Gregory-Portland ISD No. 1156

Chapter 313 Agreement Assignment Information Sheet

Section 1: Assignor Information

1. Authorized Company Representative (Assignor)	
a. First Name	**Darren**
b. Last Name	**Owen**
c. Title	**Property Tax Division Manager**
d. Organization	**Exxon Mobil Corporation**
e. Street Address	**1735 Hughes Landing Blvd. The Woodlands, Texas 77380**
f. Mailing Address	**P.O. Box 64106**
g. City State ZIP	**Spring, Texas 77387-4106**
h. Phone Number	**(832) 624-5089**
i. Fax Number	**(832) 648-5502**
j. Mobile Number (optional)	
k. Business Email Address	**darren.d.owen@exxonmobil.com**

2. Agreement associated with this Request for Assignment	
a. School District	**Gregory-Portland Independent School District**
b. Legal Name of Original Applicant/ Counterparty	**Exxon Mobil Corporation**
c. Application #	**1156**
d. Agreement Execution Date	**March 21, 2017**
e. Business Email Address	**darren.d.owen@exxonmobil.com**

a. Attach the agreement to be assigned as Tab 1.

3. Is the Assignor eligible to assign the Agreement.	**Yes**
4. Does the Assignor represent that this assignment is being made free of encumbrances or additional PILOT payments not covered in the Agreement?	**Yes**

Section 2: Assignee Information

5. Authorized Company Representative (Assignee)	
a. First Name	**Darren**
b. Last Name	**Owen**
c. Title	**Property Tax Division Manager**
d. Organization	**Exxon Mobil Corporation**
e. Street Address	**1735 Hughes Landing Blvd. The Woodlands, Texas 77380**
f. Mailing Address	**P.O. Box 64106**
g. City State ZIP	**Spring, Texas 77387-4106**
h. Phone Number	**(832) 624-5089**
i. Fax Number	**(832) 648-5502**
j. Mobile Number (optional)	
k. Business Email Address	**darren.d.owen@exxonmobil.com**

6. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes or No	**Yes**

If yes, please provide contact information for that person.

a. First Name	**Ali**
b. Last Name	**Mollai**
c. Title	**Property Tax Agent**
d. Organization	**Exxon Mobil Corporation**
e. Street Address	**1735 Hughes Landing, Room W.03.N117 The Woodlands, Texas 77380**
f. Mailing Address	**P.O. Box 64106**
g. City State ZIP	**Spring, Texas 77387-4106**
h. Phone Number	**(832) 624-5123**
i. Fax Number	**(832) 648-5502**
j. Mobile Number (optional)	
k. Business Email Address	**ali.mollai@exxonmobil.com**

7. Does the assignee authorize the consultant to provide and obtain information related to this application? Yes or No	**Yes**

8. Authorized Company Consultant (If Applicable)	
a. First Name	**Stephen**
b. Last Name	**Kuntz**
c. Title	**Partner**
d. Organization	**Norton Rose Fulbright US LLP**
e. Street Address	**1301 McKinney Street, Suite 5100**
f. Mailing Address	**1301 McKinney Street, Suite 5100**
g. City State ZIP	**Houston, Texas 77010-3095**
h. Phone Number	**(713) 651-5241**
i. Fax Number	**(713) 651-5246**
j. Mobile Number (optional)	**(713) 562-2041**
k. Business Email Address	**stephen.kuntz@nortonrosefulbright.com**

Section 3: Business Applicant Information

1. What is the legal name of the assignee under which this assignment is made?	**Gulf Coast Growth Ventures LLC**
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits)	**32067480585**
3. List the NAICS code	**325110**
4. Is the assignee a party to any other pending or active Chapter 313 agreements?	**Yes**

a. If yes, please list application number, name of school district and year of agreement:

Assignments of the following agreements to Gulf Coast Growth Ventures LLC are also being requested:

- **Gregory-Portland ISD No. 1155, GCGV Asset Holding LLC, March 21, 2017**
- **Gregory-Portland ISD No. 1154, SABIC US Projects LLC, March 21, 2017**

Section 4: Assignee Business Structure

1. Identify Business Organization of Assignee (corporation, limited liability corporation, etc)	**Limited Liability Company**
2. Is assignee a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? (Yes or No?)	**No**

a. If yes, attach a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the assignee's combined group membership and contact information. Please make sure to list the reporting number for the entities. All entities have attested to compliance with the agreement to date.

3. Is the assignee current on all tax payments due to the State of Texas?	**Yes**
4. Are all members of the assignee's combined group current on all tax payments due to the State of Texas?	**Not applicable**
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas.	

Section 5: Assignee Eligibility Under Tax Code Chapter 313.024

1. Is the assignee an entity subject to the tax under Tax Code, Chapter 171? Yes or No	**Yes**

2. The property will be used for which one of the following activities	
a. Manufacturing	**X**
b. research and development	
c. a clean coal project, as defined by Section 5.001, Water Code	
d. an advanced clean energy project, as defined by Section 382.003, Health and Safety Code	
e. renewable energy electric generation	
f. electric power generation using integrated gasification combined cycle technology	
g. nuclear electric power generation	
h. a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (a) through (h)	
i. a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051	

<Signature Page Follows>

Authorized Signatures:

1) Authorized School District Representative

Name: Dr. Paul Clore Title: Superintendent

Signature: Paul Clore Date: 6-18-18

2) Assignor:

The information contained in this application is true and correct to the best of my knowledge and belief:

Name: Darren D. Owen Title: Property Tax Division Manager

Signature: Dawn Owen Date: 6/13/2018

Notary:

PRISCILLA RAQUEL PEREZ
Notary Public, State of Texas
Comm. Expires 05-11-2021
Notary ID 131126146

(Notary Seal)

Given under my hand and seal of office this, the

13 *day of* June, 2018

Priscilla R Perez

Notary Public in and for the State of TEXAS

My Commission Expires: 05-11-2021

3) Assignee:

The information contained in this application is true and correct to the best of my knowledge and belief:

Name: Darren D. Owen Title: Property Tax Division Manager

Signature: Dawn Owen Date: 6/13/2018

Notary:

Given under my hand and seal of office this, the

13 *day of* June, 2018

Priscilla R Perez

Notary Public in and for the State of TEXAS

(Notary Seal)

My Commission Expires: 05-11-2021

PRISCILLA RAQUEL PEREZ
Notary Public, State of Texas
Comm. Expires 05-11-2021
Notary ID 131126146

TAB 1

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES

by and between

GREGORY-PORTLAND INDEPENDENT SCHOOL DISTRICT

and

EXXON MOBIL CORPORATION

(Texas Taxpayer ID # 11354090059)

Comptroller Application # 1156

Dated

March 21, 2017

AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES

STATE OF TEXAS §

COUNTY OF SAN PATRICIO §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this "Agreement," is executed and delivered by and between the **GREGORY-PORTLAND INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the "District," a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **EXXON MOBIL CORPORATION**, Texas Taxpayer Identification Number 11354090059, hereinafter referred to as the "Applicant." The Applicant and the District are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, on August 31, 2016, the Superintendent of Schools of the Gregory-Portland Independent School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

WHEREAS, on August 31, 2016, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

WHEREAS, the Application was delivered to the Texas Comptroller's Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, the District and the Texas Comptroller's Office have determined that the Application is complete and October 26, 2016, is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

WHEREAS, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the San Patricio County Appraisal District established in San Patricio County, Texas (the "San Patricio County Appraisal District"), pursuant to Section 6.01 of the TEXAS TAX CODE;

WHEREAS, the Texas Comptroller's Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on November 28, 2016, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

WHEREAS, the District's Board of Trustees, by resolution dated March 6, 2017, extended

the statutory deadline by which the District must consider the Application until June 30, 2017, and the Comptroller was provided notice of such extension as set out under 34 TEXAS ADMIN. CODE Section 9.1054(d);

WHEREAS, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller's Office pursuant to Section 313.025 of the TEXAS TAX CODE;

WHEREAS, on March 21, 2017, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on March 21, 2017, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to, findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant's Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the District's maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in the Applicant's decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

WHEREAS, on March 20, 2017, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

WHEREAS, on March 21, 2017, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary to execute and deliver such Agreement to the Applicant; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 DEFINITIONS. Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE Section 9.1051.

"*Act*" means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, including any statutory amendments that are applicable to the Applicant.

