a summary of the Ordinance to be published.

COMPLETE COPIES OF THE ORDINANCE ARE ON FILE IN THE OFFICE OF THE COUNTY CLERK, 1000 CENTRAL AVENUE, LOS ALAMOS, NEW MEXICO, 87544, AND ARE AVAILABLE FOR INSPECTION

OR PURCHASE DURING REGULAR OFFICE HOURS. THIS NOTICE ALSO CONSTITUTES COMPLIANCE WITH
SECTIONS 6-14-4 THROUGH 6-14-7, NMSA 1978.

WITNESS my hand and seal of the County _____ day of June, 2019.

(SEAL)

Naomi D. Maestas, Los Alamos County Clerk

(End of Form of Ordinance for Publication)

[Remainder of page intentionally left blank]

1 **Passed and Adopted** this _____ day of June, 2019.

2
3 **INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO**
4

5 _____
6 **SARA C. SCOTT, CHAIR**

7 _____
8 **PETE SHEEHEY, VICE CHAIR**
9

10 _____
11 **DAVID IZRAELEVITZ, MEMBER**

12 _____
13 **ANTONIO MAGGIORE, MEMBER**
14

15 _____
16 **JAMES ROBINSON, MEMBER**
17

18 _____
19 **RANDALL RYTI, MEMBER**
20

21 _____
22 **KATRINA SCHMIDT, MEMBER**
23

24 [SEAL]

25
26 Attest:

27
28 _____
29 Naomi D. Maestas, Los Alamos County Clerk
30

31 Approved as to Form
32

33 _____
34 , Bond Counsel
35

APPENDIX A

Assumed Issue Date: 07/15/19
 Amount at Issuance: \$ 60,000,000.00
 Maturity Date: 07/15/39
 * Subject to final closing date and purchase price adjustments

IRB Debt Service Requirements for Pebble Labs*

| Date | Principal Repayment | Annual Rate (%) | Interest Payment | Principal & Interest Payment | Annual Principal & Interest |
|----------|---------------------|-----------------|------------------|------------------------------|-----------------------------|
| 01/15/20 | \$ - | 3.500% | 1,050,000.00 | \$ 1,050,000.00 | |
| 07/15/20 | 0 | 3.500% | 1,050,000.00 | 1,050,000.00 | \$ 2,100,000.00 |
| 01/15/21 | | | 1,050,000.00 | 1,050,000.00 | |
| 07/15/21 | 0 | 3.500% | 1,050,000.00 | 1,050,000.00 | 2,100,000.00 |
| 01/15/22 | | | 1,050,000.00 | 1,050,000.00 | |
| 07/15/22 | 0 | 3.500% | 1,050,000.00 | 1,050,000.00 | 2,100,000.00 |
| 01/15/23 | | | 1,050,000.00 | 1,050,000.00 | |
| 07/15/23 | 3,529,411.76 | 3.500% | 1,050,000.00 | 4,579,411.76 | 5,629,411.76 |
| 01/15/24 | | | 988,235.29 | 988,235.29 | |
| 07/15/24 | 3,529,411.76 | 3.500% | 988,235.29 | 4,517,647.06 | 5,505,882.35 |
| 01/15/25 | | | 926,470.59 | 926,470.59 | |
| 07/15/25 | 3,529,411.76 | 3.500% | 926,470.59 | 4,455,882.35 | 5,382,352.94 |
| 01/15/26 | | | 864,705.88 | 864,705.88 | |
| 07/15/26 | 3,529,411.76 | 3.500% | 864,705.88 | 4,394,117.65 | 5,258,823.53 |
| 01/15/27 | | | 802,941.18 | 802,941.18 | |
| 07/15/27 | 3,529,411.76 | 3.500% | 802,941.18 | 4,332,352.94 | 5,135,294.12 |
| 01/15/28 | | | 741,176.47 | 741,176.47 | |
| 07/15/28 | 3,529,411.76 | 3.500% | 741,176.47 | 4,270,588.24 | 5,011,764.71 |
| 01/15/29 | | | 679,411.76 | 679,411.76 | |
| 07/15/29 | 3,529,411.76 | 3.500% | 679,411.76 | 4,208,823.53 | 4,888,235.29 |
| 01/15/30 | | | 617,647.06 | 617,647.06 | |
| 07/15/30 | 3,529,411.76 | 3.500% | 617,647.06 | 4,147,058.82 | 4,764,705.88 |
| 01/15/31 | | | 555,882.35 | 555,882.35 | |
| 07/15/31 | 3,529,411.76 | 3.500% | 555,882.35 | 4,085,294.12 | 4,641,176.47 |
| 01/15/32 | | | 494,117.65 | 494,117.65 | |
| 07/15/32 | 3,529,411.76 | 3.500% | 494,117.65 | 4,023,529.41 | 4,517,647.06 |
| 01/15/33 | | | 432,352.94 | 432,352.94 | |
| 07/15/33 | 3,529,411.76 | 3.500% | 432,352.94 | 3,961,764.71 | 4,394,117.65 |
| 01/15/34 | | | 370,588.24 | 370,588.24 | |
| 07/15/34 | 3,529,411.76 | 3.500% | 370,588.24 | 3,900,000.00 | 4,270,588.24 |
| 01/15/35 | | | 308,823.53 | 308,823.53 | |
| 07/15/35 | 3,529,411.76 | 3.500% | 308,823.53 | 3,838,235.29 | 4,147,058.82 |
| 01/15/36 | | | 247,058.82 | 247,058.82 | |
| 07/15/36 | 3,529,411.76 | 3.500% | 247,058.82 | 3,776,470.59 | 4,023,529.41 |
| 01/15/37 | | | 185,294.12 | 185,294.12 | |
| 07/15/37 | 3,529,411.76 | 3.500% | 185,294.12 | 3,714,705.88 | 3,900,000.00 |
| 01/15/38 | | | 123,529.41 | 123,529.41 | |
| 07/15/38 | 3,529,411.76 | 3.500% | 123,529.41 | 3,652,941.18 | 3,776,470.59 |
| 01/15/39 | | | 61,764.71 | 61,764.71 | |
| 07/15/39 | 3,529,411.76 | 3.500% | 61,764.71 | 3,591,176.47 | 3,652,941.18 |
| | \$ 60,000,000.00 | | \$ 25,200,000.00 | \$ 85,200,000.00 | \$ 85,200,000.00 |

INCORPORATED COUNTY OF LOS ALAMOS

**NOTICE OF INTENT TO ADOPT INDUSTRIAL
REVENUE BOND ORDINANCE**

Notice is hereby given of the title and general subject matter contained in an Ordinance which the County Council of the Incorporated County of Los Alamos, New Mexico, the governing body of the County, intends to consider for adoption at a special meeting on June 19, 2019, at the hour of 2:30 p.m., at the County Council Chambers, 1000 Central Avenue, Los Alamos, New Mexico 87544, relating to the authorization, issuance and sale by the Incorporated County of Los Alamos, New Mexico, of its Industrial Revenue Bonds (Pebble Labs U.S.A., Inc., Project), in one or more taxable or tax-exempt series, in the aggregate principal amount not to exceed Sixty Million Dollars (\$60,000,000.00).

The title of the Ordinance is:

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO
ORDINANCE NO. 694

AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE BONDS (PEBBLE LABS U.S.A., INC., PROJECT), IN ONE OR MORE TAXABLE OR TAX-EXEMPT SERIES IN AN AMOUNT NOT TO EXCEED SIXTY MILLION DOLLARS (\$60,000,000.00) (THE "BONDS") FOR THE BENEFIT OF PEBBLE LABS U.S.A., INC., (THE "COMPANY") FOR THE PURPOSE OF ACQUIRING LAND, BUILDINGS, EQUIPMENT AND INFRASTRUCTURE LOCATED IN LOS ALAMOS COUNTY, NEW MEXICO ("COUNTY"); PROVIDING FOR THE PAYMENT OF THE BONDS FROM LEASE PAYMENTS TO BE RECEIVED BY COUNTY PURSUANT TO A LEASE AGREEMENT BETWEEN COUNTY AND PEBBLE LABS U.S.A, INC.; APPROVING FORMS OF A LEASE AGREEMENT, INDENTURE, BOND PURCHASE AGREEMENT AND OTHER PROJECT DOCUMENTS RELATING TO THE BONDS; AND PROVIDING THAT COUNTY SHALL NOT BE PLEDGING ITS FAITH AND CREDIT TO THE PAYMENT OF THE BONDS, PROVIDING THAT THE COMPANY SHALL MAKE PAYMENTS IN LIEU OF TAXES TO COUNTY; APPROVING AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH

A general summary of the Ordinance is contained in its title. Complete copies of the proposed Ordinance shall be on file and available for inspection at the offices of the County Clerk during regular business hours.

Dated this 19th day of June, 2019.

Incorporated County of Los Alamos

By: _____
Naomi D. Maestas,
Los Alamos County Clerk

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO

and

PEBBLE LABS U.S.A., INC.

LEASE AGREEMENT

Dated as of July 15, 2019

\$60,000,000 (Maximum Amount)
Incorporated County of Los Alamos, New Mexico
Taxable Industrial Revenue Bond
(Pebble Labs U.S.A., Inc. Project)
Series 2019

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INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO, a New Mexico political subdivision (together with its successors and assigns, the “Issuer”), and PEBBLE LABS U.S.A., INC., a New Mexico corporation (together with its successors and assigns, the “Company”), agree:

ARTICLE I - RECITALS

Section 1.1. Recitals.

A. The Company has requested that the Issuer issue its Taxable Industrial Revenue Bond (Pebble Labs U.S.A., Inc. Project), Series 2019 in the maximum aggregate principal amount of \$60,000,000 (the “Bond”). The proceeds of the Bond will be used to finance the Project (defined below);

B. The Issuer is authorized under Sections 3-32-1 through 3-32-16, and 4-59-1 through 4-59-16 New Mexico Statutes Annotated, 1978 Compilation, as amended (the “Act”), to acquire certain projects and issue its industrial revenue bonds in payment therefor and has determined that it is desirable to acquire the Project Property (defined below) by Ordinance No. 2019- _____ (the “Bond Ordinance”) and has in the Bond Ordinance authorized the issuance of the Bond;

C. The Bond is to be issued under an Indenture dated as of July 15, 2019 (together with any and all amendments and supplements, the “Indenture”) among the Issuer, Pebble Labs Acquisitions LLC, a New Mexico limited liability company (together with its successors and assignees, and transferees of the Bond, the “Purchaser”), the Company and BOKF, NA, as Depositary (the “Depositary”);

D. The proceeds of the Bond will be used to finance the Project (defined below);

E. The Project Property (defined below) is to be leased to the Company under this Lease Agreement (together with all amendments and supplements, this “Agreement”);

F. The Bond is to be purchased under a Bond Purchase Agreement dated as of July 15, 2019 (together with any and all amendments and supplements, the “Bond Purchase Agreement”) among the Issuer, the Purchaser and the Company. The Indenture, the Bond Purchase Agreement and this Agreement are referred to as the “Bond Documents”;

G. The Issuer deems it desirable, in the best interests of its residents and in accordance with the purposes of the Act, to issue its Bond and make the proceeds thereof available to the Company pursuant to this Agreement for the purposes described above and in the Indenture;

H. The Bond will be a special limited obligation of the Issuer payable as therein provided and the Bond will not constitute a debt or pledge of the credit of the Issuer, and the Purchaser or owner of the Bond will have no right to have taxes levied by the Issuer or to require the Issuer to use any revenues for the payment of the Bond, except for Revenues (as defined in the Indenture); and

I. The Company and the Issuer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed.

In consideration of the premises and the mutual representations and agreements hereinafter contained, the Issuer and the Company agree as follows (provided that any obligation of the Issuer created by or arising out of this Agreement will never constitute a general debt of the Issuer or give rise to any pecuniary liability of the Issuer, but will be payable solely out of Revenues).

ARTICLE II - DEFINITIONS AND RULES OF CONSTRUCTION

Section 2.1. Definitions. All words and terms defined in the Indenture have the same meanings when used in this Agreement. In addition:

“Additional Payments” has the meaning assigned in Section 5.3(B).

“Applicable Environmental Law” means any applicable law, statute, regulation, order or rule pertaining to health or the environment, including, without limitation, CERCLA and RCRA, as each is amended and in effect from time to time.

“Basic Rent” has the meaning assigned in Section 5.3(A).

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

“Completion Date” has the meaning assigned in Section 4.4.

“Council” means the County Council of Los Alamos County, New Mexico.

“Company Financing” means a transaction or series of transactions involving credit agreements, loan documents, letters of credit, or other instruments evidencing financial obligations to be secured by one or more mortgages, pledges, encumbrances, or other liens on the Project Property to which the Company, its members, or any subsidiary or affiliate of the Company is a party, entered into or occurring at any time prior to the Closing Date (as defined in the Bond Purchase Agreement) or during the Term and after the date of initial delivery of the Bond, for the purpose of obtaining financing or refinancing any existing financing for the use by the Company, its parent, or any subsidiary or affiliate of the Company.

“Eminent Domain” means the taking of title to, or the temporary use of, all or any part of the Project Property pursuant to eminent domain or condemnation proceedings, or by any settlement or compromise of such proceedings, or any voluntary conveyance of all or any part of the Project Property during the pendency of, or as a result of a threat of, such proceedings.

“Event of Default” has the meaning assigned in Section 7.1.

“Improvements” means any building, all equipment, furniture, furnishings, computers and other systems and all other personal property of any kind which is subject to

depreciation for federal income tax purposes and is suitable for use and used in the Project Property.

“Indemnitee” means the Indemnified Persons and Indemnified Parties as defined in Section 5.7.

“Issuance Costs” means items of expense payable or reimbursable directly or indirectly by the Issuer or the Company and related to the authorization, sale and issuance of the Bond and authorization and execution of this Agreement, which items of expense will include, but not be limited to, application fees and expenses, publication costs, printing costs, costs of reproducing documents, filing and recording fees, Bond Counsel and counsel fees, costs of credit ratings, initial fees of the Depositary, charges for execution, transportation and safekeeping of the Bond and related documents, and other costs, charges and fees in connection with the foregoing.

“Permitted Liens” means, as of the date of delivery of this Agreement, the liens and encumbrances shown in Exhibit B and, as of any particular time, (i) liens for taxes and special assessments, if any, to the extent permitted in Section 4.9, (ii) this Agreement and any assignment or lease permitted by this Agreement, (iii) mechanics’, materialmen’s, carriers’ and other similar liens to the extent permitted in Section 4.16, (iv) mortgages, pledges, liens and other encumbrances placed by a Company lender or lenders or by the Company, its members, or any subsidiary or affiliate of the Company or by the Issuer upon the request and with the consent of the Company on the Project Property in connection with any Company Financing, and (v) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title to the Project Property as normally exist with respect to similar properties and as do not, individually or in the aggregate, materially impair the Project Property for the purpose for which it is used by the Company or materially detract from the value of the Project Property.

“Person” means any natural person, firm, partnership, association, corporation, or public body.

“Proceeds,” when used with respect to any insurance proceeds or any award resulting from, or other amount received in connection with, Eminent Domain, means the gross proceeds from the insurance or such award or other amount.

“Project” means constructing and equipping of scientific laboratories and related equipment and infrastructure located in Los Alamos County, New Mexico.

“Project Property” means the Project Site and the Improvements.

“Project Site” means the real property in Los Alamos County, New Mexico described on Exhibit A on which the Project will be located.

“RCRA” means the Resource Conservation and Recovery Act of 1976.

“Rent” means Basic Rent, any Additional Payments and any other amount payable by the Company under this Agreement.

“Term” means the period from the date of the execution and delivery of this Agreement by the Issuer and the Company to the earlier of the date of Payment of the Bond or the date of termination of this Agreement pursuant to Section 7.2(C) and no later than July 1, 2039.

“TRD” means the New Mexico Taxation and Revenue Department.

“Unassigned Rights” means the right of the Issuer to make all determinations and approvals and receive all notices accorded to it under this Agreement and to enforce in its name and for its own benefit the provisions of Sections 4.4 (notice rights only), 4.5, 4.15, 4.16 (notice rights only), 4.17, 4.18, 4.20, 5.7, 5.8, 5.10, and 6.3 of this Agreement, with respect to Issuer fees and expenses; gross receipts and compensating tax; the right to access the Project; payments in lieu of taxes; reports to the Depositary and Issuer; environmental matters; transfer, assignment and subleasing and indemnity payments as the interests of the Issuer and related persons may appear.

Section 2.2. Rules of Construction.

A. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

B. All references in this Agreement to particular articles, sections or exhibits are references to articles or sections of or exhibits to this Agreement unless some other reference is established.

C. Any inconsistency between the provisions of this Agreement and the provisions of the Indenture will be resolved in favor of the provisions of the Indenture.

ARTICLE III - REPRESENTATIONS

Section 3.1. Issuer Representations. The Issuer represents that, as of the date of delivery of this Agreement:

A. The Issuer is a political subdivision, body corporate and politic of the State, is authorized and empowered by the provisions of the Act and the ordinance authorizing the issuance of the Bond to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder, and by proper action of its governing body has been duly authorized to execute and deliver this Agreement, the Indenture, the Bond Purchase Agreement and the Bond, and this Agreement, the Indenture, the Bond Purchase Agreement and the Bond has been duly executed and delivered by the Issuer and assuming due authorization and execution by the other party, they are valid and binding obligations of the Issuer enforceable in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity.

B. The Bond is to be issued under and secured by the Indenture, pursuant to which certain of the Issuer's interests in this Agreement, and the Basic Rent to be derived by the Issuer pursuant to this Agreement, will be pledged and assigned to the Purchaser as security for payment of the principal of, premium, if any, and interest on the Bond. The Issuer covenants that it has not and will not pledge or assign its interest in this Agreement, or the revenues and receipts derived

pursuant to this Agreement, other than to the pledge of the Basic Rent to the Purchaser under the Indenture to secure the Bond.

C. The Issuer finds and determines that the financing of the Project will be of economic and other benefit to the Issuer, and is in compliance with the purposes and provision of the Act. The Project is located within the boundaries of the Issuer.

