

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“**MOU**”), which shall be effective as of the last date of execution by both parties to this MOU (the “Effective Date”), is made and entered into by and between the West Virginia Department of Economic Development, located at 1900 Kanawha Blvd, East, Building 3, Suite 600, Charleston, WV 25305 (“**WVDED**”) and Nucor Corporation, located at 1915 Rexford Road, Charlotte, North Carolina 28211 (“**NUCOR**”). WVDED and NUCOR are each a “Party” and are collectively the “Parties.”

RECITALS

WHEREAS, it is the public policy of the State of West Virginia to encourage, promote, and support economic development, new job creation, and the development and growth of industry and commerce, for the public purposes of providing employment opportunities for its citizens and residents, alleviating conditions of unemployment, stabilizing and promoting the economy of West Virginia, and creating new tax bases and sources of revenue for the State of West Virginia;

WHEREAS, WVDED is authorized and empowered to promote economic development in the State of West Virginia by undertaking and financing economic development projects, as more particularly described herein;

WHEREAS, NUCOR and its affiliates manufacture steel and steel products, and are North America’s largest recycler, using scrap steel as the primary raw material in the production of such steel and steel products;

WHEREAS, NUCOR has identified a site in Mason County, West Virginia as a preferred site to locate and develop an industrial manufacturing project, to include one or more facilities, known as Project Dark Star (“the Project”);

WHEREAS, NUCOR has represented to WVDED that Project Dark Star will require an investment of at least \$2,700,000,000 and employment of at least 550 new full-time jobs with a total annual payroll of approximately \$44,000,000;

WHEREAS, NUCOR has identified various additional sites in West Virginia as preferred sites to locate and develop one or more facilities to include a transload facility related to Project Dark Star;

WHEREAS, in order to induce NUCOR to locate Project Dark Star and a Project Dark Star related facility in West Virginia, WVDED has represented to NUCOR that the State of West Virginia will provide the Economic Development Financial Assistance (as defined below) to NUCOR as described in this MOU;

WHEREAS, the Parties desire to execute this MOU to clarify their respective representations, requirements, and commitments.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt, mutuality, and sufficiency of all of which is hereby acknowledged by the Parties hereto, the Parties hereby agree as follows:

1. Commitments of the Parties. WVDED will make, provide, and/or facilitate the Economic Development Financial Assistance described in this MOU in order to support the Project in a manner consistent with NUCOR's goals and requests to ensure its success, including but not limited to, interfacing with all necessary or requested parties and state entities, facilitating financing opportunities, and supporting workforce development needs. NUCOR will take such actions as may be reasonably necessary, in its sole discretion, to realize the success of the Project and use commercially reasonable efforts to fulfill the Employment Threshold and Capital Investment (as defined below) related to the Project by or before the Completion Date (as defined below).

2. Employment Threshold and Capital Investment. No later than the Completion Date:

- a. NUCOR will directly employ a minimum of 550 Full-Time Equivalent Employees (as defined below) at the Mason County facility with an annual payroll of \$44,000,000.
- b. NUCOR will invest or cause to be invested at least \$2,700,000,000 in expenditures associated with the Project, including, but not limited to, land acquisition, infrastructure, materials, construction costs, and other expenses.

(Section 2(b) together with Section 2(a) collectively the "Employment Threshold and Capital Investment")

3. Completion Date. For purposes of this MOU, NUCOR will satisfy the Employment Threshold and Capital Investment on or before December 31, 2026 (the "Completion Date").

4. Economic Development Financial Assistance. To facilitate the Project, WVDED will provide NUCOR with up to \$315,000,000 in financial assistance (the "Economic Development Financial Assistance"), in addition to all other qualifying statutory tax credits and incentives. WVDED will provide the Economic Development Financial Assistance to NUCOR subject to the following schedule and conditions:

- a. WVDED will provide NUCOR \$125,000,000 upon certification by NUCOR that it has contractually committed \$500,000,000 towards completion of the Project.
- b. WVDED will provide NUCOR \$150,000,000 upon certification by NUCOR that it has contractually committed a cumulative total of \$750,000,000 towards completion of the Project or July 1, 2022, whichever is later.
- c. WVDED will provide NUCOR \$40,000,000 upon NUCOR's purchase of land or execution of a lease of land for a term of at least ten years with the intention to and that is suitable to develop one or more facilities to include a transload facility related to Project Dark Star located in West Virginia resulting in a net gain of employment on such land in West Virginia;
- d. The provision of all funds as contained herein is subject to appropriation by the West Virginia Legislature.