"*Agreement*" means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

"*Applicant*" means Exxon Mobil Corporation *(Texas Taxpayer ID #11354090059)*, the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term "Applicant" shall also include the Applicant's assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

"*Applicant's Qualified Investment*" means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

"*Applicant's Qualified Property*" means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

"*Application*" means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on August 31, 2016. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

"*Application Approval Date*" means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

"*Application Review Start Date*" means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

"*Appraised Value*" shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

"*Appraisal District*" means the San Patricio County Appraisal District.

"*Board of Trustees*" means the Board of Trustees of the Gregory-Portland Independent School District.

"*Comptroller*" means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

"*Comptroller's Rules*" means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

"*County*" means San Patricio County, Texas.

"*District*" *or* "*School District*" means the Gregory-Portland Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant's Qualified Property or the Applicant's Qualified Investment.

"*Final Termination Date*" means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

"*Force Majeure*" means acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either Party and that by exercise of due foresight such Party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such Party is unable to overcome. Each Party must inform the other in writing with proof of receipt within sixty (60) business days of the existence of such Force Majeure or otherwise waive this right as a defense.

"*Land*" means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

"*Maintain Viable Presence*" means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant's maintenance of jobs and wages as required by the Act and as set forth in its Application.

"*Market Value*" shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

"*New Qualifying Jobs*" means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller's Rules.

"*New Non-Qualifying Jobs*" means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

"*Qualified Investment*" has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller's Rules.

"*Qualified Property*" has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller's Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

"*Qualifying Time Period*" means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller's Rules, and this Agreement.

"*State*" means the State of Texas.

"*Supplemental Payment*" means any payments or transfers of things of value made to the District or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the Agreement and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

"*Tax Limitation Amount*" means the maximum amount which may be placed as the Appraised Value on the Applicant's Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

"*Tax Limitation Period*" means the Tax Years for which the Applicant's Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

"*Tax Year*" shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

"*Taxable Value*" shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

Section 1.2 NEGOTIATED DEFINITIONS. Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller's Rules, or Section 1.1 of Agreement, the conflict shall be resolved by reference to Section 10.9.C.

"*Aggregate Limit*" means, for any Tax Year during the term of this Agreement, the cumulative total of the Annual Limit amount for such Tax Year and all previous Tax Years during the term of this Agreement, less all amounts paid by the Applicant to or on behalf of the District under Article VI.

"*Annual Limit*" means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Section 313.027(i) of the TEXAS TAX CODE. For purposes of this Agreement, and as further provided in Sections 6.2A and 6.2D, the amount of the Annual Limit shall be equal to the greater of $50,000 or an amount calculated for each calendar year by multiplying the District's Average Daily Attendance for the school year immediately preceding the year for which the calculation is being made, as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, times $100, or any larger amount allowed by Section 313.027(i) of the TEXAS TAX CODE, if such limitation is increased for any future year of this Agreement and such increase is effective for purposes of this Agreement. The Annual Limit shall first be computed for Tax Year

2021, which, by virtue of the deferral of the date on which the Qualifying Time Period for the project is to commence under this Agreement, is the Tax Year that includes the date of January 2, 2021, on which the Qualifying Time Period commences under this Agreement as provided in Section 2.3.C.i.

"*Applicable School Finance Law*" means Chapters 41 and 42 of the TEXAS EDUCATION CODE, the Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to the District, and the Constitution and general laws of the State applicable to the independent school districts of the State, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term includes any amendments or successor statutes that may be adopted in the future which impact or alter the calculation of the Applicant's ad valorem tax obligation to the District, either with or without the limitation of property values made pursuant to this Agreement.

"*Applicant's Stipulated Supplemental Payment Amount*" means, for purposes of Article VI, for any Tax Year during the term of this Agreement, an amount equal to forty percent (40%) of the "Net Tax Benefit," as such term is defined in this Section 1.2, for such Tax Year.

"*Article VI Supplemental Payment*" has the meaning given such term in Section 6.1.A. with respect to any payment required pursuant to Article VI of this Agreement.

"*Cumulative Payments*" means for any Tax Year during the term of this Agreement, the total of all payments, calculated under Article IV, V and VI of this Agreement, for such Tax Year which are paid by or owed by the Applicant to the District, plus all payments, calculated under Article IV, V and VI of this Agreement, paid by or owed by the Applicant for all previous Tax Years during the term of this Agreement.

"*Cumulative Unadjusted Tax Benefit*" means for any Tax Year during the term of this Agreement, the Unadjusted Tax Benefit for such Tax Year added to the Unadjusted Tax Benefit for all previous Tax Years during the term of this Agreement.

"*Maintenance and Operations Revenue*" or "*M&O Revenue*" means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace the District's M&O Revenue lost as a result of such similar agreements, less (iv) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEXAS EDUCATION CODE.

"*M&O Amount*" has the meaning given such term in Section 4.2.

"*New M&O Revenue*" has the meaning given such term in Section 4.2.A ii.

"*Net Tax Benefit*" means, for any Tax Year during the term of this Agreement, an amount equal to (but not less than zero): (i) the amount of maintenance and operations ad valorem taxes which the Applicant would have paid to the District for such Tax Year and all previous Tax Years during the term of this Agreement if this Agreement had not been entered into by the Parties; minus, (ii) an amount equal to the sum of (A) all maintenance and operations ad valorem school taxes actually due from the Applicant to the District or any other governmental entity, including the State of Texas, for such Tax Year and all previous Tax Years during the term of this Agreement, plus (B) any payments due to the District from the Applicant under Articles IV, V and VI under this Agreement for such Tax Year and all previous Tax Years during the term of this Agreement.

"*Original M&O Revenue*" has the meaning given such term in Section 4.2.A. i.

"*Unadjusted Tax Benefit*" means, for any Tax Year during the term of this Agreement, the total of all gross tax savings calculated for such Tax Year by multiplying (i) an amount equal to (a) the Taxable Value of the Applicant's Qualified Property used for the District's debt service (interest and sinking fund) property tax purposes for such Tax Year, minus (b) the Tax Limitation Amount (defined in Section 2.4, below, as Thirty Million Dollars ($30,000,000.00)), by (ii) the District's maintenance and operations tax rate for such Tax Year.

ARTICLE II
AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant's Qualified Property listed and assessed by the County Appraiser for the District's maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

A. The Application Review Start Date for this Agreement is October 26, 2016, which will be used to determine the eligibility of the Applicant's Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is March 21, 2017.

C. The Qualifying Time Period for this Agreement:

i. Starts on January 2, 2021, a date not later than January 1 of the fourth Tax Year following the Application Approval Date, as authorized by Section 313.027(h) of the TEXAS TAX CODE; and

ii. Ends on December 31, 2023, the last day of the second complete Tax Year following the Qualifying Time Period start date.

D. The Tax Limitation Period for this Agreement:

i. Starts on January 1, 2024, the first complete Tax Year that begins after the end of Qualifying Time Period; and

ii. Ends on December 31, 2033, which is the year the Tax Limitation Period starts as identified in Section 2.3.D.i plus 9 years.

E. The Final Termination Date for this Agreement is December 31, 2038, which is the last year of the Tax Limitation Period as defined in Section 2.3.D.ii. plus 5 years.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

Section 2.4. TAX LIMITATION. So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

A. the Market Value of the Applicant's Qualified Property; or

B. Thirty Million Dollars ($30,000,000), based on Section 313.054 of the TEXAS TAX CODE.

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by Section 313.052 of the TEXAS TAX CODE.

Section 2.5. TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

A. have completed the Applicant's Qualified Investment in the amount of $30,000,000 during the Qualifying Time Period;

B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and

C. pay an average weekly wage of at least $895.75 for all New Non-Qualifying Jobs created by the Applicant.

Section 2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article

IV;

B. provide payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project, as more fully specified in Article V;

C. provide such Supplemental Payments as more fully specified in Article VI;

D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and

E. no additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.

ARTICLE III
QUALIFIED PROPERTY

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in **EXHIBIT 4**, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all

such described property on the Land.

Section 3.5. QUALIFYING USE. The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(1) of the TEXAS TAX CODE as property used for manufacturing.