D. To the knowledge of the Issuer, neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement conflicts with or results in a breach of the terms, conditions or provisions of any material restriction, agreement or instrument to which the Issuer is a party, or by which it or any of its property is bound, or constitutes a default under any of the foregoing.

E. No litigation, proceedings or investigations are pending or, to the knowledge of the Issuer, threatened against the Issuer at law or in equity before any court, tribunal, governmental authority or arbitration board, seeking to restrain, enjoin or limit the approval or issuance and delivery of the Bond, the Indenture, this Agreement or any other documents to which the Issuer is a party, or in which an unfavorable determination could materially and adversely affect the validity or enforceability of the Bond, the Indenture, this Agreement or any other documents to which the Issuer is a party or its ability to perform its obligations thereunder, except for that litigation which has been disclosed to the Company captioned *Main Gate, LLC v. The Incorporated County of Los Alamos, et. al.*, Case No. D-132-CV-201500104.

F. To the knowledge of the Issuer, neither the nature of the Issuer nor any of its activities or properties, nor any relationship between the Issuer and any other person, nor any circumstance in connection with the issue, sale or delivery of the Bond is such as to require the consent, approval or authorization of, or the filing, registration or qualification with, any governmental authority on the part of the Issuer in connection with the execution, delivery and performance of this Agreement or the Bond Purchase Agreement dated of even date herewith other than those already obtained; provided, however, no representation is made as to compliance with any federal or state securities or “blue sky” law.

G. To the knowledge of the Issuer, no member, officer or other official of the Issuer has any pecuniary interest whatsoever in the Company or in the transactions contemplated by this Agreement.

H. On June 11, 2019, the Council adopted its final ordinance approving financing for the Project and the Bond Documents.

Section 3.2. Company Representations. The Company represents that, as of the date of delivery of this Agreement:

A. The Company is a corporation duly organized and validly existing under the laws of New Mexico, is in good standing under the laws of New Mexico, and has duly authorized the execution, delivery and performance of this Agreement and the Bond Purchase Agreement.

B. The execution, delivery and performance by the Company of this Agreement and the Bond Purchase Agreement will not conflict with, contravene, violate or constitute a breach of or default under the articles of organization or operating agreement of the Company or to Company's knowledge any law, rule, regulation, ordinance, order, consent, decree, or any material agreement or instrument to which the Company is a party or by which it or the Project Property is bound.

C. All necessary authorizations, approvals and consents for the execution and delivery by the Company of this Agreement and the Bond Purchase Agreement have been obtained and are in full force and effect.

D. There is no action, suit, proceeding, inquiry or investigation by or before any court, public board or body pending or, to the knowledge of the Company, threatened against the Company, which (i) seeks to or does restrain or enjoin the issuance or delivery of the Bond or the execution and delivery of any of the Bond Documents, (ii) in any manner questions the validity or enforceability of the Bond or any of the Bond Documents, or (iii) questions the authority of the Company to own or operate the Project Property as a whole.

E. The agreement by the Issuer to lease the Project to the Company has induced the Company to undertake construction and equipping of the Project and to locate its business in Los Alamos County, New Mexico.

F. The Company intends to operate or to cause the Project Property to be operated so as to qualify as a "project" as defined in the Act to the later of the payment in full of the principal of, premium, if any, and interest on the Bond and the expiration or sooner termination of the Term of this Agreement as provided herein.

G. As agent for the Issuer, the Company proposes to acquire, construct, install and equip, or cause to be constructed acquired, installed and equipped, the Project. The Company will have the sole responsibility for the installation, acquisition and equipping of the Project, and may perform the same, by itself or through affiliates, agents, contractors, subcontractors or others selected by it, in whatever lawful manner it deems necessary or advisable. With respect to such installation, the Company will procure from the appropriate State, county, municipal and other authorities and corporations, connection and discharge arrangements for the supply of gas, electricity and other utilities for the operation of the Project.

H. None of the proceeds of the Bond will be used to provide working capital.

I. The Project will be located inside the corporate limits of the Issuer.

J. This Agreement will serve as a financing agreement for the purpose of providing payment for the account of the Issuer of such revenues as will be sufficient to pay the principal of, or premium, if any, and interest on the Bond, and providing that the Company will be obligated to pay for the maintenance of and insurance or meet self insurance requirements on the Project as required by the Act. The Company represents to the Issuer that the Company has the economic ability to meet all of the financial obligations imposed upon the Company under this Agreement.

K. To the knowledge of the Company, no officer or other official of the Issuer has any interest of any kind in the Company which would result, as a result of the issuance of the Bond, in a substantial financial benefit to such persons other than as a member of the general public of the State.

L. All property which is to be financed by the net proceeds of the Bond is to be leased by the Company under this Agreement.

M. The Company has heretofore supplied the Issuer estimates of the Related Costs (as defined in the Indenture), the Completion Date and periods of usefulness of the Project. The Company hereby warrants that such estimates were made in good faith to the Company's knowledge and are fair, reasonable and realistic.

N. The Company intends to complete the Project prior to the Completion Date and will cause to be paid all costs of the Project in excess of the moneys available therefor in the Acquisition Account.

O. To Company's knowledge, no event has occurred and no condition exists with respect to the Company that would constitute an "Event of Default" under this Agreement or that, with the lapse of time or the giving of notice or both, would become an "Event of Default" under this Agreement.

P. Based upon the Certificate of Good Standing and Compliance issued by the New Mexico Secretary of State, the Company is duly authorized to transact business as a corporation under the laws of the State of New Mexico.

Q. The Company (i) offers to its employees and their dependents health insurance coverage that is in compliance with the New Mexico Insurance Code, and (ii) contributes at least fifty percent (50%) of the premium for the health insurance for those employees enrolling.

ARTICLE IV - THE PROJECT

Section 4.1. Construction, Acquisition, Installation and Completion. The Company will, on behalf of and as agent for the Issuer, construct, acquire, install and equip the Project and will undertake to complete the Project with all reasonable dispatch. On or prior to the date of issuance and delivery of the Bond and execution of this Agreement, the Company has conveyed or caused to be conveyed to the Issuer, by deed, bill of sale and/or such other appropriate transfer or conveyance documents as will vest title in the Issuer ("Conveyancing Documents"), to all of the Company's interest in the Project Site and any and all Improvements as may exist at that time and thereafter, the Company shall transfer legal title to each additional relevant portion of the Improvements acquired by the Company as agent for the Issuer so that legal title will vest in the Issuer pursuant to the Conveyancing Documents that the Company may subsequently deliver to the Issuer. All Improvements shall be paid out of proceeds of the Bond to appropriate vendors or on a reimbursement basis to the Company pursuant to Section 602 of the Indenture. To the maximum extent reasonably possible, the Company will cause the Project to be completed with proceeds of the issuance of the Bond and the Company will use its best reasonable efforts to cause the Purchaser to carry out its obligations to make advances under the Bond. To the extent

necessary, after proceeds of the Bond have been exhausted, the Company will cause the Project to be completed with its own funds or other resources.

Section 4.2. Plans and Specifications; Changes. The Company will maintain a set of plans and specifications for the Project during the period of installation and equipping which will be available to the Issuer and the Purchaser for inspection and examination during the Company's regular business hours. The Company may change, supplement, amend and add to such plans and specifications and is authorized to omit or make substitutions for components of the Improvements without the approval of the Issuer or the Purchaser. The Company will not make any changes that will change the nature of the Project as a qualified "project" as defined in and as contemplated by the Act.

Section 4.3. No Warranty. THE COMPONENTS OF THE PROJECT PROPERTY HAVE BEEN DESIGNATED AND SELECTED BY THE COMPANY. THE ISSUER HAS NOT MADE AN INSPECTION OF ANY PORTION OF THE PROJECT PROPERTY. THE ISSUER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS, IMPLIED OR OTHERWISE, WITH RESPECT TO ANY PORTION OF THE PROJECT PROPERTY OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY OF THE SAME, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN THE SAME. ALL RISKS INCIDENT TO THE PROJECT PROPERTY ARE TO BE BORNE BY THE COMPANY. THE ISSUER WILL HAVE NO LIABILITY WITH REGARD TO OR ARISING OUT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE IN ANY PORTION OF THE PROJECT PROPERTY, WHETHER PATENT OR LATENT. THE PROVISIONS OF THIS SECTION 4.3 HAVE BEEN NEGOTIATED AND ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY WARRANTIES OR REPRESENTATIONS BY THE ISSUER, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PORTION OF THE PROJECT PROPERTY, WHETHER ARISING UNDER THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT.

Section 4.4. Completion Date. On the date the Project is complete, in the sole opinion of the Company (the "Completion Date"), the Company will deliver to the Issuer and the Depositary a certificate signed by an Authorized Company Representative stating that, except for specified amounts remaining in the Acquisition Account for any specified Related Costs incurred by the Company but not then due and payable, the Project is complete and all costs of labor, services, materials and supplies in connection with the Project have been paid for or provisions have been made for their payment. The Company intends to cause the Completion Date to occur not later than _____. After the transfer of remaining moneys in the Acquisition Account to the Company pursuant to Section 605 of the Indenture, the Company will have sole responsibility for the payment of any Related Cost in excess of the amount specified to be retained in the Acquisition Account.

Section 4.5. Gross Receipts and Compensating Tax.

A. The Company, either on its own behalf or as agent for the Issuer pursuant to Section 4.1 and this Section, will file returns for reporting and paying compensating tax which is due because of the Project and will pay, as a Related Cost, any gross receipts or compensating tax

due from the Issuer under any such returns pursuant to Section 7-9-54 New Mexico Statutes Annotated, 1978 Compilation. The Issuer, at the request of the Company, will provide to the Company a supply of Nontaxable Transaction Certificates to be issued to vendors and contractors by the Company, as agent for the Issuer, in order to permit the vendors and contractors to claim deductions available under the New Mexico Gross Receipts and Compensating Tax Act for their receipts from selling certain tangible personal property for the Project, to the Company, as agent for the Issuer. The Company will promptly pay any gross receipts or compensating tax plus applicable penalty and interest which is found by the TRD to be due from the Company or the Issuer because of the purchase or use of any Project Property or any component of Project Property by the Company or the Issuer. The Company, at its sole expense, may request any rulings from the TRD which the Company determines might be necessary or desirable to clarify the New Mexico gross receipts and compensating tax results of transactions related to the Project and may dispute, at its sole expense, in any manner authorized by the New Mexico Tax Administration Act, any gross receipts or compensating tax liability imposed on the Company or the Issuer because of the Project, provided the Company will not pursue a dispute without notice to the Issuer and will not pursue any dispute that, in the opinion of the Issuer, may materially and adversely affect the interests or rights of the Issuer. The Issuer may, at the sole expense of the Company, join in any reasonable modifications to this Agreement which are necessary or desirable to obtain Nontaxable Transaction Certificates or otherwise reduce the gross receipts and compensating tax imposed on the Company or the Issuer as a result of or in connection with the Project or the Company's operations at the Project.

B. The receipts of vendors from the sale of tangible personal property to the Issuer, which tangible personal property is included in the Project Property (but excluding "construction material", as defined in Section 7-9-3.4(B) NMSA 1978), will be deductible from gross receipts or governmental gross receipts, and exempt from compensating tax, to the fullest extent permitted by Sections 7-9-14 and 7-9-54 NMSA 1978 and 3.2.212.22 NMAC and sections of the NMSA 1978 and the New Mexico Administrative Code (NMAC) under which such provisions or similar provisions may be codified or renumbered in the future. The deduction from gross receipts or governmental gross receipts, and the exemption from compensating tax, will not apply to purchases of Project Property except as provided in the preceding sentence, and, except as contemplated in the preceding sentence, the Company will not be authorized by this Agreement to provide Nontaxable Transaction Certificates to vendors.

Section 4.6. Assessment in the Company's Name. Subject to the provisions of Section 10 hereof, if this Agreement has not been terminated on or before July 1, 2039, the Company (which, for purposes of this Section 4.6, means the then current lessee of the Project Property under this Agreement) will take all necessary action to have the Project Property assessed for property tax purposes in the name of the Company on or within 30 days before July 1, 2039, and the Company (or, if the Issuer does not hold title to the Project Property, the holder of such title) will pay all ad valorem taxes on the Project Property from and after July 1, 2039. If the Project Property must be deeded or otherwise transferred to the Company to accomplish such assessment, this Agreement will thereafter be construed to be an installment sale agreement and all terms and provisions of this Agreement will remain in full force and effect. The provisions of Article IX of this Agreement govern the delivery and form of any such deed or transfer.

Section 4.7. Compliance With Law. The Company will obtain or cause to be obtained all necessary permits and approvals for the operation and maintenance of the Project Property, will comply with all lawful requirements of any governmental body, agency or department regarding the use or condition of the Project Property and will cause the Project Property, upon completion, to comply with all applicable restrictive covenants and all other applicable laws, ordinances, statutes, rules and regulations relating to the Project Property as a whole. The Company may in good faith contest the validity or the applicability of any such requirement. During the period of such contest and any related appeal, this Section 4.7 will be deemed satisfied with respect to the requirement so contested.

Section 4.8. Nuisance Not Permitted. The Company will not permit or suffer its agents, employees, invitees (including building contractors and subcontractors), guests or other visitors to commit a nuisance on or about the Project Property or itself commit a nuisance in connection with its use or occupancy of the Project Property.

Section 4.9. Taxes and Utility Charges. The Company will pay, as and when due, (i) all taxes, assessments and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project Property; (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project Property and (iii) all assessments and charges lawfully made by any governmental body for public improvements that may be secured by any lien on the Project Property. The Company may, in good faith, contest the amount or validity of any such levy, tax, assessment or other charge by appropriate legal proceedings. During the period of such contest and any related appeal, this Section 4.9 will be deemed satisfied with respect to any such levy, tax, assessment or other charge so contested.

Section 4.10. Maintenance. The Issuer will not be under any obligation to, and will not, operate, maintain or repair the Project Property. During the Term of this Agreement, the Company will, at its own expense, keep the Project Property in safe repair and in such operating condition as is needed for its operations and make all necessary repairs and replacements to the Project Property (whether ordinary or extraordinary, structural or nonstructural, foreseen or unforeseen).

Section 4.11. Replacement and Removal of Project Property. The Company may replace or remove any machinery, equipment or fixtures constituting a part of the Project Property and thereby acquire title to such machinery, equipment or fixtures, provided that such replacement or removal will not change the nature of the Project as a qualified “project” as defined in and as contemplated by the Act. Upon request of the Company, the Issuer will deliver to the Company appropriate instruments evidencing the acquisition by the Company of title to any machinery, equipment or fixtures permitted by this Section 4.11 to be so replaced or removed. The provisions of Article IX govern the delivery and form of any such instruments.

Section 4.12. Eminent Domain; Damage; Destruction. The Company will give prompt notice to the Issuer and the Purchaser of any material damage to or destruction of the Project Property. If either the Issuer or the Company receives notice of the proposed taking of all or any part of the Project Property by Eminent Domain, it will give prompt notice to the other and the Purchaser. Any such notice will describe generally the nature and extent of such damage, destruction, taking or proposed taking. The Proceeds resulting from the exercise of Eminent

Domain with respect to or from any damage to or destruction of all or any portion of the Project Property will be paid to the Company.

Section 4.13. Reserved.

Section 4.14. Insurance. The Company will keep the Project Property continuously insured against such risks and in such amounts, with such deductible provisions, as are customary in connection with the type and size of the Project Property. Such insurance may, to the extent permitted under applicable law, be provided by blanket policies maintained by the Company, by a captive insurance company controlled by the Company or through self-insurance. Such insurance will include general liability insurance against liability for (i) claims for injuries to or death of any person or damage to or loss of property arising out of or in any way relating to the condition of the Project Property, and (ii) liability with respect to the Project Property under the workers' compensation laws of the State (unless the Company has complied with the requirements of the laws of the State for self-insurance).

Section 4.15. Access and Inspection. Subject to the reasonable security and safety requirements of the Company and with reasonable advance notice to the Company, during the Term of this Agreement, the Company will give the Issuer, the Purchaser and their duly authorized agents during regular business hours (i) such rights of access to the Project Property as may be reasonably necessary to inspect the progress of the Project and (ii) the right of entry onto the Project Property as a whole for any purpose contemplated by this Agreement provided a representative of the Company accompanies the Issuer, the Purchaser and their duly authorized agents. During the Term of this Agreement, such rights of access and entry will not be terminated, curtailed or otherwise limited by any sale, assignment, lease or other transfer of the Project Property by the Company to any other Person.

Section 4.16. Liens. Except for Permitted Liens, the Company will not suffer any liens to exist on the Project Property as a result of any claims brought against the Company pursuant to a right or interest not existing in connection with, or permitted by, this Agreement. The Company will notify the Issuer and the Purchaser of the existence of any lien, other than a Permitted Lien, on the Project Property within 60 days after such lien attaches. The Company may, in good faith, contest the validity of any lien on the Project Property. During the period of such contest and any related appeal, this Section 4.16 will be deemed satisfied with respect the lien so contested.

Section 4.17. Employment Matters. During the term of this Agreement, the Company will provide annual reports for the Project Site to the Issuer providing the number of full time employees, wage levels, benefits, duration of employment, job classification, number of new employees hired and their categories of employment and the zip codes of the employees. The reports will be submitted on forms provided by Issuer within 180 days of the close of the Company's fiscal year. The reports will be deemed to be public documents. The Company has represented to the Issuer that the Project will create a minimum of one hundred twenty-five (125) new full time employee positions by July 1, 2029.

Section 4.18. Reserved.

Section 4.19. Restrictive Covenants. The Company will comply with all applicable restrictive covenants, if any, which run with and bind the Project Site.

Section 4.20. Use of Project Property. The Company will use the Project Property continuously during the Term so as to constitute a “project” within the meaning of the Act as in effect on the date of issuance of the Bond. As used in the first sentence of this Section, “continuously” means regularly and on a schedule consistent with that of similar facilities in the United States. Temporary cessation of operations during holiday periods, for maintenance or retooling, during reasonable periods for the repair or replacement of the facilities damaged or destroyed, resulting from labor disputes or because of excess inventories, or under similar circumstances will not constitute a failure by the Company to comply with this section.