5. **Penalty for Non-Performance.** If NUCOR fails to meet the Employment Threshold and Capital Investment commitments contained herein by the Completion Date, NUCOR shall be required to repay all or a portion of the Economic Development Financial Assistance paid to NUCOR. NUCOR will be required to repay a pro-rata amount Economic Development Financial Assistance based on the difference between fifty percent (50%) of the total Economic Development Financial Assistance paid to NUCOR and (i) the actual number of Full-Time Equivalent Employees created as of the Completion Date divided by the committed Full-Time Equivalent Employees pursuant to Section 2(a) multiplied by fifty percent (50%) of the total Economic Development Financial Assistance paid to NUCOR plus (ii) the actual expenditures associated with the Project as of the Completion Date divided by the actual expenditures associated with the Project pursuant to Section 2(b) multiplied by fifty percent (50%) of the total Economic Development Financial Assistance paid to NUCOR. For the avoidance of doubt, pro-rata repayment for failure to satisfy the commitments in Section 2(a) or Section 2(b) as described in this Section 5 will be calculated independently with each proration based on fifty percent (50%) of the total Economic Development Financial Assistance paid to NUCOR.

For example, if \$315,000,000 in Economic Development Financial Assistance is paid to NUCOR and NUCOR creates 500 Full-Time Equivalent Employees and invests \$1,900,000,000 in expenditures associated with the Project, the calculation would be as follows:

50% of Economic Development Financial Assistance of \$315,000,000 = \$157,500,000

(Actual number of Full-Time Equivalent Employees created of 500)
(Committed Full-Time Equivalent Employees of 550) = 90.90%

90.90% x \$157,500,000 = \$143,167,500

\$157,500,000 - \$143,167,500 = \$14,332,500 pro-rata repayment attributable to creation of Full-Time Equivalent Employees

(Actual expenditures associated with the Project of \$2,300,000,000)
(Committed expenditures associated with the Project of \$2,700,000,000) = 85.18%

85.18% x \$157,500,000 = \$134,166,667

\$157,500,000 - \$134,166,667 = \$23,333,333 pro-rata repayment attributable to expenditures associated with the Project

Total pro-rata repayment in the above example would be sum of \$14,332,500 plus \$23,333,333, or \$37,665,833

6. Full-Time Equivalent Employees. For purposes of this MOU, a direct employee who receives paid benefits and works at least 140 hours per month; or, for part-time work, an employee who receives paid benefits and works at least 20 hours per week for at least six (6) consecutive or non-consecutive months per year shall be considered a full-time equivalent employee ("Full-Time Equivalent Employee"). A Full-Time Equivalent Employee does not include independent contractors who work for NUCOR at the Project or elsewhere.

7. Tax Benefits and Workforce Incentives. NUCOR may qualify for various tax credits, entitlements, exemptions, and assistance under West Virginia law (including, statutory sales tax exemptions for the purchase of tangible personal property and services directly used in manufacturing, which shall extend to purchases of building materials and process equipment by NUCOR suppliers and contractors and other parties who make purchases on behalf of NUCOR in furtherance of the construction of the Project). The direct use in manufacturing exemption may also be available to NUCOR for purchases of tangible personal property and services directly used

in manufacturing, including, but not limited to, purchases of raw materials and process equipment directly used in manufacturing. WVDED will work with NUCOR as needed to facilitate NUCOR's understanding of and access to these and other benefits and incentives.

8. Access to Data. Subject to the limitations of state and federal law, upon the reasonable request of WVDED subject to at least thirty (30) advance written notice and to the NUCOR's usual business proprietary, safety and security requirements, NUCOR will provide WVDED with access to certain data reasonably necessary to verify the level of investment, expenditures, equipment acquisitions, and economic impact of the Project. Such data will include, as applicable to the Project, relevant and nonconfidential West Virginia business tax information, total capital investment in equipment, site development and infrastructure, levels of direct employment, average salaries or wages, total construction employment of Full-Time Equivalent Employee and related wage data, and any indirect employment data related to the Project. Any such data provided by NUCOR is deemed Confidential Information (as defined below) of NUCOR and may be used by WVDED only for its internal purposes and WVDED agrees that it shall not publicly disclose information provide by NUCOR in the NUCOR's employee lists or any other documents unless permitted to do so in accordance with the terms of Section 11 below.