ARTICLE IV
PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject to the limitations contained in this Agreement (including Sections 7.1 and 4.10), it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by the Applicant for any loss that the District incurs in its Maintenance and Operations Revenue in each year of this Agreement for which this Agreement was a sole and direct cause, all as calculated in Section 4.2 below. Such payments shall be independent of, and in addition to, such other payments as set forth in Articles V and VI of this Agreement.

The Parties expressly understand and agree that, for all Tax Years to which this Agreement may apply, the calculation of losses that the District incurs in its Maintenance and Operations Revenue will be defined for each applicable Tax Year in accordance with the Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may periodically change in accordance with changes that may be made from time to time in the Applicable School Finance Law. The Parties further agree that the printouts and projections produced during the negotiations and approval of this Agreement are: (i) for illustrative purposes only and are not intended to be relied upon, and have not been relied upon, by the Parties as a prediction of future consequences to either Party; (ii) based upon current Applicable School Finance Law, which is subject to change by statute, by administrative regulation, or by judicial decision at any time; and (iii) may change in future years to reflect changes in the Applicable School Finance Law.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT. Subject to the provisions of Sections 4.10, 7.1 and 7.2, the amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on the Final Termination Date (the "M&O Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

A. Notwithstanding any other provision in this Agreement, the M&O Amount owed by the Applicant to the District means the Original M&O Revenue *minus* the New M&O Revenue, based on the following definitions, where:

   i. "*Original M&O Revenue*" means the total State and local Maintenance and Operations Revenue that the District would have received for the school year, under the Applicable School Finance Law for such Tax Year, had this Agreement not been entered into by the Parties and the Applicant's Qualified Property been subject to the District's ad valorem maintenance and operations

tax at the District-adopted rate for the applicable Tax Year. For purposes of this calculation, the Third Party (as defined in Section 4.3) will base its calculations upon (1) the total Taxable Values for the applicable Tax Year as certified by the Appraisal District for all taxable accounts in the District for the District's maintenance and operations ad valorem tax purposes, save and except for the Applicant's Qualified Property subject to this Agreement, plus (2) the total Taxable Values for such applicable Tax Year as certified by the Appraisal District for the Applicant's Qualified Property subject to this Agreement for the District's debt service (interest and sinking fund) ad valorem tax purposes (which total Taxable Values for the Applicant's Qualified Property subject to this Agreement shall be used in lieu of the total Taxable Values for such applicable Tax Year as certified by the Appraisal District for the Applicant's Qualified Property subject to this Agreement for the District's maintenance and operations ad valorem tax purposes).

ii. "*New M&O Revenue*" means the total State and local Maintenance and Operations Revenue that the District actually received or is accrued to the District in accordance with the provisions of the Applicable School Finance Law for such school year.

B. In making the calculations required by this Section 4.2:

i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law as that law exists for the year for which the calculation is made.

ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).

iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue, as calculated under this Section 4.2, results in a negative number, the negative number will be considered to be zero.

iv. All calculations made for any year during the Tax Limitation Period under Subsection ii of Section 4.2.A will reflect the Tax Limitation Amount for such year.

v. All calculations made under this Section 4.2 shall be made using a methodology which isolates only the revenue impact caused by this Agreement. The Applicant shall not be responsible to reimburse the District for other revenue losses created by other agreements or any other factor not contained in this Agreement.

Section 4.3. CALCULATIONS TO BE MADE BY THIRD PARTY. All calculations under this Agreement shall be made annually by an independent third party (the "Third Party") jointly selected and appointed

each year by the District and the Applicant. If the Parties cannot agree on the Third Party, then the Third Party shall be selected by a mediator selected in accordance with the procedures set forth in Section 9.3A.

Section 4.4. DATA USED FOR CALCULATIONS. The calculations for payments under this Agreement shall be initially based upon the valuations that are placed upon all taxable property in the District, including the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District pursuant to Section 26.01 of the TEXAS TAX CODE on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected and appointed under Section 4.3. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

Section 4.5. DELIVERY OF CALCULATIONS. On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 4.3 shall forward to the Parties a certification containing the calculations required under this Article IV, Article V, and/or Article VI of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed, which fee shall be the sole responsibility of the District, but subject to the provisions of Section 4.6, below. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's calculations, offices, personnel, books, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculations until the Final Termination Date. The Applicant shall not be liable for any of the Third Party's costs resulting from a review or audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement or the fee paid by the Applicant to the Third Party pursuant to Section 4.6, if such fee is timely paid.

Section 4.6. PAYMENT BY APPLICANT. The Applicant shall pay any amount determined to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party for all calculations under this Agreement under Section 4.5, above, plus any reasonable and necessary out-of-pocket third party legal expenses paid or incurred by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or other reimbursement applications filed with or sent to the State of Texas, for any audits conducted by the State Auditor's Office, or for other legal expenses which are, or may be required under the terms or because of the execution of this Agreement. Notwithstanding the foregoing, for no Tax Year during the term of this Agreement shall the Applicant be responsible

for the payment of an aggregate amount of fees and expenses under this Section 4.6 and Section 4.5 which exceeds Twelve Thousand Dollars ($12,000.00).

Section 4.7. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT. If at the time the Third Party selected and appointed under Section 4.3 makes its calculations under this Agreement the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Property and/or the Applicant's Qualified Investment and such appeal remains unresolved, the Third Party shall base its calculations upon the values placed upon the Applicant's Qualified Property and/or the Applicant's Qualified Investment, respectively, by the Appraisal District. If as a result of an appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations required by this Agreement for the applicable year or years using the new Taxable Value. Upon completion of the new calculations, the Third Party shall transmit the new calculations to the Parties. In the event the new calculations result in a change in any amount paid or payable by the Applicant under this Agreement, the Party from whom the adjustment is payable shall remit such amounts to the other Party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 4.8. STATUTORY CHANGES AFFECTING M&O REVENUE. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Sections 7.1 and 4.10, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by the Comptroller, the Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, the District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, the Applicant shall make payments to the District, up to but not to exceed the amount of the limits set forth in this Agreement (including Sections 7.1 and 4.10), that are necessary to offset any such negative impact on the District's Maintenance and Operations Revenue as a result of its participation in this Agreement. The calculation of any such payments to the District shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on the District.

Section 4.9. RESOLUTION OF DISPUTES. Should the Applicant disagree with the certification containing the calculations prepared and/or delivered pursuant to Section 4.5, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days following the later of (i) receipt of the certification, or (ii) the date the Applicant is granted access to the books, records, and other information in accordance with Section 4.5 for purposes of auditing or reviewing the information in connection with the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Third Party will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of the certification containing the calculations to the Board of Trustees. Any such appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the Board of Trustees within thirty (30) days of the Applicant's receipt of the Third Party's final determination of the certification containing the calculations, and shall be without limitation of the Applicant's other rights and remedies available hereunder, at law or in equity.

Section 4.10. CUMULATIVE PAYMENT LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, in no event shall the Cumulative Payments calculated for a Tax Year of this Agreement during the period from the Tax Year that includes the date on which the Qualifying Time Period commences under this Agreement as provided in Section 2.3.C.i (i.e. the Tax Year 2016), and ending with the Tax Year 2029, which is the first Tax Year following the end of the Tax Limitation Period, exceed an amount equal to One Hundred Percent (100%) of the Applicant's Cumulative Unadjusted Tax Benefit for such Tax Year. For each Tax Year of this Agreement, amounts otherwise due and owing by the Applicant to the District which, by virtue of the application of the payment limitation set forth in this Section 4.10, are not payable to the District for such Tax Year, shall be carried forward from year-to-year into subsequent Tax Years during the term of this Agreement, but shall be subject, in each subsequent Tax Year, to the limit set forth in this Section 4.10. Any of the Cumulative Payments which cannot be paid to the District prior to the end of the first Tax Year following the end of the Tax Limitation Period (i.e. the Tax Year 2029) because such payment would exceed the Applicant's Cumulative Unadjusted Tax Benefit under this Agreement will be deemed to have been cancelled by operation of law, and the Applicant shall have no further obligation with respect thereto.

ARTICLE V
PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES

Section 5.1. EXTRAORDINARY EXPENSES. In addition to the amounts determined pursuant to Section 4.2 of this Agreement above, the Applicant on an annual basis shall also indemnify and reimburse the District for the Applicant's allocable share of all non-reimbursed costs, certified by the District's external auditor to have been incurred by the District for extraordinary education-related expenses related to the project described in the Application that are not directly funded in state aid formulas, including expenses for the purchase or lease of portable classrooms or busses, utilities (including non-landscaping water), computers, and the hiring of additional personnel, to accommodate a temporary increase in student enrollment attributable to such project.