ARTICLE V - LEASE; TERM; POSSESSION;
RENT; INDEMNIFICATION; PILOT PAYMENTS

Section 5.1. Lease of the Project Property; Term. In consideration of the payment of Rent and for other good and valuable consideration, the Issuer leases the Project Property to the Company for the Term.

Section 5.2. Quiet Enjoyment. The Issuer will not take any action, other than pursuant to Section 4.15 or Article VII, to prevent the Company from having quiet and peaceable possession and enjoyment of the Project Property during the Term (except as necessary with respect to Eminent Domain for public projects and purposes) and will, at the request of the Company and at the Company’s expense, to the extent that it is lawfully necessary and the Issuer may lawfully do so, join in any legal action in which the Company asserts its right to such possession and enjoyment.

Section 5.3. Rent.

A. The Company will pay to the Purchaser for the account of the Issuer, such amounts at such times as are necessary to make all payments of principal of, interest on and redemption price of the Bond in accordance with the terms of the Bond and the Indenture as and when due, (collectively, the “Basic Rent”);

B. The Company will also make the following payments (the “Additional Payments” and, together with the Basic Rent, the “Rent”):

(i) to or on behalf of the Depositary, the reasonable fees and charges of the Depositary for all services of the Depositary, including any extraordinary services, and all reasonable expenses (including reasonable counsel fees and expenses) incurred by the Depositary in connection with its duties under the Indenture, if scheduled, when due and, otherwise, promptly on demand by the Depositary; and

(ii) to or on behalf of the Issuer, all reasonable out-of-pocket costs and expenses (including, but not limited to, reasonable counsel fees and expenses) incurred by the Issuer in

connection with the issuance of the Bond and the performance of its duties under this Agreement and the Indenture, promptly on demand of the Issuer;

(iii) any payments required pursuant to the Permitted Liens;

(iv) the payments required by Section 5.10 hereof; and

Section 5.4. Obligations Unconditional. The obligation of the Company to pay Rent and to perform its other obligations under this Agreement is absolute and unconditional and will not be subject to diminution by setoff, counterclaim, abatement or otherwise, whether as a result of damage to or destruction of or removal of all or any portion of the Project Property or any other event or condition. In the event the Issuer fails to perform any of its obligations under this Agreement, the Company may institute such action against the Issuer as the Company may deem necessary to compel such performance. The Company may also, at its own cost and expense and in its own name or, if legally necessary, in the name of the Issuer, prosecute or defend any action or proceeding or take any other action involving third parties which the Company deems reasonably necessary in order to secure or protect its title to or its right of possession and use of the Project Property. In such event, if no Event of Default has occurred and is continuing, the Issuer will cooperate with the Company, so long as it is not the adverse party, upon receipt of indemnity satisfactory to the Issuer against any out-of-pocket cost, expense (including reasonable counsel fees and expenses) or liability the Issuer may incur or suffer as a result of or in connection with such cooperation.

Notwithstanding the above paragraph, it is the intention of this Agreement that the Company will make payments to the Purchaser for the account of the Issuer, in such amounts and at such times as are necessary to make all payments of principal of, interest on and redemption price of the Bond in accordance with the terms of the Bond Documents as and when due, and all such payments will be netted against any monies and investment made by the Purchaser to the Acquisition Account (as defined in the Indenture) (including interest income). The Purchaser will look only to the Company for payment of the Bond and upon the security granted in the Indenture for the Company's obligations under this Agreement. As described in Section 6.1, the Issuer will assign and pledge to the Purchaser all right, title and interest of the Issuer in and to this Agreement including the right to receive payments hereunder.

Section 5.5. Filing; Further Assurances. The Issuer and the Company will, at the direction of the Purchaser or of the senior secured lenders of the Purchaser or the Company, or an agent therefor (which shall be deemed to be beneficiaries of this provision) and at the expense of the Company, take all actions that at the time are and from time to time may be reasonably necessary to perfect, preserve, protect and secure the interests of the Issuer, the Purchaser and any senior secured lenders in and to the Rent and in the Project Property or of the Company in the Project Property, including, without limitation, the filing of financing statements and continuation statements and the execution, acknowledgement, delivery, filing and recordation of any other necessary agreements and instruments.

Section 5.6. Claims. The Company will pay and discharge and will indemnify and hold harmless the Issuer from (a) any lien or charge upon payments by the Company to, or for the account of, the Issuer under this Agreement and (b) any taxes, assessments, impositions and other

charges in respect of the Project Property. If any such claim is asserted, or any such lien or charge upon payments, or any such taxes, assessments, impositions or other charges, are sought to be imposed, the Issuer will give prompt notice to the Company, and the Company will have the sole right and duty to assume the defense of the same and will have the power to litigate, compromise or settle the same.

Section 5.7. Indemnity, Expenses.

A. The Company will indemnify and hold the Issuer and members of its governing body, officers, agents, employees, successors and assigns or other elected or appointed officials of the Issuer, past, present or future (hereinafter the “Indemnified Persons”) harmless from and against any and all claims, damages, demands, expenses, liabilities and losses of every kind, character and nature asserted by or on behalf of any person in connection with (i) the issuance, offering, sale, delivery, or remarketing of the Bond, the Indenture and this Agreement and the obligations imposed on the Issuer hereby and thereby; or the acquisition, equipping, operation, use, occupancy, maintenance, or ownership of the Project Property; (ii) any written statements or representations made or given by the Company or any of its officers or employees to the Indemnified Persons, with respect to the Company, the Project Property, or the Bond, including, but not limited to, statements or representations of facts, financial information, or corporate affairs or any breach or default on the part of the Company in the performance of any representation, covenant or agreement of the Company under this Agreement, or any related document, or arising from any acts or failure to act by the Company, or any of its agents, contractors, servants, employees or licensees; (iii) damage to property or any injury to or death of any Person that may be occasioned by any cause whatsoever pertaining to the Project Property; and (iv) any loss or damage incurred by the Issuer as a result of violation by the Company of the provisions of Section 3.2 hereof, or arising out of, resulting from, or in any way connected with, the condition, use, possession, conduct, management, planning, design, acquisition, construction, equipping and renovation or sale of the Project Property or any part thereof, to the extent not caused or occasioned by the negligence or willful misconduct of such Indemnified Person. The Company also covenants and agrees, at its expense, to pay, and to indemnify the Indemnified Persons from and against, all costs, reasonable attorney fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim. If any such suit, action or proceeding is brought against the Issuer or any Indemnified Person, that suit, action or proceeding will be defended by counsel to the Issuer or the Company, as the Issuer may determine. If the defense is by counsel to the Issuer, the Company will indemnify the Issuer and Indemnified Persons for the reasonable cost of that defense including reasonable counsel fees. If the Issuer determines that the Company will defend the Issuer or any Indemnified Person, the Company will immediately assume the defense at its own cost.

The Company will not be liable for any settlement of any proceeding made without consent (which consent will not be unreasonably withheld) but if settled with the consent of the Company or if there be a final, unappealable judgment for the plaintiff in any such action, the Company will indemnify and hold harmless the Indemnified Persons.

B. The Company will not be obligated to indemnify the Issuer or any Indemnified Person under subsection A, if a court with competent jurisdiction finds that the liability in question

was caused by the willful misconduct or negligence of the Issuer or the involved Indemnified Person(s).

C. The Company will also indemnify the Issuer or any Indemnified Person for all reasonable costs and expenses, including reasonable counsel fees, incurred in: (i) enforcing any obligation of the Company under this Agreement or any related agreement, (ii) taking any action requested by the Company, (iii) taking any action required by this Agreement or any related agreement or (iv) taking any action considered necessary by the Issuer and which is authorized by this Agreement or any related agreement.

D. As an inducement to the Depositary to enter into the Indenture, the Company also agrees to pay and to indemnify and hold harmless the Depositary, any person who “controls” the Depositary within the meaning of Section 15 of the Securities Act of 1933, as amended, and any member, officer, agent, director, official and employee of the Depositary (collectively called the “Indemnified Parties”) from and against any and all claims, fines, penalties, damages, demands, expenses, (including out-of-pocket and incidental expenses and legal fees, including the allocated costs and expenses of in-house counsel and legal staff) liabilities and losses of every kind, character and nature (“Losses”) asserted by or on behalf of any person in connection with (i) the issuance, offering, sale, delivery, or remarketing of the Bond, the Indenture and this Agreement and the obligations imposed on the Depositary hereby and thereby; or the acquisition, equipping, operation, use, occupancy, maintenance, or ownership of the Project; (ii) any written statements or representations made or given by the Company or any of its officers or employees to the Indemnified Parties, with respect to the Company, the Project, or the Bond, including, but not limited to, statements or representations of facts, financial information, or corporate affairs; (iii) damage to property or any injury to or death of any Person that may be occasioned by any cause whatsoever pertaining to the Project; (iv) any loss or damage incurred by the Depositary as a result of violation by the Company of the provisions of Section 3.2 hereof, or arising out of, resulting from, or in any way connected with, the condition, use, possession, conduct, management, planning, design, acquisition, equipping and renovation or sale of the Project or any part thereof; and (v) the execution of and performance of its duties under the Indenture, to the extent not caused or occasioned by the negligence or willful misconduct of such Indemnified Party. The Company also covenants and agrees, at its expense, to pay, and to indemnify the Indemnified Parties from and against, all costs, reasonable attorney fees, expenses and liabilities incurred in any action or proceeding brought by reason of any such claim, to the extent not caused or occasioned by the negligence or willful misconduct of such Indemnified Party. In addition to and not in limitation of the immediately preceding sentences, the Company agrees to indemnify and hold the Indemnified Parties harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against, the Indemnified Parties or any of them for following any instructions or other directions upon which the Depositary is authorized to rely pursuant to the terms of the Indenture or this Agreement. In the event that any action or proceeding is brought against the Indemnified Parties by reason of any such claim or demand, that action or proceeding will be defended by counsel to the Indemnified Parties or the Company, as the Indemnified Parties may determine. If the defense is by counsel to the Indemnified Parties, the Company will indemnify the Indemnified Parties for the reasonable cost of the defense including reasonable counsel fees. If the Indemnified Parties determine that the Company will defend the Indemnified Parties, the Company will immediately assume the defense at its own cost. If such separate counsel is employed, the Company may join in any such suit for the protection of its own interests. The

Company will not be liable for any settlement of any such action effected without its consent; but if settled with the consent of the Company or if there be a final, unappealable judgment for the plaintiff in any such action, the Company agrees to indemnify and hold harmless the Indemnified Parties.

E. The indemnification provisions herein contained will not be exclusive or in limitation of, but will be in addition to, the rights to indemnification of the Indemnified Persons or the Indemnified Parties under any other agreement or law by which the Company is bound or to which the Company is subject.

F. The obligations of the Company under this Section 5.7 will survive any assignment or termination of this Agreement, the discharge of the Indenture or the resignation or removal of the Depositary or the termination of its duties.

Section 5.8. Environmental Matters. To the extent that the Project Property houses petroleum or any petroleum products, asbestos, urea formaldehyde foam insulation or any other chemical, material or substance, exposure to which may or could pose a health hazard, the possession and use of such materials will be in accordance with law, including any applicable regulations.

To the extent that the use which the Company makes or intends to make of the Project Property will result in the manufacture, treatment, refining, transportation, generation, storage, disposal or other release or presence of any hazardous substance or solid waste on or to the Project Property, such use will be in accordance with law, including any applicable regulations. For purposes of this Agreement, the terms “hazardous substance” and “release” will have the meanings specified in CERCLA, and the term “disposal” (or “disposed”) will have the meaning specified in RCRA; provided, in the event either CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning will apply subsequent to the effective date of such amendment, and provided further, to the extent that the laws of the State establish a meaning for “hazardous substance,” “release,” or “disposal” which is broader than that specified in either CERCLA or RCRA, such broader meaning will apply; provided further, that the term “hazardous substance” will also include those listed in the U.S. Department of Transportation Table (49 C.F.R. 172.101) and amendments thereto from time to time.

The Company will promptly notify the Depositary and the Issuer of any violation or alleged violation of any Applicable Environmental Law related to the Project Property of which the Company becomes aware.

As an inducement for the Issuer and the Depositary to execute the Indenture, the Company will indemnify and hold harmless the Depositary and the Issuer from and against any and all liabilities, damages, fines, penalties, claims, losses, judgments, causes of action, costs and expenses (including the reasonable fees and expenses of counsel) which may be incurred by the Depositary or the Issuer relating to or arising out of the generation, storage, manufacture, refining, release, transportation, treatment, disposal or other presence of any hazardous substances on or about the Project Property.

Section 5.9. Indenture Provisions. The Indenture provisions concerning the Bond and the other matters therein are an integral part of the terms and conditions of this Agreement, and the execution of this Agreement will constitute conclusive evidence of approval of the Indenture by the Company to the extent it relates to the Company. Additionally, the Company agrees that, whenever the Indenture by its terms imposes a duty or obligation upon the Company, such duty or obligation will be binding upon the Company to the same extent as if the Company were an express party to the Indenture, and the Company hereby agrees to carry out and perform all of its obligations under the Indenture as fully as if the Company were a party to the Indenture.

Section 5.10. Payment in Lieu of Certain Property Taxes.

A. Beginning on the first business day in January 2020, and continuing to and including January 1 prior to the termination of this Agreement, the Company will make annual payments to the Issuer in the amounts set forth in Exhibit C. The payments may be amended by mutual agreement of the Company and the Issuer.

B. If the Company terminates this Agreement within ten (10) years of the date hereof due to (i) ceasing operations, (ii) moving the facility out of Los Alamos County, or (iii) any other voluntary act of the Company that results in the Project Property's use being discontinued, the Company will pay to the Issuer an amount equal to the abated property taxes less all amounts paid pursuant to paragraph 5.10(A) hereof. The payment will be made within 90 days of such discontinuance.

ARTICLE VI - ASSIGNMENT, LEASING AND SELLING

Section 6.1. Assignment of Rights by the Issuer. As security for the payment of the Bond, the Issuer will assign and pledge to the Purchaser all right, title and interest of the Issuer in this Agreement (other than the Unassigned Rights), including, without limitation, the Basic Rent, and hereby directs the Company to make such Basic Rent payments directly to the Purchaser, and will grant to the Purchaser a security interest in the Project Property. The Company consents to such assignment and pledge and grant and agrees that it will make payments directly to the Purchaser without defense or set off by reason of any dispute between the Company and the Issuer or the Purchaser, and hereby further agrees that its obligations to make payments hereunder and to perform its other agreements contained herein are absolute and unconditional. The Purchaser is an intended third party beneficiary of the Company's obligations in this Agreement.

Section 6.2. No Other Transfer by Issuer. Except for the assignment described in Section 6.1, the Issuer will not sell, assign, transfer or convey its rights, title or interests in this Agreement, or the Project Property, or its obligations under this Agreement. The parties agree that the Company will be entitled to injunctive relief and specific performance (in addition to any other remedies available to it at law or in equity) to enforce the provisions of this Section 6.2.

Section 6.3. Assignment, Lease, Encumbrance and Sale by the Company.

A. The rights of the Company under this Agreement may be assigned, and the rights of the Company in the Project Property may be assigned, leased, encumbered or sold as a whole or in part by the Company. There shall be no penalty for such assignment, lease, encumbrance, or

sale of all or part of the Project Property, so long as following such assignment, lease, encumbrance, or sale (i) the continued use of the Project Property constitutes a “project” within the meaning of the Act as in effect on the date of issuance of the Bond, as provided in Section 4.20; and (ii) the number of full-time employees is fifty (50) or greater.

C. No such assignment, lease, encumbrance or sale will relieve the Company from primary liability for making payments of Rent and for the performance of its other obligations, including without limitation, the Company’s indemnification agreements in Sections 5.7 and 5.8 of this Agreement, under this Agreement to the same extent as though no assignment, lease, encumbrance or sale had been made, unless (i) such assignment, lease, sublease, mortgage or sale is to an affiliate (as such term is used in regulations pursuant to the Securities Exchange Act of 1934) of the Company, or (ii) such assignment is made to a person or entity having net assets or a net worth of at least equal to the lesser of (1) net assets or net worth of the Company at the time of such transaction or (2) ten percent (10%) of the fair market value of the Project Property at the time of such transfer, or (iii) with the written consent of the Issuer and the Purchaser, which consent shall not be unreasonably withheld or delayed.

D. Any assignee, lessee or purchaser of the Company’s interest in this Agreement or of the Project Property will assume in writing the obligations of the Company under this Agreement to the extent of the interest assigned, leased or sold. The Company will, not more than 60 nor less than 30 days before the effective date of any such assignment, lease, encumbrance or sale, furnish or cause to be furnished to the Issuer and the Purchaser a true and complete copy of such proposed assignment, lease, encumbrance or purchase contract and, if applicable, such assumption. On the effective date of any such assignment, lease, encumbrance or sale, the Company will, at the request of the Issuer or the Purchaser and at the expense of the Company, deliver to the requesting Party, an opinion of counsel to the Company (which may be an employee of the Company or other counsel reasonably acceptable to the requesting Party) to the effect that such assignment, lease, encumbrance or sale has been duly authorized by the Company and does not conflict with applicable federal or State law.

ARTICLE VII - EVENTS OF DEFAULT AND REMEDIES

Section 7.1. Events of Default Defined. Each of the following events is an “Event of Default”:

A. Failure by the Company to make any Rent payment within ten (10) days of the date when due.

B. The representations of the Company in this Agreement prove to have been incorrect in any material respect when made.

C. A decree or order for relief by a court of competent jurisdiction is entered in an involuntary case under any federal or state bankruptcy, insolvency or similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days, or the commencement by the Company of a voluntary case under such law,

or the consent by the Company either to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Company or for any substantial part of its property, or the making by it of any assignment for the benefit of creditors, or the taking of action by the Company to authorize or effect any of the foregoing.

D. Failure by the Company to perform any of its obligations under this Agreement or the Indenture, other than the payment of Rent, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to the Company by the Issuer or the Purchaser, unless such failure cannot be remedied within 30 days and the Company has instituted corrective action within 30 days after such notice and diligently pursues such action until such failure is remedied.