9. Notice. All notices which are permitted or required in this MOU will be in writing and deemed valid and received if delivered personally; by registered or certified mail, return receipt requested; or by special carrier (such as Federal Express or UPS), with signature required, to WVDED or NUCOR as follows, unless otherwise agreed by the Parties in a signed writing:

West Virginia Department of Economic Development

Attn: Secretary Mitch Carmichael
1900 Kanawha Blvd. East
Capitol Complex, Building 3 – Suite 600
Charleston, West Virginia 25305
Email: Mitch.Carmichael@wv.gov

Nucor Corporation

Attn: Greg Murphy
1915 Rexford Road
Charlotte, North Carolina 28211
Email: greg.murphy@nucor.com

With copy that shall not constitute notice to:

Moore & VanAllen

Attn: William H. Moore, Jr.

100 North Tryon Street, Suite 4700

Charlotte, North Carolina 28202-4003

Email: billymoore@mvalaw.com

bethbuckner@mvalaw.com

10. Further Assurances. Each of the Parties hereto shall, from time to time at the request of the other party, without any additional consideration, furnish the other Party such further information or assurances, execute and deliver such additional documents, instruments and conveyances, and take such other actions and do such other things, as may be reasonably necessary in the opinion of counsel to the requesting party to carry out the provisions of this MOU.

11. Confidentiality. The Parties will maintain all documentations and communications, either in writing or orally, provided to the receiving Party related to the Project as confidential, including the fact that communications are taking place or may take place (hereinafter referred to collectively as "Confidential Information"). Notwithstanding the foregoing, it shall not be a breach of this MOU for a Party to disclose the other's Confidential Information if required to do so by law or if such disclosing Party is compelled to disclose by a court of competent jurisdiction or by rule or order of a governmental body or agency, or any national securities exchange, provided such disclosing Party first provides prompt written notice of such request to disclose and seeks appropriate protective remedy against disclosure. Further, the Party seeking to disclose such Confidential Information must seek all available safeguards against widespread dissemination prior to such disclosure. Each Party agrees to promptly notify the other in writing of any misappropriation or misuse by any person or agency of a Party's Confidential Information which is known or reasonably should have been known. In addition, a Party may disclose the terms of this MOU to and legal and financial representatives of the who are bound either by non-disclosure agreements preventing disclosure to any other Party, or by an equivalent ethical and professional obligation of confidentiality.

12. Authority. WVDED represents and warrants that WVDED is the proper agency or instrumentality of the State of West Virginia to commit the Economic Development Financial Assistance set forth herein, and that the Secretary of Economic Development is vested with the full legal authority and is duly authorized to execute this MOU on behalf of WVDED and the State of West Virginia.

13. Amendments or Modifications. This MOU may only be amended or modified by a signed writing executed by authorized representatives of the Parties.

14. Assignment. The Parties agree that this MOU may be assigned to a wholly owned subsidiary of NUCOR. Upon such request by NUCOR, WVDED agrees to take any such action as may be necessary to effectuate the assignment of this MOU to a wholly owned subsidiary of NUCOR.

15. Multiple Counterparts. This MOU may be executed in two or more counterparts, each of which shall be deemed an original. Facsimile or electronically scanned signatures are deemed to be originals.

16. Severability. If any provision of this MOU shall for any reason be held illegal, invalid, or unenforceable, then the other provisions of this MOU shall not be rendered invalid or otherwise affected thereby and shall continue in full force and effect to the maximum extent permitted by applicable law.

17. Use of Name. WVDED will not issue a press release or other public statement regarding this MOU without the prior consent of NUCOR.

18. Governing Law. This MOU shall be governed by the laws of the State of West Virginia and any dispute arising out of this MOU will be resolved in a West Virginia court having jurisdiction.

19. Irrevocable. Upon acceptance by NUCOR and execution of the Parties, this MOU will become a legally enforceable contract.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed by their duly authorized representatives to be effective as of the Effective Date.

West Virginia Department of Economic Development



Name: Mitch Carmichael

Its: Cabinet Secretary

Date: 1/11/22

Nucor Corporation



Name: John Farris

Its: VPGM

Date: 1-11-2022