In determining the Applicant's allocable share of such non-reimbursed costs for any Tax Year during the term of this Agreement, the aggregate amount of such costs for such Tax Year shall be allocated by the District's external auditor between or among the project described in the Application and each project described in an application for appraised value limitation on qualified property under Chapter 313 of the TEXAS TAX CODE with respect to which the District has entered into a written agreement pursuant to the provisions of Section 313.027 of the TEXAS TAX CODE that (i) has not terminated before such Tax Year, and (ii) includes a provision pursuant to Section 313.027(f)(2) of the TEXAS TAX CODE providing that the owner or owners of the project subject to such agreement will protect the District in the event the District incurs extraordinary education-related expenses related to such project. The District agrees to use reasonable efforts to include such a provision in any such future agreement. The amount of such non-reimbursed costs for any Tax Year during the term of this Agreement allocated to each such project shall be determined by multiplying the total amount of such non-reimbursed costs by a fraction, the numerator of which is the total Taxable Value of such project used for the District's debt service (interest and sinking fund) property tax purposes for such Tax Year, and the denominator of which is the total Taxable Value of all such projects used for the District's

debt service (interest and sinking fund) property tax purposes for such Tax Year.

The Applicant shall have the right to contest the findings of the District's external auditor in accordance with the procedures set forth in Section 4.9.

ARTICLE VI
SUPPLEMENTAL PAYMENTS

Section 6.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS.

A. Amounts Exclusive of Indemnity Amounts. In addition to undertaking the responsibility for the payment of all of the amounts set forth under Articles IV and V, and as further consideration for the execution of this Agreement by the District, the Applicant shall also be responsible for the supplemental payments set forth in this Article VI (the "Article VI Supplemental Payments"). The Applicant shall not be responsible to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the TEXAS TAX CODE, unless it is explicitly set forth in this Agreement. It is the express intent of the Parties that the Applicant's obligation to make Article VI Supplemental Payments under this Article VI is separate and independent of the obligation of the Applicant to pay the amounts described in Articles IV and V; provided, however, that all payments under Articles IV and V and this Article VI are subject to the limitations contained in Sections 7.1 and 4.10, and that all payments under this Article VI are subject to the separate limitations contained in Sections 6.2 and 6.3.

B. Adherence to Statutory Limits on Supplemental Payments. It is the express intent of the Parties that any Article VI Supplemental Payments made to or on behalf of the District by the Applicant under this Article VI shall not exceed either (i) the limit imposed by the provisions of Section 313.027(i) of the TEXAS TAX CODE, as such limit is allowed to be increased by the Legislature for any future year of this Agreement, or (ii) the amount described in Section 6.3.

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION. Notwithstanding the foregoing:

A. the total of the Supplemental Payments made pursuant to this Article shall: not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars ($100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars ($50,000.00) per year times the number of years beginning with the first complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;

B. Supplemental Payments may only be made during the period starting the first complete or partial Tax Year of the Qualifying Time Period (2021) and ending December 31 of the third Tax Year following after the end of the Tax Limitation Period (2036);

C. the limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)–(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

D. for purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of $50,000 or $100 multiplied by the District's Average Daily Attendance as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, based upon the District's Average Daily Attendance for the previous school year.

Section 6.3. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO AGGREGATE LIMIT. In addition to the Supplemental Payment limitation set forth in Section 6.2, for any Tax Year during the term of this Agreement, the District shall not be entitled to receive Supplemental Payments that exceed the lesser of:

A. the "Applicant's Stipulated Supplemental Payment Amount," as such term is defined in Section 1.2, for such Tax Year; or

B. the "Aggregate Limit," as such term is defined in Section 1.2, for such Tax Year.

Section 6.4. ANNUAL CALCULATION OF APPLICANT'S STIPULATED SUPPLEMENTAL PAYMENT AMOUNT. The Parties agree that for each Tax Year during the term of this Agreement beginning with the Tax Year 2021, which is the Tax Year that includes the date on which the Qualifying Time Period commences under this Agreement as provided in Section 2.3.C.i,, the Applicant's Stipulated Supplemental Payment Amount, as defined in Section 1.2, will annually be calculated based upon the then most current estimate of tax savings to the Applicant, which will be made, based upon assumptions of student counts, tax collections, and other applicable data, in accordance with the following formula:

Taxable Value of the Applicant's Qualified Property for such Tax Year had this Agreement not been entered into by the Parties (i.e., the Taxable Value of the Applicant's Qualified Property used for the District's interest and sinking fund tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Minus,

The Taxable Value of the Applicant's Qualified Property for such Tax Year after giving effect to this Agreement (i.e., the Taxable Value of the Applicant's Qualified Property used for the District's maintenance and operations tax purposes for such Tax Year, or school taxes due to any other governmental entity, including the State of Texas, for such Tax Year);

Multiplied by,

The District's maintenance and operations tax rate for such Tax Year, or the applicable

school tax rate of any other governmental entity, including the State of Texas, for such Tax Year;

Minus,

Any amounts previously paid to the District under Articles IV and V for such Tax Year;

Multiplied by,

The number 0.4;

Minus,

Any amounts previously paid to the District under this Article VI with respect to such Tax Year.

In the event that there are changes in the data upon which the calculations set forth herein are made, the Third Party selected pursuant to Section 4.3 above shall adjust the Applicant's Stipulated Supplemental Payment Amount calculation to reflect such changes in the data.

Section 6.5. CALCULATION OF ANNUAL SUPPLEMENTAL PAYMENTS TO THE DISTRICT AND APPLICATION OF AGGREGATE LIMIT. For each Tax Year during the term of this Agreement beginning with the Tax Year 2021, which is the Tax Year that includes the date on which the Qualifying Time Period commences under this Agreement as provided in Section 2.3.C.i, and ending with Tax Year 2036, which is the third Tax Year following the end of the Tax Limitation Period, the District, or its successor beneficiary should one be designated under Section 6.7 below, shall not be entitled to receive Supplemental Payments, computed under Sections 6.2, 6.3 and 6.4 above, that exceed the Aggregate Limit.

If, for any Tax Year during the term of this Agreement the amount of the Applicant's Stipulated Supplemental Payment Amount, calculated under Sections 6.2, 6.3 and 6.4 above for such Tax Year, exceeds the Aggregate Limit for such Tax Year, the difference between the Applicant's Stipulated Supplemental Payment Amount so calculated and the Aggregate Limit for such Tax Year, shall be carried forward from year-to-year into subsequent Tax Years during the term of this Agreement, and to the extent not limited by the Aggregate Limit in any subsequent Tax Year during the term of this Agreement, shall be paid to the District. If there are changes in Chapter 313 of the TEXAS TAX CODE that increase or decrease the limit on the amount of the Supplemental Payments that may be made to or on behalf of the District by the Applicant under this Article VI, any higher or lower amount of Supplemental Payments that first became due hereunder prior to the effective date of any such statutory change will not be adjusted.

Any of the Applicant's Stipulated Supplemental Payment Amounts which cannot be paid to the District prior to the end of the third full Tax Year (2036) following the end of the Tax Limitation Period, as defined in Section 2.3(D)(ii), because such payment would exceed the Aggregate Limit, will be deemed to have been cancelled by operation of law, and the Applicant shall have no further

obligation with respect thereto.

Section 6.6. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

A. All calculations required by this Article VI, including but not limited to: (i) the calculation of the Applicant's Stipulated Supplemental Payment Amount; (ii) the determination of both the Annual Limit and the Aggregate Limit; (iii) the effect, if any, of the Aggregate Limit upon the actual amount of Supplemental Payments eligible to be paid to the District by the Applicant; and (iv) the carry forward and accumulation of any of the Applicant's Stipulated Supplemental Payment Amounts unpaid by the Applicant due to the Aggregate Limit in previous years, shall be calculated by the Third Party selected pursuant to Section 4.3.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.5.