Section 7.2. Remedies on Default. If an Event of Default occurs and is continuing, the Purchaser and only the Purchaser, as the assignee of the Issuer under the Indenture and on behalf of the Issuer, may, but is not required to, take any one or more of the following remedial steps:

A. By written notice to the Company declare all such amounts of Rent payable for the remainder of the Term as are required to provide for the Payment of the Bond to be immediately due and payable, whereupon the same will be immediately due and payable;

B. Take possession of the Project Property without terminating this Agreement and lease or sublease the Project Property for the account of the Company, crediting against the Rent required to be paid by the Company the amounts received by the Purchaser for the account of the Issuer from any sublessee;

C. Terminate this Agreement, hold the Company liable for all Rent due at the effective date of termination and due until the effective date of selling or leasing the Project Property to another, exclude the Company from possession of the Project Property and sell or lease the Project Property to another;

D. Take whatever action at law or in equity may appear necessary or desirable to collect the Rent then due and thereafter to become due or to enforce the performance and observance of any obligation of the Company under this Agreement or the Indenture; or

E. Exercise any remedies provided for in the Indenture. In the enforcement of the remedies provided in this Section 7.2, the Purchaser, as the assignee of the Issuer and on behalf of the Issuer will treat all expenses of enforcement, including, without limitation, legal, accounting and advertising fees, as Additional Payments then due and owing. As the assignee of the Issuer, the Purchaser has sole responsibility for the exercise of any remedies if an Event of Default occurs and is continuing, provided that the Issuer will be under no obligation to exercise any remedies in the event the Purchaser fails to do so.

Section 7.3. Reserved.

Section 7.4. Remedies on Default. Notwithstanding any other provision of this Agreement or the Indenture, the Issuer will be entitled to cause the Company to perform the Company's obligations under Sections 4.4 (notice rights only), 4.5, 4.15, 4.16 (notice rights only), 4.20, 5.7, 5.8, 5.10 and 6.3 hereof for the benefit of the Issuer. If the Company fails to comply

with its obligations set forth in Sections 4.4 (notice rights only), 4.5, 4.15, 4.16 (notice rights only), 4.20, 5.7, 5.8, 5.10, and 6.3 and such failure continues for thirty (30) days after the Issuer gives the Company notice of such failure or any representation of the Company in any Bond document or any document or agreement delivered to any of the other Parties in connection with the transaction contemplated by the Bond Documents proves to have been incorrect in any material respect when made, then, the Issuer may immediately take all steps necessary to have the Project Property immediately assessed for property tax purposes in the name of the Company.

Section 7.5. Default by Issuer - Limited Liability . Notwithstanding any provision or obligation to the contrary hereinbefore set forth, no provision of this Agreement will be construed so as to give rise to a pecuniary liability of the Issuer or to give rise to a charge upon the general credit of the Issuer, the liability of the Issuer hereunder will be limited to its interest in this Agreement, and all other related documents and collateral and the lien of any judgment will be restricted thereto. In the performance of the agreements of the Issuer herein contained, any obligation it may incur for the payment of money will not be a debt of the Issuer, nor will the Issuer be liable on any obligation so incurred. The Issuer does not assume general liability for the repayment of the Bond or for the costs, fees, penalties, taxes, interest, omissions, charges, insurance or any other payments recited herein, and will be obligated to pay the same only out of the amounts payable by the Company hereunder. The Issuer will not be required to do any act whatsoever or exercise any diligence whatsoever to mitigate the damages to the Company if a default occurs hereunder.

ARTICLE VIII - PREPAYMENTS

Section 8.1 Prepayments. The Company may at any time (including after the occurrence and during the continuance of an Event of Default) and for any reason cause all or any portion of the Bond to be redeemed in accordance with the provisions of the Indenture by giving notice of such redemption to the Issuer, the Depository and the Purchaser not less than five days before the redemption date. Such notice will specify the redemption date and the principal amount of the Bond to be redeemed. On the redemption date the Company will prepay the Rent in an amount equal to such principal amount plus accrued interest on such principal amount to the redemption date by payment of such amounts to the Purchaser.

ARTICLE IX - PURCHASE OF PROJECT PROPERTY

Section 9.1 Purchase of Project Property. The Company will purchase, and the Issuer will sell, the Project Property for \$1.00 at the expiration or sooner termination of this Agreement and following Payment of the Bond. The Company will give notice to the Issuer specifying the date of closing such purchase, which will be not less than 15 nor more than 90 days from the date of such notice. At the closing of such purchase, the Issuer will, upon receipt of the purchase price, deliver to the Company a special warranty deed, bill of sale and other appropriate documents conveying to the Company title to the Project Property, as it existed at the time of such purchase, subject only to: (i) those liens and encumbrances created by the Company or to the creation or suffering of which the Company consented; (ii) those liens and encumbrances resulting from the failure of the Company to perform any of its obligations under this Agreement; and (iii) Permitted Liens other than the Indenture and this Agreement. The Company may purchase the Project

Property whether or not a Default or an Event of Default has occurred and is continuing, except a default in payments due under Section 5.10.

ARTICLE X - MISCELLANEOUS

Section 10.1. Incorporation of Indenture Provisions. Each of the provisions of Article XI of the Indenture is incorporated in this Agreement.

Section 10.2. Amendments. This Agreement may be amended or modified only as provided in the Indenture.

Section 10.3. No Pecuniary Liability of Issuer. No agreements or provisions contained herein nor any agreement, covenant or undertaking by the Issuer contained in any document executed by the Issuer in connection with any property of the Company financed, directly or indirectly, out of the Bond proceeds or the issuance, sale and delivery of the Bond will give rise to any pecuniary liability of the Issuer or constitute a charge against the Issuer's general credit, or will obligate the Issuer financially in any way, except with respect to the funds available hereunder or under the Indenture and pledged to the payment of the Bond and its application as provided under the Indenture. No failure of the Issuer to comply with any terms, covenants or agreements herein or in any document executed by the Issuer in connection with the Bond will subject the Issuer to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the funds available hereunder or under the Indenture and pledged to the payment of the Bond and its application as provided under the Indenture. No failure of the Issuer to comply with any terms, covenants or agreements herein or in any document executed by the Issuer in connection with the Bond will subject the Issuer to any pecuniary charge or liability except to the extent that the same can be paid or recovered from the funds available hereunder or under the Indenture and pledged to the payment of the Bond. None of the provisions of the Agreement will require the Issuer to expend or risk its own funds or to otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder unless it will first have been adequately indemnified to its satisfaction against the cost, expense or liability which might be incurred thereby. Nothing herein will preclude a proper party in interest from seeking and obtaining, to the extent permitted by law, specific performance against the Issuer for any failure to comply with any term, conditions, covenant or agreement herein or in the Indenture; provided, that no costs, expenses or other monetary relief will be recoverable from the Issuer except as may be payable from the funds available hereunder or under the Indenture and pledged to the payment of the Bond.

Section 10.4. No Violation of Public Policies Regarding Indemnity. If a court of competent jurisdiction determines that the provisions of Section 56-7-1 NMSA 1978, as amended, are applicable to this Agreement or any claim arising under this Agreement, then any agreement to indemnify contained in this Agreement will not extend to liability, claims, damages, losses or expenses, including attorney fees, arising out of:

A. The preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications by the Indemnitee; or

B. The giving of or the failure to give directions or instructions by the Indemnitee, where such giving or failure to give directions or instructions is the primary cause of bodily injury to persons or damage to property.

Section 10.5. Binding Effect. This Agreement will inure to the benefit of and shall be binding upon the Issuer, the Company, and their respective successors and assigns.

Section 10.6. Severability. In the event any provisions of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

Section 10.7. Reserved.

Section 10.8. No Waiver. No waiver of any breach of any covenant or agreement herein contained will operate as a waiver of any subsequent breach of the same covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

Section 10.9. Non-Merger. The provisions of this Agreement will survive the conveyance of the Project Property to the Issuer, the reconveyance of the Project Property to the Company, and all other performances hereunder, and will not be deemed merged in any deed or other instrument or document delivered hereunder.

DATED AS OF July 15, 2019

INCORPORATED COUNTY OF LOS ALAMOS,
NEW MEXICO

By: _____
Chair, County Council

PEBBLE LABS U.S.A., INC., a New Mexico corporation

By: _____

Its: President

[Signature Page to Lease Agreement]

STATE OF NEW MEXICO)
) ss.
LOS ALAMOS COUNTY)

This instrument was acknowledged before me on _____, 2019, by
_____, Chair of the County Councilors of Los Alamos County, New Mexico.

Notary Public

My Commission Expires:

[Acknowledgement Page to Lease Agreement]

STATE OF NEW MEXICO)
) ss.
_____)

 This instrument was acknowledged before me on _____, 2019, by
_____, _____ of Pebble Labs U.S.A., Inc., a New Mexico
corporation.

Notary Public

My Commission Expires:

[Acknowledgement Page to Lease Agreement]

EXHIBIT A
PROJECT SITE

EXHIBIT B

PERMITTED LIENS

Deed of Trust, the Promissory Note dated as of May ____, 2019 between the Company and _____ (the "Senior Lender"), and its successors in interest, if any, and any "Permitted Encumbrance" (as such term is defined in the Business Loan Agreement dated as of _____ between the Company and the Senior Lender, as the same may be amended from time to time) and such other security interests of other senior secured lenders of the Purchaser or the Company, if any.

1. Rights or claims of parties in possession not shown by the public records.
2. Easements, or claims of easements, not shown by the public records.
3. Encroachments, overlaps, conflicts in boundary lines, shortages in area, or other matters which would be disclosed by an accurate survey and inspection of the premises.
4. Any lien, claim or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Community property, survivorship, or homestead rights, if any, of any spouse of the insured (or vestee in a leasehold or loan policy).
6. Intentionally Omitted.
7. Water rights, claims or title to water.
8. Intentionally Omitted.
9. Taxes for the year _____, and thereafter.
10. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

___ Rights of parties in possession under unrecorded lease or rental agreements

___ In compliance with Subsection D of 13.14.18.10 NMAC, the Company hereby waives its right to demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association. Nothing herein prohibits the arbitration of all arbitrable matters when agreed to by both the Company and the insured.

Exhibit B

EXHIBIT C

The initial amount of the Payment in Lieu of Taxes (“PILOT”) to be paid by the Company is estimated to be \$_____ annually. The initial amount of the payment by the Company represents _____% of the total 2019 mill levy of _____ per _____ of taxable value of both the personal and real property. The PILOT will be adjusted annually to reflect increases or decreases in the mill levy or the taxable value, but will remain at _____% of the amount otherwise payable.

Exhibit C

PEBBLE LABS ACQUISITIONS LLC
AS PURCHASER
INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO
AS ISSUER
and
PEBBLE LABS U.S.A., INC.
AS COMPANY

BOND PURCHASE AGREEMENT

Dated as of July 15, 2019

\$60,000,000 (Maximum Amount)
Incorporated County of Los Alamos, New Mexico
Taxable Industrial Revenue Bond
(Pebble Labs U.S.A., Inc. Project)
Series 2019

BOND PURCHASE AGREEMENT

PEBBLE LABS ACQUISITIONS LLC, a New Mexico limited liability company (together with its successors, assigns and transferees, the “Purchaser”), INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO (the “Issuer”) and PEBBLE LABS U.S.A., INC., a New Mexico corporation (the “Company”) agree:

Section 1. Recitals. The Issuer, the Purchaser, the Company and BOKF, NA as Depositary (the “Depositary”), have entered into an Indenture dated as of July 15, 2019 (the “Indenture”). Pursuant to the Indenture, the Issuer will issue its Taxable Industrial Revenue Bond (Pebble Labs U.S.A., Inc. Project) Series 2019 in the maximum aggregate principal amount of \$60,000,000 (the “Bond”). Proceeds of the Bond will be used to finance the acquisition of land, buildings and equipment, infrastructure and related facilities for scientific laboratories in Los Alamos County, New Mexico (the “Project”).

Section 2. Purchase and Delivery. On the basis of the representations and covenants contained in this Bond Purchase Agreement (this “Purchase Agreement”) and subject to the terms and conditions contained in this Purchase Agreement, the Purchaser agrees to purchase the Bond from the Issuer and the Issuer agrees to sell the initial series of the Bond to the Purchaser in the aggregate principal amount of \$60,000,000. As consideration for the sale of the Bond, the Purchaser agrees to make advances on the Bond at the times and under the conditions specified in Section 404 of the Indenture. The Issuer will deliver the Bond to the Purchaser, at or prior to 10:00 a.m., Mountain Time, on July 15, 2019, or at such other time not later than five business days thereafter as the Issuer, the Depositary and the Purchaser may agree (the “Closing Date”).

Section 3. Issuer Representations. The Issuer represents that, as of the date of this Purchase Agreement:

(a) Each of the representations of the Issuer in the Lease Agreement dated as of July 15, 2019 (the “Agreement” and, together with the Indenture and this Purchase Agreement, the “Bond Documents”) and the Indenture is true and correct as if made on and as of the date of this Purchase Agreement.

(b) Pursuant to an ordinance duly adopted by the County Council of the Issuer on June 11, 2019 (the “Bond Ordinance”), the Issuer duly authorized and approved (i) the execution and delivery by the Issuer of the Bond Documents and the performance by the Issuer of its obligations under the Bond Documents, and (ii) the issuance, execution and delivery of the Bond. The Bond Ordinance has not been amended, modified or repealed.

(c) The Issuer is duly authorized under the Constitution and laws of the State to issue the Bond and to execute, deliver and perform its obligations under the Bond Documents and the Bond, to pledge the security described in the Indenture and pledged thereby in the manner and to the extent therein set forth; based on the opinion of Bond Counsel, all actions required of the Issuer for the issuance of the Bond and the execution and delivery of, and the performance of its obligations under, the Bond Documents and the Bond have been duly and effectively taken; the Bond Documents have been duly executed, issued and delivered by the Issuer and, assuming the due authorization and execution thereof by the other parties thereto, are valid, binding and

enforceable agreements of the Issuer, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general principles of equity, and, based on the opinion of Bond Counsel, the Bond has been duly authorized, executed, issued and delivered and constitutes, and in the hands of the Purchaser will constitute, the valid and binding limited obligation of the Issuer, enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general principles of equity.

(d) to the Issuer's knowledge and belief, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body or other governmental authority pending, with respect to which the Issuer has received service of process, or, threatened against or affecting it wherein an unfavorable decision, ruling or finding could adversely affect the transactions contemplated by this Purchase Agreement, or which in any way raises any question concerning the validity of the Bond or the Bond Documents, nor to the best knowledge and belief of the Issuer is there any basis therefor.

(e) To the Issuer's knowledge and belief, the execution, delivery and performance by the Issuer of the Bond Documents and the Bond do not and will not violate any order, injunction, ruling or decree by which the Issuer is bound, and do not and will not constitute a breach of or a default under any agreement, indenture, mortgage, lease, note or other obligation, instrument or arrangement to which the Issuer is a party or by which the Issuer or any of its property is bound, or contravene or constitute a violation of any law, rule or regulation to which the Issuer or any of its property is subject, and no approval or other action by, or filing or registration with, any governmental authority or agency is required in connection therewith which has not been previously obtained or accomplished (except that the Issuer makes no representation as to compliance with state securities or "Blue Sky" laws or the securities laws of the United States and as to any permits, governmental permissions, including environmental clearances, rights and licenses as may be necessary for the construction and operation of the Project, as to which no representation or warranty or covenant is made).

(f) The statements contained in any certificate provided under this Purchase Agreement and signed and delivered to the Purchaser by any authorized official of the Issuer will be deemed a representation and warranty by the Issuer to the Purchaser.

Section 4. Company Representations. The Company represents that, as of the date of this Purchase Agreement:

(a) The Company is a corporation duly formed and validly existing and in good standing under the laws of the State of New Mexico and has or will obtain at the necessary time, all necessary licenses and permits to lease and operate the Project and other property financed with the proceeds of the Bond. To the Company's knowledge and belief, the Company has not received any notice of an alleged violation and is not in violation of any zoning, land use, environmental or other similar law or regulation applicable to the property subject to the Agreement. The Company has full right, power and authority to approve the Bond Documents and to perform the other acts and things as provided for in this Purchase Agreement. The Company has full right, power and authority to approve, enter into, deliver and/or perform its obligations under the Bond Documents.

(b) The approval by the Company of the Bond Documents and the execution, delivery and performance of its obligations under the Bond Documents, compliance by the Company with the provisions hereof and of any and all of the foregoing documents, the application by the Company of the proceeds of the sale of the Bond for the purposes described in the Indenture, and the consummation of the transactions contemplated herein do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, the certificate of incorporation or bylaws of the Company or any material agreement, indenture, mortgage, lease or instrument to which the Company is a party or by which the Company or any of its property is or may be bound or any existing law or court or administrative regulation, decree or order which is applicable to the Company or any of its property, and do not and will not result in the creation or imposition of any lien of any nature upon any of the property of the Company, except for Permitted Liens (as defined in the Agreement).

(c) To the Company's knowledge and belief, no "Default," "Event of Default" or event which, with notice or lapse of time or both, would constitute a "Default" or an "Event of Default" under the Bond Documents has occurred and is continuing.

(d) The Company has duly authorized all necessary action to be taken by it for (i) the issuance and delivery of the Bond by the Issuer upon the terms and conditions and for the uses set forth or described herein and in the Indenture; (ii) the approval of the Bond and the Indenture; and (iii) the execution, delivery or receipt of and the performance as applicable, of its obligations under the Bond Documents and any and all such other agreements and documents as may be required to be executed, delivered or received by the Company in order to carry out, effectuate and consummate the transactions contemplated herein and therein.

(e) The Company will not take or omit to take any action which will in any way cause or result in the proceeds of the sale of the Bond being applied in a manner other than as provided in the Indenture and the Agreement.

(f) To the knowledge of the Company, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any public board or body pending or, to the knowledge and belief of the Company, threatened against or affecting the Project wherein an unfavorable decision, ruling or finding would have a material adverse effect on (i) the transactions contemplated in this Purchase Agreement or (ii) the validity or enforceability in accordance with their respective terms of the Bond Documents.

(g) On or before the date of the sale of the Bond, the Company will approve or execute and deliver, as applicable, the Bond Documents. This Purchase Agreement is, and when executed and delivered, as applicable, the Bond Documents will be the legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general principles of equity.