C. The payment of all amounts due under this Article VI shall be made at the time set forth in Section 4.6.

Section 6.7. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY. At any time during the term of this Agreement, the Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that any of the Applicant's payments under this Article VI be made to the District's educational foundation or to a similar entity. Such foundation or entity may only use such funds received under this Article VI to support the educational mission of the District and its students. Any designation of such foundation or entity must be made by recorded vote of the Board of Trustees at a properly posted public meeting of the Board of Trustees. Any such designation will become effective after such public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1 below. Such designation may be rescinded, with respect to future payments only, by action of the Board of Trustees, at any time, and any such rescission will become effective after delivery of notice of such action to the Applicant in conformance with the provisions of Section 10.1.

Any designation of a successor beneficiary under this Section 6.7 shall not alter the limits on Supplemental Payments described in this Article IV, including Sections 6.2, 6.3 and 6.4, above.

Notwithstanding the foregoing, any payments made by the Applicant shall be made in the manner and to the Party designated in this Agreement unless the Applicant receives unambiguous written notice from the District that such payments are to be made to a different party.

ARTICLE VII
ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

Section 7.1. ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad

valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Article IV of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from the Applicant to the District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 7.2. OPTION TO TERMINATE AGREEMENT. In the event the Applicant determines that it will not commence or complete construction of the Applicant's Qualified Investment, the Applicant shall have the option, prior to the beginning of the Tax Limitation Period, to terminate this Agreement by notifying the District in writing of its exercise of such option. Additionally, in the event that any payment otherwise due from the Applicant to the District under Article IV, Article V, or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 7.1, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year with respect to which a reduction under Section 7.1 is applicable. Any termination of this Agreement under the foregoing provisions of this Section 7.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred.

Section 7.3. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

ARTICLE VIII
ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding

anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section 9.1052 and as currently located on the Comptroller's website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller's website and starting on the first such due date after the Application Approval Date.

Section 8.3. COMPTROLLER'S REPORT ON CHAPTER 313 AGREEMENTS. During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. Upon the written request of the District, the State Auditor's Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant, the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor's Office to have reasonable access to the Applicant's Qualified Property and business records from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than ninety-six (96) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR. By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance

pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

i. date of submission of the final payment;
ii. Final Termination Date; or
iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non-Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are included in the Applicant's compliance with job creation or wage standard requirement of the Act, the Comptroller's Rules, or this Agreement.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would

not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

ARTICLE IX
MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a "Material Breach"):

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;

C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act;

D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;

E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;

F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;

H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;

I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified

Property as more fully specified in Article VIII of this Agreement;

J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;

K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor's Office to have access to the Applicant's Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property under Sections 8.5 and 8.6;

M. The Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

i. whether or not a breach of this Agreement has occurred;
ii. whether or not such breach is a Material Breach;
iii. the date such breach occurred, if any;
iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);

ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and

iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination") and provide a copy to the Comptroller.

Section 9.3. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have ninety (90) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within ninety (90) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in San Patricio County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator's fees and expenses and the Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in San Patricio County, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the ninety (90) days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien

shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

Section 9.4. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT.

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.2 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, no later than, and the District may terminate the Agreement effective on, the later of: (i) the expiration of the ninety (90) days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District,

whether at law or under principles of equity.

Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT. Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make $30,000,000 of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS. Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS.

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

ARTICLE X
MISCELLANEOUS PROVISIONS

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (*e.g.*, by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to the District shall be addressed to the District's Authorized Representative as follows:

Dr. Paul Clore
Superintendent of Schools
Gregory-Portland Independent School District
608 College Street
Portland, Texas 78374
Phone: (361) 777-1091
Facsimile: (361) 777-1094
Email: pclore@g-pisd.org

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

C. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Darren Owen
Property Tax Division Manager
Exxon Mobil Corporation
22777 Springwoods Village Parkway
Spring, Texas 77389
Phone: (832) 624-5089
Facsimile: (832) 648-5502
Email: darren.d.owen@exxonmobil.com

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same

term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

i. The Applicant shall submit to the District and the Comptroller:

a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;

b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;

c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

F. The Applicant shall amend the Application and this Agreement to identify the changes in the information that was provided in the Application and was approved by the District and as considered by the Comptroller no earlier than 180 days and no later than 90 days prior to the start of the Qualifying Time Period as identified in Section 2.3.C.i of this Agreement.

i. The Applicant shall comply with written requests from the District or the Comptroller to provide additional information necessary to prepare a Comptroller certificate for a limitation for the conditions prior to the start of the Qualifying Time Period; and

ii. If the Comptroller provides its certificate for a limitation with conditions different

from the existing agreement, the District shall hold a meeting and determine whether to amend this Agreement to include the conditions required by the Comptroller or terminate this Agreement; or

iii. If the Comptroller withdraws its certificate for a limitation based on the revised Application, the District shall terminate this Agreement.

Section 10.3. ASSIGNMENT.

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered an amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller's Rules.

B. In the event of a merger or consolidation of the District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

Section 10.4. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.5. GOVERNING LAW. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in San Patricio County.

Section 10.6. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.7. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement,

as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.8. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.9. INTERPRETATION.

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words "include," "includes," and "including" when used in this Agreement shall be deemed in such case to be followed by the phrase, "but not limited to". Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller's Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

i. The Act;
ii. The Comptroller's Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
iii. This Agreement and its Attachments including the Application as incorporated by reference.

Section 10.10. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.11. PUBLICATION OF DOCUMENTS. The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this

Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller's Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller's website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAX CODE.

Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. The Applicant shall immediately notify the District in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

Section 10.13. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant's duty to disclose continues throughout the term of this Agreement.

Section 10.14. CONFLICTS OF INTEREST.

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION. Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated damages and tax payments),

reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

A. all payments, including liquidated damage and tax payments, have been made;

B. all reports have been submitted;

C. all records have been maintained in accordance with Section 8.6.A; and

D. all disputes in controversy have been resolved.

Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.

A. This Agreement may be duly executed and delivered in person, by mail, or by facsimile or other electronic format (including portable document format (pdf) transmitted by e- mail). The executing Party must promptly deliver a complete, executed original or counterpart of this Agreement to the other executing Parties. This Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

B. Delivery is deemed complete as follows:

i. When delivered if delivered personally or sent by express courier service;

ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;

iii. When transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine; or

iv. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic "read receipt" does not constitute acknowledgment of an e-mail for delivery purposes).

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 21st day of March, 2017.

EXXON MOBIL CORPORATION

By: _____
Name: ROBERT W TULLY
Title: VENTURE EXECUTIVE

GREGORY-PORTLAND INDEPENDENT SCHOOL DISTRICT

By: _____
RANDY EULENFELD
PRESIDENT, BOARD OF TRUSTEES

ATTEST:

By: _____
CARRIE GREGORY
SECRETARY, BOARD OF TRUSTEES

EXHIBIT 1

DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE

Pursuant to Chapter 312 of the TEXAS TAX CODE and actions taken by the San Patricio County Commissioner's Court, the *Apex Midway Wind, LLC Reinvestment Zone* was created on December 13, 2013, and the *Gulf Coast Growth Ventures Reinvestment Zone* was created on March 20, 2017. Copies of such actions of the San Patricio County Commissioner's Court are attached as the following pages of this **Exhibit 1**. As a result of such actions of the San Patricio County Commissioner's Court, all of the real property within San Patricio County, Texas, described by the legal description in **Exhibit 2** is located within the boundaries of such reinvestment zones.