(h) To the knowledge and belief of the Company, all approvals, consents, authorizations, certifications, and other orders of any government authority, board, agency or council having jurisdiction, and all filings with such entities, failure to obtain or make which would

materially adversely affect the performance by the Company of its obligations hereunder or under the Bond Documents, have been duly obtained. All permits and approvals required to date for the construction and operation of the Project have been obtained or will be obtained in due course.

(i) Based upon the Certificate of Good Standing and Compliance issued by the New Mexico Secretary of State, the Company is duly authorized to transact business as a corporation under the laws of the State of New Mexico.

Section 5. Purchaser Representations. The Purchaser represents and acknowledges that, as of the date of this Purchase Agreement:

(a) The Purchaser is a limited liability company duly organized and validly existing and in good standing under the laws of the State of New Mexico. The Purchaser has full right, power and authority to approve the Bond Documents to which it is a party and to perform the other acts and things as provided for in this Purchase Agreement. The Purchaser has full right, power and authority to approve, enter into, deliver and/or perform its obligations under the Bond Documents to which it is a party.

(b) The Purchaser is purchasing the Bond for its own account for investment and with no present intention of distributing or reselling the Bond or any interest in the Bond but without prejudice, however, to its right at all times to sell or otherwise dispose of all or any part of the Bond in compliance with the Securities Act of 1933, as amended, the regulations promulgated thereunder, applicable state securities laws and regulations and the terms of the Bond and the Indenture.

(c) The Purchaser understands that the Bond is a special, limited, and not a general, obligation of the Issuer, is payable solely from the Basic Rent (as defined in the Agreement) received by the Purchaser on behalf of the Issuer under the Agreement and from the security therefor as described in the Indenture but from no other sources. It understands that the Bond is not secured by any obligation or pledge of any monies received or to be received from taxation or from the State of New Mexico (the "State") or any political subdivision or taxing district thereof (including, without implied limitation, the Issuer), and that the Bond will never represent or constitute a general obligation, debt or bonded indebtedness of the Issuer, the State, or any political subdivision thereof, and that no right will exist to have taxes levied by the Issuer, the State, or any political subdivision thereof, for the payment of principal of, premium, if any, and interest on the Bond. The Purchaser understands that the payment of the Bond depends upon the general credit of the Company, and upon the security granted in the Indenture for the Company's obligations under the Agreement.

Pursuant to the terms of the Agreement, the Company shall make payments to the Purchaser for the account of the Issuer, in such amounts at such times as are necessary to make all payments of principal of, interest on and redemption price of the Bond in accordance with the terms of the Bond Documents as and when due, and all such payments shall be netted against any monies and investment made by the Purchaser to the Acquisition Account (as defined in the Indenture) (including interest income). The Purchaser will look only to the Company for payment of the Bond and upon the security granted in the Indenture for the Company's obligations under the Agreement. As described in Section 6.1 of the Agreement, the Issuer will assign and pledge

to the Purchaser all right, title and interest of the Issuer in and to the Basic Rent under the Agreement.

(d) The Purchaser has received copies of financial statements of the Company, has been afforded the opportunity to discuss the business, assets and financial position of the Company with the officers, employees and auditors of the Company, and has received such information concerning the Company and its business, assets and financial position, and the Project as it deems necessary in making its decision to purchase the Bond.

(e) The Purchaser is duly and legally authorized to purchase the Bond, has knowledge and experience in financial and business matters, is capable of evaluating the merits and risks of its purchase of the Bond, is aware of the intended use of proceeds of the Bond, and understands that interest on the Bond is not excludable from gross income for federal income tax purposes.

(f) The Purchaser understands that the Issuer has not undertaken to furnish any information with respect to the Company or to ascertain the accuracy of any information furnished to the Purchaser with respect to the Company and the Purchaser has not requested or received any representations from the Issuer with respect to any such information, its accuracy or completeness. The Purchaser, for itself and for any subsequent holder of the Bond, waives any requirement of due diligence in investigation or inquiry on the part of the Issuer, its officials, counsel, agents and consultants and all claims, actions or causes of action which the Purchaser may have from and after the date hereof against the Issuer, its officials, counsel, agents and consultants growing out of any such action which any of the foregoing took, or could have taken, in connection with the authorization, execution, delivery, sale or resale of the Bond to or by the Purchaser or in connection with any statement or representation which induced the Purchaser to purchase the Bond.

(g) The Purchaser has received and reviewed copies in draft and final form of the Bond Documents and the Bond Ordinance.

(h) This Purchase Agreement constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general principles of equity.

(i) The Purchaser has been informed by the Company and agrees that the Indenture has not been qualified under the Trust Indenture Act of 1939, and that the Bond (i) is not being registered or otherwise qualified for sale under (a) the Securities Act of 1933, as amended, or (b) the "Blue Sky" laws and regulations of any state, (ii) will not be listed on any stock or other securities exchange, (iii) will not carry a rating from any rating service and (iv) will not be readily marketable. The Purchaser has been informed by the Company and agrees that a legend will be placed on the Bond certificates or any other documents evidencing ownership of the Bond to the effect that they have not been registered under the Securities Act of 1933, as amended, or the applicable state "Blue Sky" laws and that they may only be transferred in compliance with the Indenture and the terms of the Bond.

(j) The Purchaser acknowledges that its purchase of the Bond constitutes a transaction in a bond secured by the Indenture which is, among other things, a personal property security agreement, pursuant to which the Bond is offered and sold as a unit.

(k) The execution, delivery and performance of this Purchase Agreement by the Purchaser will not constitute a default under any other material agreement by which the Purchaser is bound.

Section 6. Indemnification.

(a) The Company agrees to indemnify, defend and hold harmless all officials, councilors, officers, agents, attorneys and employees of the Issuer and each person, if any, who has the power to direct or cause the direction of the management and policies of the Issuer (the “Indemnified Parties”) against any and all losses, claims, damages, liabilities, joint or several, or any expenses related thereto whatsoever arising out of or in connection with or caused by any pledge, offering, sale or resale of the Bond in violation of any federal or state securities laws or by an untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact made by Company to any person or caused by an omission or alleged omission of any material fact by Company in connection with the Bond or the pledge, sale, resale or delivery thereof.

In case a claim shall be made or any action shall be brought against one or more of the Indemnified Parties based upon the matters described in the preceding paragraph and in respect of which indemnity is sought against the Company pursuant to the preceding paragraph, the Indemnified Party or Parties seeking indemnity shall promptly notify the Company, in writing, and the Company shall promptly assume or cause the assumption of the defense thereof, including the employment of counsel chosen by the Company and approved in writing by the Issuer (provided that such approval by the Issuer shall not be unreasonably withheld, conditioned or delayed), the payment of all expenses and the right to participate in negotiations and to consent to settlement. If any Indemnified Party is advised in a written opinion of counsel that there may be legal defenses available to such Indemnified Party which are adverse to or in conflict with those available to the Company, or that the defenses of such Indemnified Party should be handled by separate counsel, the Company shall not have the right to assume or cause the assumption of the defense of such Indemnified Party, however, the Company shall be responsible for the reasonable fees and expenses of counsel retained by such Indemnified Party in assuming its own defense. If the Company shall have failed to assume or cause the assumption of the defense of such action or to retain counsel reasonably satisfactory to the Issuer or in the event it is determined the defense of such Indemnified Party should be handled by separate counsel within a reasonable time after notice of the commencement of such action, the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Company. Notwithstanding, and in addition to, any of the foregoing, any one or more of the Indemnified Parties shall have the right to employ separate counsel with respect to any such claim or in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be paid by such Indemnified Party or Parties unless the employment of such counsel has been specifically authorized in writing by the Company. The Company shall not be liable for any settlement of any such action effected without the written consent of the Company, but if settled with the written consent of the Company or if there is a final judgment for the plaintiff in any such action with or without consent, the Company

agrees to indemnify and hold harmless the Indemnified Parties from and against any loss or liability by reason of such settlement or judgment. The covenants and agreements of the Company herein contained shall survive the delivery of the Bond.

(b) In order to provide for just and equitable contribution in circumstances in which the indemnity provided for in this Section is for any reason held to be unavailable to the Indemnified Parties other than in accordance with its terms, the Company shall contribute to the aggregate losses, liabilities, claims, damages and expenses of the nature contemplated by such indemnity agreement incurred by the Issuer in such proportions as determined by a court having jurisdiction of the matter; provided, however, that no person guilty of fraudulent misrepresentation negligence or willful misconduct shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation negligence or willful misconduct. For purposes of this Section, each person, if any, who controls an Indemnified Party shall have the same rights to contribution as such Indemnified Party.

Section 7. Conditions. The obligation of the Purchaser to purchase the Bond and the obligation of the Issuer to sell the Bond are subject to satisfaction of the following conditions precedent:

(a) The representations of the Issuer, the Purchaser and the Company in this Purchase Agreement will be true and correct on and as of the Closing Date as if made on and as of the Closing Date.

(b) As of the Closing Date, no Default (as defined in the Indenture) or Event of Default (as defined in the Agreement) will have occurred and be continuing, and no event will have occurred and be continuing which, with the lapse of time or the giving of notice or both, would constitute a Default or Event of Default.

(c) On or before the Closing Date, all actions required to be taken as of the Closing Date in connection with the Bond, the Bond Ordinance and the Bond Documents by the Issuer and the Company will have been taken, and the Issuer and the Company will each have performed and complied with all agreements, covenants and conditions required to be performed or complied with by the Bond Ordinance and the Bond Documents.

(d) The Indenture will have been duly executed and delivered by the Issuer, the Company and the Depositary. The Agreement will have been duly executed by the Issuer and the Company. Each of the Bond Documents, the Bond Ordinance and all other official action of the Issuer relating to the Bond, the Project and the Bond Documents will be in full force and effect on the Closing Date and will not have been amended, modified or supplemented on or before the Closing Date.

(e) The Issuer, the Company and the Purchaser will have received the following, each dated the Closing Date:

(i) the opinion of Law Offices of Robert M. Strumor, LLC, Bond Counsel, addressed to the Issuer substantially in the form set forth in Exhibit A (or, with respect to the Company and the Purchaser, in lieu thereof, a letter addressed to each of the Company and the Purchaser authorizing the Company and the Purchaser to rely on such opinion);

(ii) a certificate of and with reference to the Issuer signed by a duly authorized officer of the Issuer to the effect set forth in subsections (a), (b) and (c) of this Section 7;

(iii) a certificate of and with reference to the Company and the Purchaser signed by a duly authorized officer of the Company to the effect set forth in subsections (a), (b) and (c) of this Section 7;

(iv) an Investor Letter signed by the Purchaser in substantially the form attached hereto as Exhibit B; and

(v) a certificate of the Depositary signed by a duly authorized officer of the Depositary, to the effect that (A) he or she is an authorized officer of the Depositary; (B) the Indenture has been duly executed and delivered by the Depositary; and (C) the Depositary has all necessary corporate powers required to execute and deliver, and to perform its obligations under, the Indenture.

If any conditions to the obligations of the Purchaser or the Issuer under this Purchase Agreement are not satisfied and if the satisfaction of such conditions is not waived by the Purchaser and the Issuer, then, at the option of the Purchaser and the Issuer, (a) the Closing Date will be postponed for such period, not to exceed seven days, as may be necessary for such conditions to be satisfied or (b) the obligations of the Purchaser and the Issuer under this Purchase Agreement will terminate, and neither the Purchaser nor the Issuer will have any further obligations or liabilities under this Purchase Agreement, however, the Company will continue to be obligated to reimburse the Issuer for the expenses of the Issuer.

Section 8. Survival. All agreements, covenants and representations and all other statements of the Issuer, the Company and the Purchaser and their respective officers set forth in or made pursuant to this Purchase Agreement will survive the Closing Date and the delivery of and payment for the Bond.

Section 9. Governing Law. This Purchase Agreement will be governed by and construed in accordance with the laws of the State of New Mexico applicable to agreements made and to be performed in the State of New Mexico, without regard or effect given to conflict of laws or rules which would require the application of any other jurisdiction.

Section 10. Counterparts. This Purchase Agreement may be executed in any number of counterparts, each of which so executed and delivered will constitute an original and all together will constitute but one and the same instrument.

Section 11. Severability. If any section, paragraph, clause or provision of this Purchase Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Purchase Agreement.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the Issuer, the Company and the Purchaser have caused this Purchase Agreement to be executed by their duly authorized officers, as of the day and year first above written

INCORPORATED COUNTY OF LOS ALAMOS,
NEW MEXICO

By _____
Sara C. Scott, County Council Chair

[Signature Page to Bond Purchase Agreement]

PEBBLE LABS ACQUISITIONS LLC, a New Mexico
limited liability company, as Purchaser

By: _____

Its: _____

PEBBLE LABS U.S.A., INC., a New Mexico corporation,
as Company

By: _____

Its: _____

[Signature Page to Bond Purchase Agreement]

EXHIBIT A
FORM OF BOND COUNSEL OPINION

LAW OFFICES OF ROBERT M. STRUMOR, LLC

529 W. SAN FRANCISCO, SANTA FE, NEW MEXICO 87501

TELEPHONE: (505) 983-3272 FACSIMILE: (505) 820-9228

E-MAIL: rstrumor@gmail.com

July 15, 2019

Incorporated County of Los Alamos, New Mexico
1000 Central Avenue
Los Alamos, New Mexico 87544

\$60,000,000
Incorporated County of Los Alamos, New Mexico
Taxable Industrial Revenue Bond
(Pebble Labs U.S.A., Inc. Project)
Series 2019

Ladies and Gentlemen:

We have acted as bond counsel to the Incorporated County of Los Alamos (the “County”), in the State of New Mexico, in connection with its issuance of the above-captioned bond (the “Bond”) in the aggregate principal amount of \$60,000,000, issued and secured pursuant to Ordinance No. 694 adopted by the Board of County Commissioners of the County on June 11, 2019, and an Indenture dated as of July 15, 2019 (the “Indenture”), by and among the County, Pebble Labs Acquisitions LLC, as the Purchaser (the “Purchaser”), Pebble Labs U.S.A., Inc., as the Company (the “Company”), and BOKF, NA, as Depositary (the “Depositary”). In such capacity, we have examined the County’s certified proceedings and such other documents and such law of the State of New Mexico and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them by the Indenture.

The proceeds of the Bond will be used by the County to finance the cost of the Project, as defined in the Lease Agreement dated as of July 15, 2019 (the “Agreement”) between the County and the Company, for the benefit of the Company. The Bond and the interest thereon are payable solely out of the lease payments to be made by the Company to the County under the Agreement, except to the extent otherwise provided in the Agreement and the Indenture.

Regarding questions of fact material to our opinions, we have relied upon the County's certified proceedings and other representations and certifications of officials of the County, the Company, the Purchaser, the Depositary, public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon such examination, and assuming there are no changes in applicable law after the date hereof and assuming continuous compliance with the covenants and the continued accuracy of the representations contained in the County's certified proceedings, and in other certifications furnished to us, it is our opinion as bond counsel that:

1. The County has been duly created and is a county validly organized and existing under the laws of the State of New Mexico. Pursuant to the County Industrial Revenue Bond Act, Sections 4-59-1 through 4-59-16, NMSA 1978, as amended (the "Act") and the proceedings of the County, the County has full authority and power to issue and sell the Bond, to execute and deliver and perform its obligations under the Indenture, the Agreement, the Bond Purchase Agreement and the Bond and the other documents to which it is a party.

2. The Bond has been duly authorized by the County, duly executed and delivered by authorized officials of the County, all in accordance with the Act, and is a valid and binding, special, limited obligation of the County; however, the County has not pledged its faith and credit to the payment of the interest on or principal of the Bond, and the Bond is payable solely out of the revenues and assets pledged therefor pursuant to the Indenture, subject to the provisions of the Indenture permitting the use and application thereof for the purposes and on the terms and conditions set forth in the Indenture. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the revenues and assets pledged therefor or on the funds and accounts created by the Indenture.

3. The Indenture, the Agreement and the Bond Purchase Agreement have been duly authorized by the County, duly executed and delivered by authorized officials of the County and (assuming due authorization, execution and delivery by the other parties thereto) constitute valid and binding obligations of the County enforceable in accordance with their respective terms.

4. Interest on the Bond is included in gross income for federal income tax purposes.

5. Under laws of the State of New Mexico in effect as of the date hereof, interest on the Bond is exempt from all taxation by New Mexico, or any subdivision thereof.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the County incurred pursuant to the Bond, the Indenture, the Agreement and the Bond Purchase Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In rendering the foregoing opinions, we are not passing upon (i) the organization, existence or corporate status of the Company, (ii) the power of the Company to authorize, execute and deliver the Indenture, the Agreement or the Bond Purchase Agreement or any other project document, or to perform its obligations under any such instrument, or (iii) the due authorization, execution and delivery by, the binding effect upon and the enforceability against, the Company of the Indenture, the Agreement or the Bond Purchase Agreement or any other project document, or (iv) the security afforded by the Indenture or the Agreement. We are also not passing upon title to the Project Property (as defined in the Agreement).

In this opinion letter issued in our capacity as bond counsel, we are passing only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of any statements made in connection with any offer or sale of the Bond or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bond, except those specifically addressed herein.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

LAW OFFICES OF ROBERT M. STRUMOR, LLC

EXHIBIT B

Investor Letter

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO
AS ISSUER

PEBBLE LABS ACQUISITIONS LLC
AS PURCHASER

PEBBLE LABS U.S.A., INC.
AS COMPANY

and

BOKF, NA
AS DEPOSITARY

INDENTURE

Dated as of July 15, 2019

Securing

\$60,000,000 (Maximum Amount)
Incorporated County of Los Alamos, New Mexico
Taxable Industrial Revenue Bond
Pebble Labs U.S.A, Inc. Project)
Series 2019

This instrument constitutes a security agreement with respect to certain personal property, under the laws of the State of New Mexico.

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INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO, a political subdivision of the state of New Mexico (together with its successors and assigns, the “Issuer”), Pebble Labs Acquisitions LLC, a New Mexico limited liability company (together with its successors and assigns, and transferees of the Bond, the “Purchaser”), Pebble Labs U.S.A., Inc., a New Mexico corporation (together with its successors and assigns, the “Company”), and BOKF, NA, in its capacity as depository hereunder (together with its successors and assigns, the “Depository”), agree:

ARTICLE I – RECITALS

Section 101. The Act. Pursuant to Sections 3-32-1 through 3-32-16, and 4-59-1 through 4-59-16, New Mexico Statutes Annotated, 1978 Compilation, as amended (the “Industrial Revenue Bond Act” or the “Act”), the County Council (the “Council”) of the Issuer is authorized to acquire, construct and equip certain industrial or commercial projects and to issue its industrial revenue bonds to finance such projects and certain related costs for the purpose of promoting industry and trade by inducing manufacturing, industrial and commercial enterprises to locate or expand in the State and promoting a sound and proper balance in the State of New Mexico (the “State”) between agriculture, commerce and industry. Such bonds are payable solely out of revenue derived from the acquisition, ownership, leasing or sale of such projects. Such bonds may be further secured by an assignment of the Issuer’s interest in the lease agreements respecting the project to be acquired, constructed, renovated, and equipped and a grant of a security interest in the project property. Under the Industrial Revenue Bond Act, a project may include land, buildings, machinery, equipment and other property deemed necessary in connection with such project.

Section 102. Government Proceedings. The Company presented to the Issuer a proposal relating to the issuance of industrial revenue bonds for the development of the Company’s scientific laboratory project including the acquisition of land, buildings, infrastructure and equipment and related facilities all located within Los Alamos County (the “Project”). The Council, by Ordinance adopted on June 11, 2019 (the “Ordinance”), authorized, among other matters, (i) the issuance of its Incorporated County of Los Alamos, New Mexico, Taxable Industrial Revenue Bond (Pebble Labs U.S.A., Inc. Project) Series 2019 (the “Bond”) in the maximum aggregate principal amount of \$60,000,000, substantially in the form of Exhibit A, and (ii) the execution and delivery of this Indenture.

Section 103. [Reserved] .

Section 104. The Agreement. The Issuer has entered into a Lease Agreement dated as of the date of this Indenture (together with any and all amendments and supplements, the “Agreement”) with the Company, under which the Issuer has leased the Project Property (as defined in the Agreement) to the Company, and the Company has agreed to make rental payments in amounts sufficient to pay the principal of, interest on and redemption price of the Bond when due. For the purpose of providing security for the payment of the principal of, interest on and redemption price of the Bond, the Issuer wishes to assign to the Purchaser all of its interests in the Agreement (other than the Unassigned Rights) and to grant to the Purchaser a security interest in the Project Property, which security interest shall be junior and subordinate to the prior security interest in the Project Property granted by the Company to _____ (defined as the

"Senior Lender" in the Agreement).

Section 105. The Indenture; Collateral Pledge. The Bond is to be issued under this Indenture which constitutes a security agreement and a collateral pledge of the Agreement to the Purchaser.

Section 106. Conditions Precedent Performed. Based on the opinion of Bond Counsel, all acts, conditions and things required on the part of the Issuer by the Constitution and laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Indenture and the Agreement and the issuance of the Bond have happened, exist and have been performed as so required in order to make this Indenture, the Agreement and the Bond valid and binding agreements of the Issuer, enforceable against the Issuer in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and general principles of equity.

ARTICLE II - DEFINITIONS AND RULES OF CONSTRUCTION

Section 201. Meanings of Words and Terms. All words and terms defined in the Agreement have the same meanings when used in this Indenture. In addition:

"Acquisition Account" has the meaning assigned in Section 601.

"Act" has the meaning assigned in Section 101.

"Agreement" has the meaning assigned in Section 104.

"Authorized Company Representative" means any one of the persons at the time designated to act on behalf of the Company in a certificate furnished to the Issuer and the Depositary containing the specimen signatures of such persons and signed on behalf of the Company by an officer of the Company.

"Basic Rent" has the meaning set forth in the Agreement.

"Bond" has the meaning assigned in Section 102.

"Bond Counsel" means Law Offices of Robert M. Strumor, LLC, Santa Fe, New Mexico.

"Bond Documents" means this Indenture, the Agreement and the Bond Purchase Agreement.

"Bond Purchase Agreement" means the Bond Purchase Agreement dated the date of the execution and delivery of this Indenture among the Purchaser, the Issuer and the Company.

"Business Day" means any day that is not a Saturday or Sunday or a day on which banking institutions in the State or in the city of payment are authorized or required to close.

"Company" has the meaning assigned in the first paragraph of this Indenture.

"Company Financing" has the meaning set forth in the Agreement.

"Completion Date" has the meaning set forth in the Agreement.

"Council" has the meaning assigned in Section 101.

"Default" has the meaning assigned in Section 801.

"Depository" has the meaning assigned in the first paragraph of this Indenture.

"Indenture" means this Indenture, together with any amendments and supplements.

"Interest Payment Date" means each _____ 1 beginning _____.

"Issuer" has the meaning assigned in the first paragraph of this Indenture.

"Ordinance" has the meaning assigned in Section 102.

"Parties" means the Issuer, the Company, the Purchaser and the Depository.

"Party" means any one of the Parties.

"Payment of the Bond" means payment in full of the principal of and interest on the Bond in accordance with its terms and the provisions of this Indenture and payment of all fees and expenses of the Issuer and the Depository payable by the Company under this Indenture, the Agreement or the Bond Purchase Agreement.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision.

"Project Property" has the meaning set forth in the Agreement.

"Purchaser" has the meaning assigned in the first paragraph of this Indenture.

"Related Costs" means expenditures incurred or to be incurred with respect to the Project, including, without limitation, the acquisition of Improvements and the payment of principal of and interest on any loan the proceeds of which are used to acquire the Improvements and costs of issuance relating to the Bond.

"Requisition and Certificate" has the meaning assigned in Section 602 hereof.

"Revenues" means all payments to be made by the Company pursuant to the Agreement and all other amounts to be received by the Issuer or the Depository in respect of the Project, including all amounts and investments in the funds and accounts created hereunder and all income and profits thereon.

"State" means the State of New Mexico.

“Unassigned Rights” has the meaning assigned in Section 2.1 of the Agreement.

Section 202. Rules of Construction.

(a) The captions and headings in this Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Indenture.

(b) All references in this Indenture to particular articles, sections or exhibits are references to articles or sections of or exhibits to this Indenture unless some other reference is established.

(c) Any inconsistency between the provisions of the Agreement and the provisions of this Indenture will be resolved in favor of the provisions of this Indenture.

Section 203. Bond Not General Obligation of Issuer. Neither the faith and credit nor the taxing power of the State or of any of its political subdivisions, including the Issuer, is pledged to the payment of the principal of, interest on or redemption price of the Bond. The Bond will be payable solely out of the Basic Rent, proceeds and receipts and other security pledged hereby. The principal of, interest on and redemption price of the Bond will never constitute a debt or indebtedness or general obligation of the Issuer within the meaning of any State constitutional provision or statutory limitation. The Bond will never constitute or give rise to a pecuniary liability of the Issuer or be a charge against its general credit or a charge against the general credit or the taxing powers of the State or any political subdivision thereof.

ARTICLE III – GRANT

Section 301. Pledge and Grant of Security Interest. In consideration of the purchase of the Bond by the Purchaser, and in order to secure the payment of the principal of, interest on and redemption price of the Bond, and in order to secure the performance by the Issuer of its obligations under this Indenture and the Bond, the Issuer pledges and assigns to the Purchaser and grants a security interest to the Purchaser in (i) all the Issuer’s right, title and interest in and to the Agreement (except for the Unassigned Rights), including, without limitation, its rights to the Basic Rent; (ii) the Project Property; and (iii) the monies and investments in the Acquisition Account.

Section 302. Release. If the principal of and interest on the Bond is paid in full to the Purchaser, all obligations of the Issuer under this Indenture will terminate, and the Purchaser will discharge this Indenture and execute and deliver to the Issuer and the Company such instruments in writing as may be required to evidence such discharge. The Clerk of the Issuer is authorized to accept the certificate of the Purchaser that all principal and interest due on the Bond has been paid as evidence of the satisfaction of this Indenture.

Section 303. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of this Indenture and any related legislation which relate to the maturity of the Bond, interest payments and dates thereof, exchange, transfer and registration of the Bond, replacement of the mutilated, destroyed, lost or stolen Bond, nonpresentment of the Bond, the holding of monies

in trust, and repayments to the Company from the various funds established pursuant to this Indenture and the duties of the Depositary in connection with all of the foregoing, will remain in effect and be binding upon the Depositary and the Purchaser notwithstanding the release and discharge of this Indenture. The provisions of this Section will survive the release, discharge and subordination of this Indenture.

Section 304. Further Assurances.

(a) The Issuer, the Purchaser and the Company will, at the direction of the Depositary or the Purchaser, _____ (defined as the "Senior Lender" in the Agreement) or any other senior secured lenders of the Purchaser or the Company, or an agent therefor (which shall be deemed to be beneficiaries of this provision), and at the expense of the Company, take all actions that at the time are and from time to time may be reasonably necessary to perfect, preserve, protect and secure the interests of the Depositary, the Issuer, the Company and the Purchaser in and to the Agreement, including, without limitation, the Basic Rent, in the Project Property and in the monies and investments in the Acquisition Account, including, without limitation, the filing of financing statements and continuation statements and the execution, acknowledgement, delivery, filing and recordation of any other necessary agreements and instruments.

(b) Purchaser agrees to subordinate its right as pledgee, assignee and secured party as provided in Section 301 hereof to _____ and any other financial institution, lender or other financing party providing all or part of the Company Financing, from time to time, and to enter into agreements as the Company, its members, or any subsidiary or affiliate of the company may reasonably request to evidence such subordination.

ARTICLE IV - AUTHORIZATION, FORM, EXECUTION AND DELIVERY OF BOND

Section 401. Authorization; Authorized Amount of Bond. The Bond is hereby authorized to be issued under this Indenture for the purpose of financing the Project and secured by this Indenture. The Bond will be issued as a single fully registered bond without coupons, in the denomination of the maximum principal amount of \$60,000,000, numbered R-1. No bonds may be issued under this Indenture except in accordance with this Article. The total principal amount of the Bond issued under this Indenture is expressly limited \$60,000,000. No additional bonds may be issued. The Bond may be transferred in accordance with the terms of this Indenture and the Bond.

Section 402. Form of Bond. The Bond will be in substantially the form of Exhibit A. The Bond will be dated the date of the execution and delivery of this Indenture and will bear interest on advances made pursuant to Section 404 from the respective dates of such advances at _____% per annum on the aggregate unpaid principal amount of such advances. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Accrued interest

will be paid on each Interest Payment Date. The Bond will mature on July 1, 2039 or at such earlier date as fully paid and redeemed, as provided in Section 501 or Section 606 hereof.

Section 403. Execution and Delivery. The Bond will be signed by the Chair of the County Council and will be attested by the County Clerk of the Issuer and delivered to the Purchaser on the date of the execution and delivery of this Indenture.

Section 404. Advances. Subject to the terms and conditions of the Bond Purchase Agreement, the Purchaser will purchase the Bond upon the execution and delivery of the Indenture and will pay the purchase price of the Bond as set forth in Section 2 of the Bond Purchase Agreement through the advances described in this Section 404. The Company will request advances by notice to the Purchaser and the Depository in accordance with Section 602 of this Indenture. Promptly upon receipt of notice from the Company requesting an advance, the Purchaser will, so long as no Default has occurred and is continuing, pay the amount of the advance requested in such notice to the Depository for deposit in the Acquisition Account; provided that the aggregate amount of such advances will not exceed \$60,000,000. The records of the Depository will be conclusive as to the aggregate amount of advances requested and made, absent manifest error. The Purchaser is authorized to endorse on the schedule attached to the Bond the date and amount of each such advance and each principal payment on and redemption in part of the Bond and the resulting principal amount. Failure to make any such endorsement or any error in such endorsement will not affect the rights or obligations of any of the Parties on or with respect to the Bond.

Section 405. Application of Payments. Payments received by the Purchaser with respect to the redemption of all or any portion of the Bond will be applied first to the principal amount to be redeemed and then to accrued interest on such principal amount. All other payments received by the Purchaser with respect to the Bond will be applied first to accrued interest on and then to the unpaid principal of the Bond. If such payments exceed accrued interest on and the unpaid principal of the Bond, the Purchaser will pay such excess to the Company.

Section 406. Bond Registration. The Company on behalf of the Issuer will maintain a registration book showing the name and address of the holder of the Bond. Upon the Company's receipt of notice of the transfer of the Bond in accordance with its terms, the Company will cause the registration book to reflect the name and address of the transferee, unless a trustee for bondholders is appointed as provided in this Indenture, in which event such trustee will maintain such registration book.

The Bond may be transferred by the Purchaser in whole, but not in part, in person or by duly authorized attorney, in the registration book of the Issuer but only upon (i) surrender of the Bond, (ii) delivery of a written transfer instrument, and (iii) compliance with the Securities Act of 1933, as amended (the "Securities Act"), and applicable state securities laws as established to the satisfaction of the Issuer, and delivery to the Issuer, the Depository and the Company of (A) an opinion, in form and substance satisfactory to the Issuer, from legal counsel experienced in securities laws matters, which counsel must be satisfactory to the Issuer, to the effect the transfer complies with the Securities Act and applicable state securities laws and (B) written representations from the transferee, in form and substance satisfactory to the Issuer, necessary to establish such compliance, all as further set forth in the Bond form attached as Exhibit A, provided

that the conditions described in (iii)(A) and (B) shall not apply to the transfer of the Bond pursuant to any pledge by the Purchaser of the Bond as collateral to one or more financial institutions. The Issuer agrees that it will cooperate in delivering a new Bond, registered in the name of the transferee. The person requesting the transfer will pay any tax or fee or other charge imposed on the transfer. The Issuer may deem and treat the person in whose name the Bond is registered as the absolute owner thereof for the purpose of receiving payment and for all other purposes, and all such payments made to any such registered owner or upon its written order will be valid and effectual to satisfy and discharge the liability upon the Bond, to the extent of the sum or sums paid; and the Issuer will not be affected by any notice to the contrary.

Section 407. Ownership. The ownership of the Bond will be proved by the registration book maintained pursuant to Section 406 of this Indenture. Any request, demand, authorization, direction, notice, consent, waiver or other act of the holder of any Bond will bind every future holder of such Bond and the holder of every Bond issued upon the registration of transfer thereof or in exchange therefore or in lieu thereof in respect of anything done, omitted or suffered to be done by the Depositary or the Company in reliance thereon, whether or not notation of such action is made upon such Bond.

ARTICLE V - REDEMPTION

Section 501. Redemption. If the Company gives notice to the Issuer, the Depositary and the Purchaser pursuant to Article VIII of the Agreement that the Company has elected to cause redemption of the Bond in full or in part and the Company pays the redemption price, all or such portion of the Bond will be deemed redeemed by the Issuer on the date indicated in such notice at a redemption price equal to the principal amount to be redeemed plus accrued interest on such principal amount to the redemption date. If the Company redeems the Bond in full before the Completion Date, any monies held in the Acquisition Account will be returned to the Company.

ARTICLE VI - THE ACQUISITION ACCOUNT

Section 601. Creation; Deposits. A special account is hereby created with the Depositary and designated "Incorporated County of Los Alamos, New Mexico, Industrial Revenue Bond (Pebble Labs U.S.A., Inc. Project), Series 2019 Acquisition Account" (the "Acquisition Account"). Any monies received by the Issuer or the Depositary on account of any advances under Section 404 will be deposited in the Acquisition Account. The monies in the Acquisition Account will be held by the Depositary and will, subject to the provisions of Sections 605 and 606, be applied to the payment of Related Costs and, pending such application, will be subject to a lien in favor of the Purchaser.

Section 602. Disbursements. The Depositary will make payments of Related Costs from the Acquisition Account, but only upon (a) receipt of sufficient monies from the Purchaser for deposit in the Acquisition Account; and (b) receipt of a requisition and certificate in the form of Exhibit B (the "Requisition and Certificate"), signed by an Authorized Company Representative,

stating to whom the payment is to be made, the general purpose for which the obligation to be paid was incurred, and that:

(1) obligations in the stated amounts were incurred for Related Costs and are due and payable (or, if the Company is indicated as the payee, were duly paid by the Company) and that each item is a proper charge against the Acquisition Account and has not been the subject of a previous withdrawal from the Acquisition Account;

(2) to the best knowledge of such Authorized Company Representative there has not been filed with or served upon the Issuer or the Company notice of any lien, right or attachment upon, or claim affecting the right of any such Persons to receive payment of, the respective amounts stated in such Requisition and Certificate which has not been released or will not be released simultaneously with the payment of such obligation; and

(3) with respect to any item for payment for labor or to contractors, builders or materialmen, (i) the obligations stated have been properly incurred, (ii) to the best knowledge of such Authorized Company Representative, such work was actually performed or such materials or supplies were actually furnished or installed in or about the Project, and (iii) to the best knowledge of such Authorized Company Representative, either such materials or supplies are not subject to any lien or security interest or any such lien or security interest will be released or discharged upon payment of the Requisition and Certificate.

Section 603. Depository May Rely on Requisitions. All executed Requisition and Certificates received by the Depository as conditions of payment from the Acquisition Account may be conclusively relied upon by the Depository and will be retained by the Depository, subject at all reasonable times to examination by the Issuer and other Parties and their respective agents and representatives. The Depository will have no duty or obligation to verify the content of any Requisition and Certificate.

Section 604. Status Reports. On a quarterly basis, the Depository will deliver to the Company a written report covering all receipts and monies then on deposit in the Acquisition Account, any investments of such monies and all transfers and disbursements of such monies as at and for the quarterly periods ending March 31, June 30, September 30 and December 31 of each year. The Depository will make such reports monthly, at no additional cost, if the Company requests. The Depository will provide copies of such quarterly and/or monthly reports to the Issuer upon the Issuer's written request.