THE STATE OF TEXAS

COMMISSIONERS' COURT

COUNTY OF SAN PATRICIO

RESOLUTION APEX MIDWAY LLC
ORDER FOR DESIGNATION OF REINVESTMENT ZONE

WHEREAS, the San Patricio County Commissioners' Court has determined that the economic well being of San Patricio County is of primary concern to the Commissioners' Court, and;

WHEREAS, Chapter 312, Texas Tax Code, known as the Texas Property Redevelopment and Tax Abatement Act Provides that San Patricio County has the authority to create reinvestment zones within the County for the purpose of economic development, and;

WHEREAS, on December 16, 2013, the San Patricio County Commissioners' Court, by resolution, established certain guidelines and criteria governing tax abatement agreements and indicated the desire of San Patricio County to become eligible to participate in tax abatement agreements, and;

WHEREAS, Apex Midway Wind, LLC has requested the designation of a reinvestment zone for purposes of tax abatement of real property belonging to Apex Midway Wind, LLC, for the purposes of economic development as defined under the Texas Property Redevelopment and Tax Abatement Act, and;

WHEREAS, on the 6th day of December, 2013, proper notice was posted, stating that a public hearing would be conducted by the San Patricio County Commissioners' Court on the 16th day of December, 2013, to consider the request by Apex Midway Wind, LLC to have property herein described in Exhibit "A" designated as a reinvestment zone, and;

WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the terms of the agreement and the property subject to the agreement as presented to San Patricio County by Apex Midway Wind, LLC meet the applicable guidelines and criteria adopted by the Commissioners' Court on December 9, 2013, and;

WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the creation of a reinvestment zone for the above stated property would be a benefit to the said property and the development anticipated to occur in the proposed zone would contribute to the economic development of San Patricio County, and;

WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the designation of the reinvestment zone would contribute to the retention or

WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the designation of the reinvestment zone would contribute to the retention or expansion of primary employment within San Patricio County, and;

WHEREAS, it is the finding of the Commissioners' Court of San Patricio County that the designation of the reinvestment zone would attract major investment in the zone, and;

WHEREAS, the above stated property does not contain area in the taxing jurisdiction of an incorporated municipality;

BE IT THEREFORE ORDERED that the Commissioners' Court of San Patricio County designates as a reinvestment zone, property herein described in Exhibit "A", pursuant to the authority contained in Section 312.401 of the Texas Property Redevelopment and Tax Abatement Act.

Passed in open court this 16th day of December 2013.

Terry Simpson, County Judge
San Patricio County, Texas

Commissioner, Precinct 1

Attest: Gracie Alaniz-Gonzales
County Clerk
San Patricio County, Texas

Commissioner, Precinct 2

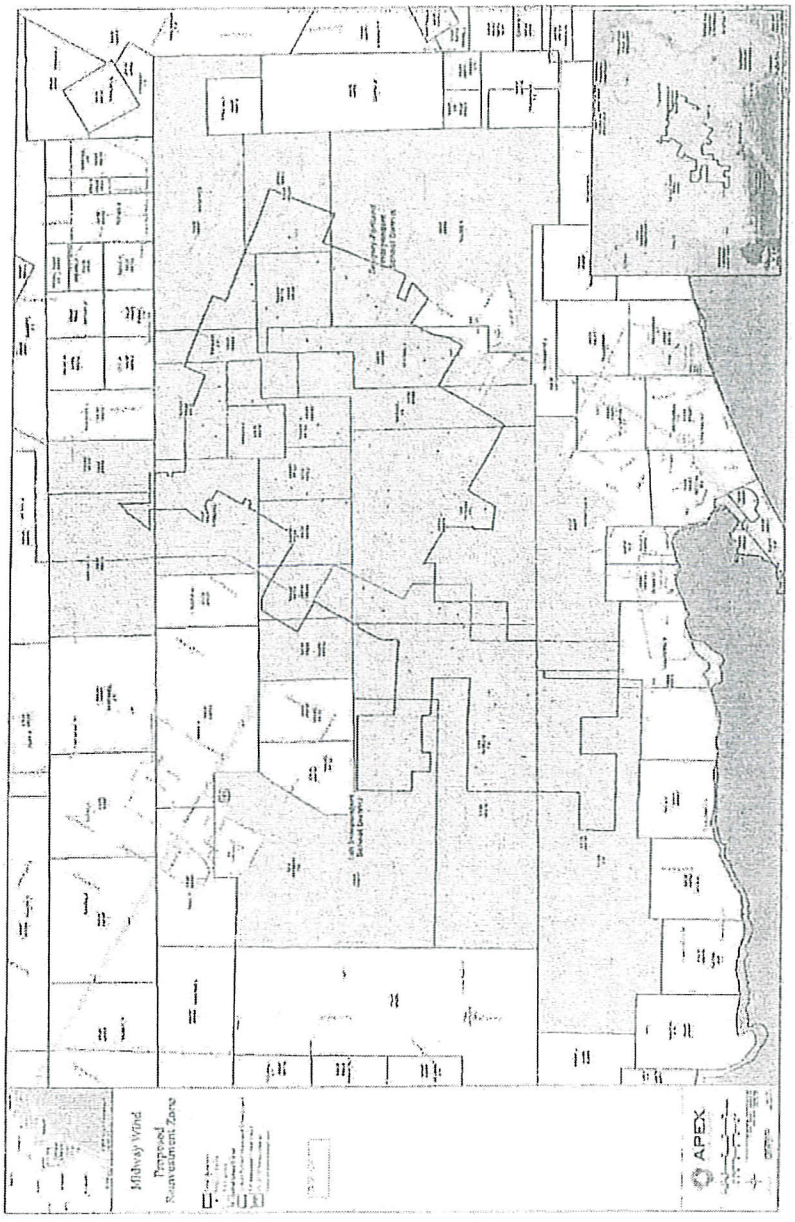
Commissioner, Precinct 3

Commissioner, Precinct 4

EXHIBIT A

Apex Midway Wind, LLC Reinvestment Zone Legal Description

Archilega, M	A-35	40935	Save and except any portion of abstract inside the city limits of Portland, Texas as they exist as of November 18, 2013
Head, E G	A-155	409155	
Kepling, J	A-180	409180	Save and except any portion of abstract inside the city limits of Gregory, Texas as they exist as of November 18, 2013
Orlek, HRS J	A-209	409209	
Sargent, G	A-231	409231	
Sargent, G	A-232	409232	
San Patricio CSL	A-235	409235	
San Patricio CSL	A-237	409237	Save and except any portion of abstract inside the city limits of Taft, Texas as they exist as of November 18, 2013
San Patricio CSL	A-238	409238	
Sterling, I	A-239	409239	
SA&MG RR CO	A-254	409254	
SA&MG RR CO	A-255	409255	
SA&MG RR CO	A-256	409256	
SA&MG RR CO	A-257	409257	
SA&MG RR CO	A-258	409258	
SA&MG RR CO	A-259	409259	
SA&MG RR CO	A-260	409260	
Valdez, G	A-269	409269	Save and except any portion of abstract inside the city limits of Gregory, Texas as they exist as of November 18, 2013
Wright, C	A-280	409280	
Swisher, J M	A-393	409393	
Swisher, J M	A-394	409394	Save and except any portion of abstract inside the city limits of Gregory, Texas as they exist as of November 18, 2013
Crouch, J	A-87	40987	


Midway Wind
Proposed
Reinvestment Zone
APEX

THE STATE OF TEXAS

COMMISSIONERS' COURT

COUNTY OF SAN PATRICIO

ORDER 1.3

DESIGNATION OF GULF COAST GROWTH VENTURES REINVESTMENT ZONE

WHEREAS, the Commissioners' Court of San Patricio County, Texas (the "Commissioners' Court"), has determined that the economic well-being of San Patricio County, Texas (the "County"), is of primary concern to the Commissioners' Court, and;

WHEREAS, Chapter 312, Texas Tax Code, known as the Texas Property Redevelopment and Tax Abatement Act, provides that the County has the authority to designate reinvestment zones within the County for the purpose of economic development, and;

WHEREAS, on October 6, 1997, the Commissioners' Court, by resolution, established certain guidelines and criteria governing tax abatement agreements and indicated the desire of the County to become eligible to participate in tax abatement agreements, and;

WHEREAS, on February 20, 2017, the Commissioners' Court, by resolution, approved and adopted the County's current Guidelines and Criteria for Granting Tax Abatement (the "Guidelines and Criteria"), and;

WHEREAS, GCGV Asset Holding LLC, Exxon Mobil Corporation and SABIC US Projects LLC (collectively, "Gulf Coast Growth Ventures") have requested the designation of the area of land located in the County and described in Exhibit "A" attached hereto (the "Land") as a reinvestment zone for purposes of tax abatement of property for the purposes of economic development as defined under the Texas Property Redevelopment and Tax Abatement Act, and;

WHEREAS, on August 29, 2016, the Commissioners' Court, by order, previously designated the Land as a reinvestment zone under the provisions of Chapter 312 of the Texas Tax Code, and;

WHEREAS, the Commissioners' Court subsequently determined that it is prudent and advisable to hold a further public hearing on the designation of the Land as a reinvestment zone to ensure compliance with the requirements of applicable law and to afford interested persons the opportunity to speak and present evidence for or against the designation, and;