Section 605. Completion Date. Upon receipt of a certificate from the Company, in the form of Exhibit C signed by an Authorized Company Representative, establishing the Completion Date, the Depository will, to the extent monies are available therefor, set aside the monies necessary for the payment of the Related Costs incurred by the Company but not then due or payable as set forth in such certificate and then will transfer any monies remaining in the Acquisition Account to the Company for use in connection with the Project or for payment of debt service on the Bond (but the Depository and the Issuer will have no duty to inquire into or otherwise monitor, and will not have any liability associated with, the Company's use of such monies). After all Related Costs have been paid, the Depository's duties hereunder will cease as set forth in Section 904(d).

Section 606. Payment on Acceleration. If the Purchaser declares the unpaid principal of and accrued interest on the Bond to be immediately due and payable pursuant to Section 802, the Depository, to the extent permitted by law, will promptly pay all monies then held for the credit of the Acquisition Account to the Purchaser for application to the unpaid principal of and accrued interest on the Bond.

Section 607. Investments. Monies on deposit in the Acquisition Account will, at the written direction of an Authorized Company Representative, be invested and reinvested by the Depository in short-term interest-bearing securities or funds as set forth on Exhibit D. Such investments will be deemed at all times to be a part of the Acquisition Account. Any interest accruing on any such investment and any profit realized from such investment will be credited to the Acquisition Account. Any loss resulting from any such investment will be charged to the Acquisition Account. The Depository will sell at the best price obtainable or present for redemption any such investment when necessary in order to provide cash to meet any payment or transfer from the Acquisition Account. Neither the Depository nor the Issuer will be liable or responsible for any loss resulting from any such investment or liquidation of any investment. The Depository may make any such investment through its own or its affiliated bond or investment department, unless otherwise directed in writing by an Authorized Company Representative.

ARTICLE VII - PARTICULAR COVENANTS AND PROVISIONS

Section 701. Payment of Bond; Bond Limited Obligation. Pursuant to the Agreement, the Company is required to pay the principal of, interest on and redemption price of the Bond at the times and in the amounts provided in Section 402 of this Indenture and in the Bond, directly to the Purchaser. Except as otherwise provided in this Indenture, such principal, interest and redemption price are payable solely from the Basic Rent, which the Company will pay as provided in the Agreement. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE ISSUER, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, INTEREST ON OR REDEMPTION PRICE OF THE BOND. THE PRINCIPAL OF, INTEREST ON AND REDEMPTION PRICE OF THE BOND WILL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR LAWS OF THE STATE. THE BOND WILL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE, ANY OF ITS POLITICAL SUBDIVISIONS OR OF THE ISSUER OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

Section 702. Obligations Under the Agreement. The Issuer: (i) will perform all of its obligations under the Agreement; (ii) will not execute or agree to any change, amendment or modification of or supplement to the Agreement except by a supplement or an amendment duly executed by the Issuer and the Company with the written approval of the Purchaser; and (iii) will not agree to any abatement, reduction or diminution of the Basic Rent without the written approval of the Purchaser.

Notwithstanding the above paragraph, it is the intention of the Agreement, that the Company will make payments to the Purchaser for the account of the Issuer, in such amounts and at such times as are necessary to make all payments of principal of, interest on and redemption

price of the Bond in accordance with the terms of the Bond Documents as and when due, and all such payments will be netted against any monies and investments made by the Purchaser to the Acquisition Account (including interest income). The Purchaser will look only to the Company for payment of the Bond and upon the security granted in the Indenture for the Company's obligations under the Agreement. As described in Section 6.1 of the Agreement, the Issuer will assign and pledge to the Purchaser all right, title and interest of the Issuer in and to the Agreement (except for the Unassigned Rights), including the right to receive payments thereunder.

ARTICLE VIII - DEFAULT AND REMEDIES

Section 801. Defaults. Each of the following events is a "Default":

- (a) Payment of any installment of principal of, interest on or redemption price of the Bond is not made within ten days of the date when due.
- (b) An Event of Default under the Agreement occurs and is continuing.
- (c) The Company fails to perform any other of its obligations under the Bond or this Indenture for a period of 30 days after receipt of notice of such failure from any of the Parties.

Section 802. Acceleration. If a Default has occurred and is continuing, the Purchaser may by notice to the other Parties declare the then unpaid principal of and all accrued interest on the Bond to be immediately due and payable. Upon such declaration the same will be immediately due and payable by the Company; provided, however, that the Purchaser, by written notice to the other parties, may annul such declaration and destroy its effects and waive any such default if all reasonable charges and expenses of the Issuer and the Depositary and their agents and counsel have been paid or provided for.

Section 803. Issuer and Depositary Not Responsible. Neither the Issuer nor the Depositary has any responsibility to act on behalf of the Purchaser with respect to any Default. All rights and remedies arising from or related to any Default are the rights and remedies of the Purchaser; provided that, upon request of the Purchaser, the Issuer, if legally permitted, will cooperate with the Purchaser in the lawful enforcement of such rights and remedies upon receipt of indemnity satisfactory to the Issuer in the Issuer's sole discretion against any out-of-pocket cost, expense (including any reasonable counsel fees and expenses) or liability the Issuer may incur or suffer as a result of or in connection with such cooperation, subject to the provisions concerning the appointment of a trustee set forth in Article X.

ARTICLE IX - THE DEPOSITARY

Section 901. Acceptance of Duties. The Depositary accepts the duties imposed on it by this Indenture, but only on the following express terms and conditions:

- (a) The Depositary undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations will be read into this Indenture against the Depositary.

(b) In the absence of negligence or willful misconduct on its part, the Depositary may conclusively rely on certificates or notices furnished to the Depositary and conforming on their faces to the requirements of this Indenture or the Agreement, as the case may be; but if any such certificates or notices are specifically required to be furnished to the Depositary under this Indenture or the Agreement, the Depositary will examine the same to determine whether they conform on their faces to the requirements of this Indenture or the Agreement, as the case may be.

(c) No provision of this Indenture will be construed to relieve the Depositary from liability for its own negligence or willful misconduct.

(d) The Depositary may consult with counsel and other professionals and the advice of such counsel and other professionals will be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Depositary hereunder in good faith and in reliance thereon.

(e) The Depositary will be under no obligation to take any action or exercise any right or power under this Indenture unless the Purchaser will first have provided to the Depositary, its directors, officers, agents and employees, security or indemnity satisfactory to the Depositary against the fees, costs (including without limitation reasonable fees of attorneys), expenses and liabilities that might be incurred by the Depositary in connection therewith.

(f) [Reserved].

(g) The recitals contained herein and in the Bond will be taken as the statements of the Company, and the Depositary assumes no responsibility for their correctness. The Depositary makes no representations as to the validity or sufficiency of this Indenture or of the Bond. The Depositary will not be accountable for the use or application by the Issuer or the Company of the Bond or the proceeds thereof.

(h) Money held by the Depositary in trust hereunder need not be segregated from other funds except to the extent required by law. The Depositary will be under no liability for any interest on any money received by it hereunder except as otherwise provided in Section 607 of this Indenture.

(i) None of the provisions contained in this Indenture will require the Depositary to use or advance its own funds in the performance of any of its duties or the exercise of any of its rights or powers hereunder.

(j) In no event will the Depositary be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Depositary has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 902. Compensation. The Company will pay to the Depositary its reasonable fees and charges and all of its reasonable expenses (including reasonable counsel fees and expenses, including extraordinary fees and expenses) as Additional Payments in accordance with Section 5.3(B)(i) of the Agreement; provided, however, to the extent not so paid on a timely basis, the

Depository may make disbursements to pay such unpaid amounts to itself from any amounts Depository holds under this Indenture.

Section 903. Qualification. The Depository must be an association or a corporation organized and doing business under the laws of the United States of America or of any state, be granted trust powers under such laws and be subject to supervision or examination by federal or state banking authorities. If at any time the Depository ceases to be eligible in accordance with the provisions of this Section 903, it will resign immediately in the manner and with the effect specified in Section 904.

Section 904. Resignation and Removal.

(a) No resignation or removal of the Depository and no appointment of a successor Depository will become effective until the acceptance of appointment by the successor Depository under Section 905.

(b) The Depository may resign at any time by notice to the other Parties. If an instrument of acceptance by a successor Depository has not been delivered to the retiring Depository within 30 days after the giving of such notice of resignation, the retiring Depository may petition any court of competent jurisdiction for the appointment of a successor Depository.

(c) The Depository may be removed at any time by the Company by notice to the other Parties.

(d) The Depository will be automatically removed on the occurrence of the later of (i) the Completion Date and the application of all monies on deposit in the Acquisition Account as provided in Section 605 or (ii) the date on which the Depository no longer holds funds for payment of Related Costs. No successor Depository will thereafter be appointed and each reference to the Depository in this Indenture and the Agreement will thereafter be ineffective.

(e) If the Depository resigns or is removed (except as provided in subsection (d) of this Section 904), the Company will promptly appoint a successor Depository and give written notice of such appointment to the Issuer, the Purchaser and the retiring or removed Depository.

Section 905. Successor Depository.

(a) Every successor Depository appointed under this Indenture will execute, acknowledge and deliver to its predecessor, and the other Parties an instrument accepting such appointment, and thereupon such successor Depository, without any further act, will become fully vested with all the rights, and subject to all the obligations, of its predecessor; but such predecessor will, nevertheless, on the request of its successor, the Issuer, the Company or the Purchaser execute and deliver an instrument transferring to such successor Depository all the rights of such predecessor under this Indenture. Every predecessor will deliver all property and monies held by it under this Indenture to its successor. The Issuer and the Purchaser will execute, acknowledge and deliver any instrument reasonably required by any successor Depository to more fully and certainly vest in such Depository the rights vested in the predecessor Depository by this Indenture.

(b) Notwithstanding any of the foregoing provisions of this Article, any Person qualified to act as Depositary under this Indenture with or into which the Person acting as Depositary may be merged or consolidated, or to which all or substantially all of the corporate trust assets and business of such Person may be sold, will automatically become the successor Depositary.

Section 906. Indemnification. In the Agreement, the Issuer has required the Company to indemnify and hold the Depositary and its directors, officers, agents and employees (collectively the “Indemnitees”) harmless from and against any and all claims, liabilities, losses, damages, fines, penalties, and expenses, including out-of-pocket and incidental expenses and legal fees (including the allocated costs and expenses of in-house counsel and legal staff) (“Losses”) that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them for following any instructions or other directions upon which the Depositary is authorized to rely pursuant to the terms of this Indenture. In addition to and not in limitation of the immediately preceding sentence, in the Agreement, the Issuer has required the Company to also indemnify and hold the Indemnitees and each of them harmless from and against any and all Losses that may be imposed on, incurred by, or asserted against, the Indemnitees or any of them in connection with or arising out of the Depositary’s performance under the Indenture and the Agreement; provided the Indemnitees have not acted with negligence or engaged in willful misconduct. The rights of the Depositary under such indemnification will survive the payment in full of the Bond, the discharge of this Indenture, or the resignation or removal of the Depositary. The Depositary has reviewed the indemnities set forth in the Agreement and acknowledges that the requirement set forth in this paragraph has been satisfied by the Issuer and agrees that in the event the Company fails to perform its obligations under the Agreement relating to such undertakings, the Depositary will not make claim against the Issuer with respect thereto.

ARTICLE X - SUPPLEMENTS AND AMENDMENTS TO INDENTURE

This Indenture may be supplemented or amended only by one or more instruments executed by the Issuer, the Purchaser and the Depositary and consented to by the Company. The Depositary will execute any such proposed supplement or amendment on the request of the Purchaser unless the Depositary determines in good faith that its rights or obligations under this Indenture would be materially and adversely affected by such supplement or amendment. If the rights or obligations of the Depositary would be materially and adversely affected by such supplement or amendment, as determined in good faith by the Depositary, the Depositary will have no liability for its refusal to enter into such supplement or amendment. Notwithstanding the generality of the foregoing, if the Purchaser gives notice to the Issuer, the Depositary and the Company of the Purchaser’s desire to have a trustee appointed for the benefit of the Purchaser, to the extent permitted by law the Parties will cooperate in amending this Indenture to facilitate such appointment. Nothing herein is intended to require the Issuer to act in a fiduciary capacity and if the Purchaser transfers the Bond in compliance with the conditions set forth on the Bond and if circumstances arise which would so require, the Issuer has the right to request that a trustee be appointed by and at the expense of the Company and the Parties will cooperate in amending this Indenture to facilitate the making of such appointment.

ARTICLE XI - MISCELLANEOUS PROVISIONS

Section 1101. Notice. Any notice, demand, direction, request, consent, report or other instrument authorized or required by any of the Bond Documents to be executed, given or filed will be in writing and will be deemed to have been sufficiently given or filed for all purposes of the Bond Documents when delivered by hand delivery or on the third Business Day following the day on which the same has been mailed by registered or certified mail, postage prepaid, addressed as follows:

If to the Issuer: Incorporated County of Los Alamos, New Mexico
1000 Central Avenue
Los Alamos, New Mexico 87544
Attention: _____

If to the Purchaser: Pebble Labs Acquisitions LLC

If to the Company: Pebble Labs U.S.A., Inc.

and

If to the Depositary: Susen Ellis
BOKF, NA
100 Sun Ave. NE, Suite 500
Albuquerque, NM 87109
www.bokffinancial.com

Any Party may, by notice to each of the other Parties, designate any further or different addresses to which subsequent notices, certificates or other communications are to be sent.

Section 1102. Remedies. No right or remedy conferred on any Party in any of the Bond Documents is intended to be exclusive of any other right or remedy. Each such right or remedy is in addition to every other right or remedy provided in any of the Bond Documents or by law. No delay or omission of any Party to exercise any such right or remedy will impair any such right or remedy or be construed to be a waiver. Every such right or remedy may be exercised from time to time and as often as the relevant Party may deem expedient. No waiver by any Party of any right or remedy with respect to any Default or Event of Default will extend to or affect any other existing or subsequent Default or Event of Default.

Section 1103. Beneficiaries. Nothing in any of the Bond Documents expressed or implied is intended or is to be construed to confer upon any Person other than the Parties (and, in the case of Section 5.8 of the Agreement only, the Indemnitees) any right, remedy or claim, legal or

equitable.

Section 1104. Severability. In case any one or more of the provisions of any of the Bond Documents or of the Bond is for any reason held to be illegal or invalid, such illegality or invalidity will not affect any other provision of any of the Bond Documents or of the Bond, but the Bond Documents and the Bond will be construed and enforced as if such illegal or invalid provision had not been contained therein. In case any covenant, stipulation, obligation or agreement of the Issuer contained in any of the Bond Documents or the Bond is for any reason held to be in violation of law, then such covenant, stipulation, obligation or agreement will be deemed to be the covenant, stipulation, obligation or agreement of the Issuer to the full extent permitted by law.

Section 1105. Obligations of Issuer Not Obligations of Officials Individually. All obligations of the Issuer under the Bond Documents and the Bond will be deemed to be obligations of the Issuer to the full extent permitted by the Constitution and laws of the State. No obligation under any of the Bond Documents or the Bond will be deemed to be an obligation of any present or future officer (including, without limitation, Councilors) or employee of the Issuer in his or her individual capacity, and no officer of the Issuer who executes the Bond will be personally liable on the Bond or be subject to any personal liability or accountability by reason of the issuance of the Bond.

Section 1106. Payments Due on Days That Are Not Business Days. If the date for any payment called for under any of the Bond Documents or the Bond is not a Business Day, then such payment will be made on the next Business Day and no interest on such payment will accrue for the period after such date.

Section 1107. Execution in Counterparts. Each of the Bond Documents may be executed in multiple counterparts, all of which taken together will constitute one instrument. Any Party may execute any of the Bond Documents by executing any such counterpart of such Bond Document.

Section 1108. Applicable Law. The validity, construction and effect of each of the Bond Documents will be governed by the law of the State applicable to agreements made and to be performed in the State.

Section 1109. Survival. The provisions of Sections 901 and 902 of this Indenture will survive payment of the Bond and expiration or earlier termination of this Indenture.

Section 1110. No Violation of Public Policies Regarding Indemnity. If a court of competent jurisdiction determines that the provisions of Sections 56-7-1 or 56-7-2 NMSA 1978, as amended, are applicable to this Agreement or any claim arising under this Agreement, then any agreement to indemnify in connection with this Agreement will not extend to liability, claims, damages, losses or expenses, including attorney fees, arising out of:

(a) The preparation or approval of maps, drawings, opinions, reports, surveys, change orders, designs or specifications by the indemnitee, or the agents or employees of the indemnitee; or

(b) The giving of or the failure to give directions or instructions by the indemnitee, or the agents or employees of the indemnitee, where such giving or failure to give directions or instructions is the primary cause of bodily injury to persons or damage to property.

Section 1111. Non-Merger. The provisions of this Indenture will survive the conveyance of the Project Property to the Issuer, the reconveyance of the Project Property to the Company, and all other performances hereunder, and will not be deemed merged in any deed or other instrument or document delivered hereunder.

DATED AS OF July 15, 2019

INCORPORATED COUNTY OF LOS ALAMOS,
NEW MEXICO

By: _____

PEBBLE LABS ACQUISITIONS LLC, a New Mexico
limited liability company, as Purchaser

By: _____

Its:

PEBBLE LABS U.S.A., INC., a New Mexico corporation,
as Company

By: _____

Its:

BOKF, NA, as Depositary

By: _____

Its: _____

[Signature Page to Indenture]

EXHIBIT A

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT
OF 1933, AS AMENDED, OR BY ANY STATE SECURITIES LAW AND
IS TRANSFERABLE ONLY UPON COMPLIANCE WITH THE
RESTRICTIVE TERMS PROVIDED BELOW AND IN
THE INDENTURE REFERRED TO BELOW.