WHEREAS, on March 9, 2017, proper notice was posted, stating that a public hearing would be conducted by the Commissioners' Court on March 20, 2017, to consider the request by Gulf Coast Growth Ventures to have the Land designated as a reinvestment zone, and;

WHEREAS, it is the finding of the Commissioners' Court that the designation of a reinvestment zone for the Land would be a benefit to the Land and the development anticipated to occur in the proposed reinvestment zone would contribute to the economic development of the County, and,

WHEREAS, it is the finding of the Commissioner's Court that the terms of the three (3) Tax Abatement Agreements and the property subject to such Tax Abatement Agreements as

presented to the Commissioner's Court by Gulf Coast Growth Ventures meet the applicable Guidelines and Criteria adopted by the Commissioners' Court on February 20, 2017, and,

WHEREAS, it is the finding of the Commissioners' Court that the designation of the reinvestment zone for the Land would contribute to the retention or expansion of primary employment within the County, and,

WHEREAS, it is the finding of the Commissioner's Court that the designation of the reinvestment zone for the Land would attract major investment in the zone, and,

WHEREAS, the Land is not in the taxing jurisdiction of a municipality;

BE IT THEREFORE ORDERED that the Commissioners' Court of San Patricio County, Texas, designates as a reinvestment zone the Land described in Exhibit "A" attached hereto, pursuant to the authority contained in Section 312.401 of the Texas Property Redevelopment and Tax Abatement Act.

EXECUTED THE 20TH DAY OF MARCH, 2017.

SAN PATRICIO COUNTY, TEXAS

By: _____
Terry A. Simpson, County Judge

ATTEST:

_____
Gracie Alaniz-Gonzales, County Clerk

EXHIBIT "A"

LEGAL DESCRIPTION

Tract I:

A tract of land containing 523.26 acres, more or less, out of Section "M" of the Geo. H. Paul Subdivision of the Coleman Fulton Pasture Company lands South of Taft, in San Patricio County, Texas, according to the map or plat on page 32 of Volume 1 of the Map or Plat Records of said County and described by metes and bounds as follows:

BEGINNING at an iron pipe, the original West corner of Section "M", for the PLACE OF BEGINNING;

THENCE with the section line, N 30° 0' E 5,278 feet to the Southern Pacific Railroad Company right-of-way, the original Northwest corner of said Section "M";

THENCE with the railroad right-of-way and Section line, S 60° 0' E 4,326.4 feet to the Northwest corner of a homestead tract in the name of McKamey;

THENCE with the boundary line of said homestead tract, S 30° 7' W 5,276.2 feet to the West corner of said homestead tract for the South corner of this tract;

THENCE with the line of said Section "M", N 60° 2' W 4,314 feet to the PLACE OF BEGINNING, containing 523.26 acres of land, more or less;

Tract II:

A tract of land containing 826.56 acres, more or less, out of Sections "M" and "N" of the George H. Paul Subdivision of the Coleman Fulton Pasture Company's lands in San Patricio County, Texas, according to the map or plat thereof recorded in Volume 1, Page 32, of the Map Records of San Patricio County, Texas, being all of a certain tract of land containing 831.04 acres, more or less, described in a gift deed conveying a one-half (1/2) community property interest in said 831.04 acres of land from T.A. McKamey, as grantor, to Kenneth G. McKamey and wife, Hattie Bell McKamey, as grantees, in equal undivided interests, dated May 18, 1963, recorded in Volume 290, Page 351, of the Deed Records of San Patricio County, Texas, and an undivided one-half (1/2) interest in and to said 831.04 acres of land being a portion of the property acquired by Kenneth G. McKamey under the will of Lillian McKamey, Deceased, as filed in San Patricio County, Texas under Probate No. 5642, devising her one-half (1/2) community property interest in said property, said 831.04 acres of land being more particularly described as follows, to-wit:

All of said Sections "M" and "N", more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pipe set for the Northeast corner of said Section "N" and on the South right of way of the S.A. & A.P.R.R., from said pipe the smokestack on the Walker Gin at Gregory bears S 44° 10' E, the silo at Terra Belle Ranch bears N 80° 29' W and the most easterly silo at the Rattle Snake Mott bears N 23° 51' W;

THENCE down the center of a road S 30° 7' W at 5272 feet set an iron pipe 20 feet S 30° 7' W of the fence on the North side of a Road running in a Westerly direction, from which the Silo at the Terra Belle Ranch bears N 22° 58' W and the Water Tower at Taft bears N 49° 48' W for the Southeast corner of Section "N" and the Southeast corner of this survey;

THENCE up the center of said Road N 60° 2' W, at 11,246.5 feet set a stake for the Southwest corner of this survey, from which Walker's Gin bears S 72° 52' E and the water tower at Taft bears N 45° 16' W;

THENCE N 30° E at 20 feet set an iron pipe under the fence on the North side of the road, at 2,357 feet the corner post of a fence, it being August Floerke's Southeast corner, at 5,278 feet a 6 inch by 6 inch cypress post on the South line of the Right-of-Way of the S.A. & A. P. R. R., it being Floerke's Northeast corner and the Northwest corner of Section "M" for the Northwest corner of this survey;

THENCE S 60° E with said right of way line at 5,647 feet the center of the gate at the Terra Belle Ranch, at 11,258 feet the PLACE OF BEGINNING, and containing 1,362,5 acres of land;

SAVE AND EXCEPT one-half (1/2) of the road on the East and South sides of said tract of land, containing 8.2 acres of land, more or less; and,

SAVE AND EXCEPT a tract of land containing 523.26 acres, more or less, out of said Section "M", more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pipe, the original West corner of Section "M", for the place of beginning;

THENCE, with the section line, N 30° 0' E 5,278 feet to the Southern Pacific Railroad Company right of way, the original Northwest corner of Section "M";

THENCE with the railroad right-of-way and section line, S 60° 0' E 4,326.4 feet to the Northwest corner of a 200 acre homestead tract in the name of McKamey;

THENCE with the boundary line of said homestead tract, S 30° 7' W 5,276.2 feet to the West corner of said homestead tract for the South corner of this tract;

THENCE with the line of said Section "M" N 60° 2' W 4,314 feet to the place of beginning, and containing 523.26 acres of land, more or less;

SAVE AND EXCEPT out of said 831.04 acres of land, the following described tracts of land, to-wit:

(a) A Tract of land containing one (1) acre, more or less, out of said Section "N", as conveyed by warranty deed from T.A. McKamey and wife, Lillian McKamey, as grantor, to Central Power and Light Company, dated May 4, 1955, recorded in Volume 200, Page 499, of the Deed Records of San Patricio County, Texas; and

(b) Three and forty-eight hundredths (3.48) acres of land, more or less, described as two tracts

containing one and seventy-seven hundredths (1.77) acres, more or less, and one and seventy-one hundredths (1.71) acres, more or less, respectively, as conveyed by Right-of-Way Deed from Kenneth G. McKamey and wife, Hattie Bell McKamey, to San Patricio County, Texas, dated April 23, 1965, recorded in Volume 313, Page 497, of the Deed Records of Nueces County, Texas.

EXHIBIT 2

DESCRIPTION AND LOCATION OF LAND

The Land on which the Qualified Property will be located and on which the Qualified Investment will be made is located in San Patricio County, Texas, and described by the following legal description:

Tract I:

A tract of land containing 523.26 acres, more or less, out of Section "M" of the Geo. H. Paul Subdivision of the Coleman Fulton Pasture Company lands South of Taft, in San Patricio County, Texas, according to the map or plat on page 32 of Volume 1 of the Map or Plat Records of said County and described by metes and bounds as follows:

BEGINNING at an iron pipe, the original West corner of Section "M", for the PLACE OF BEGINNING;

THENCE with the section line, N 30° 0' E 5,278 feet to the Southern Pacific Railroad Company right-of-way, the original Northwest corner of said Section "M";

THENCE with the railroad right-of-way and Section line, S 60° 0' E 4,326.4 feet to the Northwest corner of a homestead tract in the name of McKamey;

THENCE with the boundary line of said homestead tract, S 30° 7' W 5,276.2 feet to the West corner of said homestead tract for the South corner of this tract;

THENCE with the line of said Section "M", N 60° 2' W 4,314 feet to the PLACE OF BEGINNING, containing 523.26 acres of land, more or less;

Tract II:

A tract of land containing 826.56 acres, more or less, out of Sections "M" and "N" of the George H. Paul Subdivision of the Coleman Fulton Pasture Company's lands in San Patricio County, Texas, according to the map or plat thereof recorded in Volume 1, Page 32, of the Map Records of San Patricio County, Texas, being all of a certain tract of land containing 831.04 acres, more or less, described in a gift deed conveying a one-half (1/2) community property interest in said 831.04 acres of land from T.A. McKamey, as grantor, to Kenneth G. McKamey and wife, Hattie Bell McKamey, as grantees, in equal undivided interests, dated May 18, 1963, recorded in Volume 290, Page 351, of the Deed Records of San Patricio County, Texas, and an undivided one-half (1/2) interest in and to said 831.04 acres of land being a portion of the property acquired by Kenneth G. McKamey under

the will of Lillian McKamey, Deceased, as filed in San Patricio County, Texas under Probate No. 5642, devising her one-half (1/2) community property interest in said property, said 831.04 acres of land being more particularly described as follows, to-wit:

All of said Sections "M" and "N", more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pipe set for the Northeast corner of said Section "N" and on the South right of way of the S.A. & A.P.R.R., from said pipe the smokestack on the Walker Gin at Gregory bears S 44° 10' E, the silo at Terra Belle Ranch bears N 80° 29' W and the most easterly silo at the Rattle Snake Mott bears N 23° 51' W;

THENCE down the center of a road S 30° 7' W at 5272 feet set an iron pipe 20 feet S 30° 7' W of the fence on the North side of a Road running in a Westerly direction, from which the Silo at the Terra Belle Ranch bears N 22° 58' W and the Water Tower at Taft bears N 49° 48' W for the Southeast corner of Section "N" and the Southeast corner of this survey;

THENCE up the center of said Road N 60° 2' W, at 11,246.5 feet set a stake for the Southwest corner of this survey, from which Walker's Gin bears S 72° 52' E and the water tower at Taft bears N 45° 16' W;

THENCE N 30° E at 20 feet set an iron pipe under the fence on the North side of the road, at 2,357 feet the corner post of a fence, it being August Floerke's Southeast corner, at 5,278 feet a 6 inch by 6 inch cypress post on the South line of the Right-of-Way of the S.A. & A. P. R. R., it being Floerke's Northeast corner and the Northwest corner of Section "M" for the Northwest corner of this survey;

THENCE S 60° E with said right of way line at 5,647 feet the center of the gate at the Terra Belle Ranch, at 11,258 feet the PLACE OF BEGINNING, and containing 1,362,5 acres of land;

SAVE AND EXCEPT one-half (1/2) of the road on the East and South sides of said tract of land, containing 8.2 acres of land, more or less; and,

SAVE AND EXCEPT a tract of land containing 523.26 acres, more or less, out of said Section "M", more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pipe, the original West corner of Section "M", for the place of beginning;

THENCE, with the section line, N 30° 0' E 5,278 feet to the Southern Pacific Railroad Company right of way, the original Northwest corner of Section "M";

THENCE with the railroad right-of-way and section line, S 60° 0' E 4,326.4 feet to the Northwest corner of a 200 acre homestead tract in the name of McKamey;

THENCE with the boundary line of said homestead tract, S 30° 7' W 5,276.2 feet to the West corner of said homestead tract for the South corner of this tract;

THENCE with the line of said Section "M" N 60° 2' W 4,314 feet to the place of beginning, and containing 523.26 acres of land, more or less;

SAVE AND EXCEPT out of said 831.04 acres of land, the following described tracts of land, to-wit:

(a) A Tract of land containing one (1) acre, more or less, out of said Section "N", as conveyed by warranty deed from T.A. McKamey and wife, Lillian McKamey, as grantor, to Central Power and Light Company, dated May 4, 1955, recorded in Volume 200, Page 499, of the Deed Records of San Patricio County, Texas; and

(b) Three and forty-eight hundredths (3.48) acres of land, more or less, described as two tracts containing one and seventy-seven hundredths (1.77) acres, more or less, and one and seventy-one hundredths (1.71) acres, more or less, respectively, as conveyed by Right-of-Way Deed from Kenneth G. McKamey and wife, Hattie Bell McKamey, to San Patricio County, Texas, dated April 23, 1965, recorded in Volume 313, Page 497, of the Deed Records of Nueces County, Texas.

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

Exxon Mobil Corporation proposes to design and construct a 650,000 ton per annum polyethylene unit.

The plant will manufacture polyethylene resin which is used in products such as plastic pipe, merchandise bags, milk jugs, food and beverage containers, household chemical and detergent bottles, pails and drums. Feedstock for the plant will be provided by an adjacent ethane steam cracker that is the subject of a separate Application for Limitation of Appraised Value for Qualified Property. A summary of the relationship between the ethane steam cracker and the polyethylene unit is discussed below.

Proposed Output and Final Products

- The polyethylene unit will have a design capacity of 650,000 tons per annum of polyethylene.

The proposed improvements for which the tax limitation is sought will include one (1) polyethylene unit along with all process infrastructure and auxiliary equipment, including but not limited to, compressors, drums, vessels, heat exchangers, pumps, filters, reactors, packaged systems, blowers and fans, dryers, dust collection units, mixers, feeders, extruder, rotary valves, scales, trolleys and hoists, utility service lines, storage tanks, blending silos, electrical switchgear, transformers, substations, instrumentation, equipment and structural foundations including supports, control equipment and facilities, warehouses, raw material and utility distribution improvements, flare, cooling towers, inter-plant piping and utilities, tie-ins, road improvements, control building (including personal property located within buildings) , fire prevention and safety equipment, railroad switches, rail car loading equipment, rail car washing buildings and equipment, any other tangible personal property utilized in the process, storage, quality control, shipping, waste management and general operation of the polyethylene unit and any other infrastructure additions, upgrades and modifications related to the polyethylene unit.

EXHIBIT 4

DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

See **Exhibit 3**.

EXHIBIT 5
AGREEMENT SCHEDULE

	Year	Date of Appraisal	School Year	Tax Year	Summary Description
Deferral Period	Partial Deferral Year Beginning on the Application Approval Date (03/21/17)	January 1, 2017	2017-2018	2017	Start of Deferral Period beginning with the Application Approval Date (03/21/17). No limitation on appraised value.
	Deferral Year	January 1, 2018	2018-2019	2018	Deferral Period. No limitation on appraised value.
	Deferral Year	January 1, 2019	2019-2020	2019	Deferral Period. No limitation on appraised value.
	Deferral Year	January 1, 2020	2020-2021	2020	Deferral Period. No limitation on appraised value.
	Partial Year Deferral Period (01/01/21)	January 1, 2021	2021-2022	2021	Deferral Period. No limitation on appraised value.
Qualifying Time Period	Partial Year Beginning on 01/02/21	January 1, 2021	2021-2022	2021	Start of Qualifying Time Period beginning on 01/02/2021. No limitation on appraised value. First year for computation of Annual Limit.
	1	January 1, 2022	2022-2023	2022	Qualifying Time Period. No limitation on appraised value.
	2	January 1, 2023	2023-2024	2023	Qualifying Time Period. No limitation on appraised value.
Limitation Period (10 Years)	3	January 1, 2024	2024-2025	2024	$30 million appraised value limitation.
	4	January 1, 2025	2025-2026	2025	$30 million appraised value limitation.
	5	January 1, 2026	2026-2027	2026	$30 million appraised value limitation.
	6	January 1, 2027	2027-2028	2027	$30 million appraised value limitation.
	7	January 1, 2028	2028-2029	2028	$30 million appraised value limitation.
	8	January 1, 2029	2029-2030	2029	$30 million appraised value limitation.
	9	January 1, 2030	2030-2031	2030	$30 million appraised value limitation.
	10	January 1, 2031	2031-2032	2031	$30 million appraised value limitation.
	11	January 1, 2032	2032-2033	2032	$30 million appraised value limitation.
	12	January 1, 2033	2033-2034	2033	$30 million appraised value limitation.
Maintain Viable Presence (5 Years)	13	January 1, 2034	2034-2035	2034	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	14	January 1, 2035	2035-2036	2035	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.

	Year	Date of Appraisal	School Year	Tax Year	Summary Description
	15	January 1, 2036	2036-2037	2036	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	16	January 1, 2037	2037-2038	2037	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	17	January 1, 2038	2038-2039	2038	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.