No. R-1

Maximum Principal Amount: \$60,000,000

United States of America
State of New Mexico

Incorporated County of Los Alamos, New Mexico
Taxable Industrial Revenue Bond
(Pebble Labs U.S.A., Inc. Project)
Series 2019

MATURITY DATE

July 1, 2039

INTEREST RATE

_____% per annum

ISSUE DATE

As of July 15, 2019

INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO, a county existing under the Constitution and laws of the State of New Mexico (the “Issuer”), for value received, promises to pay, solely from the source described below, to Pebble Labs Acquisitions LLC, a New Mexico limited liability company (together with its successors and assigns, and transferees as permitted below, the “Purchaser”), on the Maturity Date, _____ Million Dollars (subject to prior optional or mandatory redemption as described below) or so much of such amount as has been advanced by the Purchaser and is outstanding and to pay, solely from such source, to the Purchaser under the Indenture as shown on the records of Pebble Labs U.S.A., Inc., a New Mexico corporation (the “Company”) at the close of business on the day 15 days before the relevant payment date, interest on principal amounts advanced with respect to this Bond from the dates of such advances at the Interest Rate specified above (computed on the basis of a 360-day year consisting of twelve 30-day months) until payment of such principal amount. Such interest is payable annually on _____1 in each year, beginning _____.

This Bond is issued under and pursuant to the Constitution and laws of the State of New Mexico, particularly Sections 3-32-1 through 3-32-16, and 4-59-1 through 4-59-16 NMSA 1978, as amended, and pursuant to an ordinance duly adopted by the Issuer.

The principal of, interest on and redemption price of this Bond are payable solely from the Basic Rent derived by the Issuer from the Lease Agreement dated as of July 15, 2019 (the “Agreement”) between the Issuer and the Company, which Agreement relates to a scientific laboratory in the County of Los Alamos, New Mexico and related infrastructure, facilities and equipment, and which revenues have been pledged and assigned by the Issuer to the Purchaser under the Indenture dated as of July 15, 2019 (together with any amendments and supplements, the “Indenture”) among the Issuer, the Purchaser, the Company and BOKF, NA, as Depositary (the “Depositary”).

Reference is made to the Indenture, the Agreement, and the Bond Purchase Agreement for the provisions, among others, with respect to the custody and application of the proceeds of the sale of this Bond, the collection and disposition of income and other revenues, the transfer of the Bond, a description of the account charged with and pledged to the payment of the principal of, interest on and redemption price of this Bond, the nature and extent of the security, the terms and conditions under which this Bond is issued and amounts are to be advanced with respect to this Bond by the Purchaser, and the rights, duties and obligations of the Issuer, the Company, the Purchaser and the Depositary. By accepting this Bond, the holder accepts and undertakes to perform all of the obligations of the Purchaser.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF NEW MEXICO OR OF ANY OF ITS POLITICAL SUBDIVISIONS, INCLUDING THE ISSUER, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, INTEREST ON OR REDEMPTION PRICE OF THIS BOND. THE PRINCIPAL OF, INTEREST ON AND REDEMPTION PRICE OF THIS BOND WILL NEVER CONSTITUTE A DEBT OR INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY PROVISION OR LIMITATION OF THE CONSTITUTION OR LAWS OF THE STATE OF NEW MEXICO. THIS BOND WILL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE STATE OF NEW MEXICO, ANY OF ITS POLITICAL SUBDIVISIONS OR OF THE ISSUER OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWERS.

This Bond may be called for redemption, as provided in the Indenture, at the option of the Company in full or in part on any date selected by the Company, at a redemption price equal to the principal amount to be redeemed plus interest accrued on such principal amount to the redemption date and shall be redeemed in part pursuant to Schedule I attached hereto.

If a Default (as defined in the Indenture) occurs, the Purchaser may cause the then unpaid principal amount of this Bond and all accrued interest to be immediately due and payable as provided in the Indenture. Neither the Issuer nor the Depositary has any responsibility to act on behalf of the Purchaser with respect to any Default.

The Purchaser is authorized to endorse on the Schedule attached to this Bond the date and amount of each advance by the Purchaser pursuant to Section 404 of the Indenture and each principal payment on and redemption in part of this Bond and the resulting principal amount. Failure to make any such endorsement or any error in such endorsement will not affect the rights or obligations of the Issuer, the Company, the Purchaser or the Depositary on or with respect to the Bond.

This Bond may be transferred in whole but not in part. NOTWITHSTANDING ANY PROVISION OF THIS BOND TO THE CONTRARY, NEITHER THIS BOND NOR ANY INTEREST IN THIS BOND MAY BE, DIRECTLY OR INDIRECTLY, OFFERED, SOLD, HYPOTHECATED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF (INDIVIDUALLY AND COLLECTIVELY, A "TRANSFER") EXCEPT IN COMPLIANCE WITH SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND APPLICABLE STATE SECURITIES LAWS AS ESTABLISHED TO THE SATISFACTION OF THE ISSUER, AND ANY SUCH PURPORTED TRANSFER WILL NOT BE EFFECTIVE UNLESS THE TRANSFEROR PROVIDES TO THE ISSUER, THE DEPOSITORY AND THE COMPANY (A) AN OPINION, IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, FROM LEGAL COUNSEL EXPERIENCED IN SECURITIES LAWS MATTERS, WHICH COUNSEL MUST BE SATISFACTORY TO THE ISSUER, TO THE EFFECT THE TRANSFER COMPLIES WITH THE ACT AND APPLICABLE STATE SECURITIES LAWS AND (B) WRITTEN REPRESENTATIONS FROM THE TRANSFEREE, IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER, NECESSARY TO ESTABLISH SUCH COMPLIANCE

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

The validity, construction and performance of this Bond are governed by the law of New Mexico applicable to agreements made and to be performed in New Mexico.

[Signature Page to Follow]

INCORPORATED COUNTY OF LOS ALAMOS,
NEW MEXICO

By_____

[SEAL]

Attest:

SCHEDULE I

PRINCIPAL DRAWS

| <u>Date</u> | Amount of <u>Advance</u> | Amount of Principal Payment or <u>Redemption</u> | Resulting Principal <u>Amount</u> | Notation <u>Made By</u> |
|-------------|-----------------------------|---|---|----------------------------|
|-------------|-----------------------------|---|---|----------------------------|

SCHEDULE II

Assumed Issue Date: 07/15/19
Amount at Issuance: \$ 60,000,000.00
Maturity Date: 07/15/39
 * Subject to final closing date and purchase price adjustments

IRB Debt Service Requirements for Pebble Labs*

| Date | Principal Repayment | Annual Rate (%) | Interest Payment | Principal & Interest Payment | Annual Principal & Interest |
|------------------|---------------------|-----------------|------------------|------------------------------|-----------------------------|
| 01/15/20 | \$ - | 3.500% | 1,050,000.00 | \$ 1,050,000.00 | |
| 07/15/20 | 0 | 3.500% | 1,050,000.00 | 1,050,000.00 | \$ 2,100,000.00 |
| 01/15/21 | | | 1,050,000.00 | 1,050,000.00 | |
| 07/15/21 | 0 | 3.500% | 1,050,000.00 | 1,050,000.00 | 2,100,000.00 |
| 01/15/22 | | | 1,050,000.00 | 1,050,000.00 | |
| 07/15/22 | 0 | 3.500% | 1,050,000.00 | 1,050,000.00 | 2,100,000.00 |
| 01/15/23 | | | 1,050,000.00 | 1,050,000.00 | |
| 07/15/23 | 3,529,411.76 | 3.500% | 1,050,000.00 | 4,579,411.76 | 5,629,411.76 |
| 01/15/24 | | | 988,235.29 | 988,235.29 | |
| 07/15/24 | 3,529,411.76 | 3.500% | 988,235.29 | 4,517,647.06 | 5,505,882.35 |
| 01/15/25 | | | 926,470.59 | 926,470.59 | |
| 07/15/25 | 3,529,411.76 | 3.500% | 926,470.59 | 4,455,882.35 | 5,382,352.94 |
| 01/15/26 | | | 864,705.88 | 864,705.88 | |
| 07/15/26 | 3,529,411.76 | 3.500% | 864,705.88 | 4,394,117.65 | 5,258,823.53 |
| 01/15/27 | | | 802,941.18 | 802,941.18 | |
| 07/15/27 | 3,529,411.76 | 3.500% | 802,941.18 | 4,332,352.94 | 5,135,294.12 |
| 01/15/28 | | | 741,176.47 | 741,176.47 | |
| 07/15/28 | 3,529,411.76 | 3.500% | 741,176.47 | 4,270,588.24 | 5,011,764.71 |
| 01/15/29 | | | 679,411.76 | 679,411.76 | |
| 07/15/29 | 3,529,411.76 | 3.500% | 679,411.76 | 4,208,823.53 | 4,888,235.29 |
| 01/15/30 | | | 617,647.06 | 617,647.06 | |
| 07/15/30 | 3,529,411.76 | 3.500% | 617,647.06 | 4,147,058.82 | 4,764,705.88 |
| 01/15/31 | | | 555,882.35 | 555,882.35 | |
| 07/15/31 | 3,529,411.76 | 3.500% | 555,882.35 | 4,085,294.12 | 4,641,176.47 |
| 01/15/32 | | | 494,117.65 | 494,117.65 | |
| 07/15/32 | 3,529,411.76 | 3.500% | 494,117.65 | 4,023,529.41 | 4,517,647.06 |
| 01/15/33 | | | 432,352.94 | 432,352.94 | |
| 07/15/33 | 3,529,411.76 | 3.500% | 432,352.94 | 3,961,764.71 | 4,394,117.65 |
| 01/15/34 | | | 370,588.24 | 370,588.24 | |
| 07/15/34 | 3,529,411.76 | 3.500% | 370,588.24 | 3,900,000.00 | 4,270,588.24 |
| 01/15/35 | | | 308,823.53 | 308,823.53 | |
| 07/15/35 | 3,529,411.76 | 3.500% | 308,823.53 | 3,838,235.29 | 4,147,058.82 |
| 01/15/36 | | | 247,058.82 | 247,058.82 | |
| 07/15/36 | 3,529,411.76 | 3.500% | 247,058.82 | 3,776,470.59 | 4,023,529.41 |
| 01/15/37 | | | 185,294.12 | 185,294.12 | |
| 07/15/37 | 3,529,411.76 | 3.500% | 185,294.12 | 3,714,705.88 | 3,900,000.00 |
| 01/15/38 | | | 123,529.41 | 123,529.41 | |
| 07/15/38 | 3,529,411.76 | 3.500% | 123,529.41 | 3,652,941.18 | 3,776,470.59 |
| 01/15/39 | | | 61,764.71 | 61,764.71 | |
| 07/15/39 | 3,529,411.76 | 3.500% | 61,764.71 | 3,591,176.47 | 3,652,941.18 |
| \$ 60,000,000.00 | | | \$ 25,200,000.00 | \$ 85,200,000.00 | \$ 85,200,000.00 |

EXHIBIT B

REQUISITION AND CERTIFICATE

To: BOKF, NA, as Depositary

The undersigned, pursuant to the Indenture dated as of July 15, 2019 (the “Indenture”), among Incorporated County of Los Alamos, New Mexico (the “Issuer”), Pebble Labs U.S.A., Inc., a New Mexico corporation (the “Company”), Pebble Labs Acquisitions LLC, a New Mexico limited liability company (“Purchaser”) and BOKF, NA, as Depositary, requests on behalf of the Company the disbursement of \$_____ from the Acquisition Account (as defined by reference in the Indenture) to pay the following costs and expenses related to the Project (as defined in the Indenture) or to the issuance of the Bond (as defined in the Indenture):

| <u>Amount</u> | <u>General Classification of Expenditure</u> | <u>Payee</u> |
|---------------|--|--------------|
| \$ | | |

Total: \$

The undersigned certifies that:

(1) obligations in the stated amounts were incurred for Related Costs (as defined in the Indenture) and are due and payable (or, if the Company is indicated as the payee, were duly paid by the Company) and that each item is a proper charge against the Acquisition Account and has not been the subject of a previous withdrawal from the Acquisition Account;

(2) to the best knowledge of the undersigned there has not been filed with or served upon the Issuer or the Company notice of any lien, right or attachment upon, or claim affecting the right of any such payee to receive payment of, the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation; and

(3) with respect to any item for payment for labor or to contractors, builders or materialmen, (i) the obligations stated have been properly incurred, (ii) to the best knowledge of the undersigned, such work was actually performed or such materials or supplies were actually furnished or installed in or about the Project, and (iii) to the best knowledge of the undersigned, either such materials or supplies are not subject to any lien or security interest or any such lien or security interest will be released or discharged upon payment of this requisition.

DATED: _____

Authorized Company
Representative

EXHIBIT C

COMPLETION CERTIFICATE

The undersigned Authorized Company Representative, pursuant to Section 605 of the Indenture dated as of July 15, 2019 (the “Indenture”), among Incorporated County of Los Alamos, New Mexico (the “Issuer”), Pebble Labs U.S.A., Inc., a New Mexico corporation (the “Company”), Pebble Labs Acquisitions LLC, a New Mexico limited liability company (the “Purchaser”), and BOKF, NA, as Depositary, states that, except for specified amounts remaining in the Acquisition Account for any Related Costs shown below incurred by the Company but not now due and payable, the Project is complete and all costs of labor, services, materials and supplies in connection with the Project have been paid for or provisions have been made for their payment. After the transfer of remaining monies in the Acquisition Account to the Company pursuant to Section 605 of the Indenture, the Company will have sole responsibility for the payment of any Related Cost in excess of the amount specified to be retained in the Acquisition Account.

Related Costs Not Yet Due and Payable

| <u>Amount</u> | <u>For</u> |
|---------------|------------|
| \$ | |
| \$ | |
| \$ | |
| \$ | |

DATED: _____

Authorized Company Representative

EXHIBIT D

INVESTMENTS

(a) Direct general obligations of the United States of America or obligations the payment of the principal of and interest on which is unconditionally guaranteed by the United States of America;

(b) Insured certificates of deposit issued by any bank or trust company (including the Depositary or any of its affiliates), organized under the laws of the United States of America which is a member of the Federal Reserve System, and which has combined capital, surplus and retained earnings as indicated on its most recent report of condition of not less than \$60,000,000;

(c) Commercial paper rated A-1 or better by Standard & Poor's Ratings Group and P1 by Moody's Investor's Service (including variable rate demand notes);

(d) Banker's acceptances of any bank or trust company (including the Depositary or any of its affiliates) with a short-term credit rating of A-1 or better by Standard & Poor's Ratings Group and P1 or better by Moody's Investor's Service;

(e) Any cash sweep or similar account arrangements of the Depositary, the entire investments of which are limited to investments described in (a), (b) and (c) above;

(f) Any money market fund maintained by the Depositary or any of its affiliates or any money market fund, the entire investments of which are limited to investments described in (a), (b) and (c) above, including, without limitation, any mutual fund for which the Depositary or an affiliate of the Depositary serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (a) the Depositary or an affiliate of the Depositary receives fees from such fees for services rendered, (b) the Depositary charges and collects fees for services rendered, pursuant to the Indenture, which fees are separate from the fees received from such funds, and (c) services performed for such funds and pursuant to this Indenture may at times duplicate those provided to such funds by the Depositary or its affiliates;

(g) Obligations of states and their political subdivisions the interest on which is purportedly excluded from gross income for Federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended, which are within the two highest full (i.e. without regard to numerical qualifiers) rating categories of any rating agency and any funds or pooling arrangements consisting exclusively of such obligations.

Any securities listed in (a) above may be purchased by the Depositary pursuant to a repurchase agreement with any bank, including the Depositary or an affiliate of the Depositary, within or without the State having a combined capital, surplus and undivided profits of not less than \$100,000,000. Such repurchase agreement shall be considered a purchase of such securities even if title to and/or possession of such securities is not transferred to the Depositary so long as (1) the repurchase obligation of the bank is collateralized by the securities themselves, (2) the

securities have on the date of the repurchase agreement a fair market value equal to at least 100% of the amount of the repurchase obligation of the bank, including principal and interest, and (3) (a) the securities are held by a third party as agent for the Depositary and segregated from securities owned generally by such third party or the bank or (b) a perfected security interest in such securities is created for the benefit of the Depositary on behalf of the Purchaser under the U.C.C. or book entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. as evidenced by an opinion of counsel.

**NOTICE OF ADOPTION OF ORDINANCE NO. 694
STATE OF NEW MEXICO, COUNTY OF LOS ALAMOS**

Notice is hereby given that the following Ordinance No. 694, was duly adopted and approved by the County Council of the Incorporated County of Los Alamos, State of New Mexico, on June 19, 2019. The full copy is available for inspection or purchase in the County Clerk's Office: 1000 Central Avenue, Suite 240, during regular business hours.

INCORPORATED COUNTY OF LOS ALAMOS ORDINANCE NO. 694

AUTHORIZING THE ISSUANCE AND SALE OF INCORPORATED COUNTY OF LOS ALAMOS, NEW MEXICO INDUSTRIAL REVENUE BONDS (PEBBLE LABS U.S.A., INC., PROJECT), IN ONE OR MORE TAXABLE OR TAX- EXEMPT SERIES IN AN AMOUNT NOT TO EXCEED SIXTY MILLION DOLLARS (\$60,000,000.00) (THE "BONDS") FOR THE BENEFIT OF PEBBLE LABS U.S.A., INC., (THE "COMPANY") FOR THE PURPOSE OF ACQUIRING LAND, BUILDINGS, EQUIPMENT AND INFRASTRUCTURE LOCATED IN LOS ALAMOS COUNTY, NEW MEXICO ("COUNTY"); PROVIDING FOR THE PAYMENT OF THE BONDS FROM LEASE PAYMENTS TO BE RECEIVED BY COUNTY PURSUANT TO A LEASE AGREEMENT BETWEEN COUNTY AND PEBBLE LABS U.S.A, INC.; APPROVING FORMS OF A LEASE AGREEMENT, INDENTURE, BOND PURCHASE AGREEMENT AND OTHER PROJECT DOCUMENTS RELATING TO THE BONDS; AND PROVIDING THAT COUNTY SHALL NOT BE PLEDGING ITS FAITH AND CREDIT TO THE PAYMENT OF THE BONDS, PROVIDING THAT THE COMPANY SHALL MAKE CERTAIN PAYMENTS IN LIEU OF TAXES TO COUNTY; APPROVING AND RATIFYING ACTION PREVIOUSLY TAKEN IN CONNECTION THEREWITH

ADOPTED this 19th day of June, 2019.

Council of the Incorporated County of Los Alamos

By: /s/ Sara C. Scott, Council Chair

Attest: /s/ Naomi D. Maestas, County Clerk

Published on Thursday, June 13, 2019