AMENDMENT NO. 1
TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES
BETWEEN BEAUMONT INDEPENDENT SCHOOL DISTRICT AND ARBOR RENEWABLE GASOLINE - PHASE 1 LLC
(*Comptroller Application No. 1631*)

This **AMENDMENT NO. 1 TO THE AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES (**this "**Amendment No. 1**") is entered into by and between **BEAUMONT INDEPENDENT SCHOOL DISTRICT** (the "**District**"), a lawfully created independent school district of the State of Texas operating under and subject to the Texas Education Code, and **ARBOR RENEWABLE GASOLINE – PHASE 1 LLC**, a Delaware limited liability company, Texas Taxpayer Identification Number *32075924103* ("**Applicant**"). The Applicant and the District may hereafter be referred together as the "**Parties**" and individually as a "**Party**." Undefined capitalized terms herein shall have the meaning given to them in the Agreement (as defined below).

WHEREAS, on or about November 16, 2021, pursuant to Chapter 313 of the Texas Tax Code, after conducting a public hearing on the matter, the District made factual findings (the "**Findings of Fact**"), and passed, approved, and executed that certain Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes dated November 16, 2021, by and between the District and Applicant (the "**Agreement**");

WHEREAS, on May 23, 2022, pursuant to Section 10.2 of the Agreement, the Applicant requested to add additional qualified investment; Qualified Property and Qualified Investment maps; updated Tabs 7 and 8; and adjusted the Limitation Start Year to 2026 and Commencement of Commercial operations to Q2 – 2024; and

WHEREAS, the Parties notified the Texas Comptroller of Public Accounts (the **"Comptroller"**) of the Amended Application and the request for this Amendment No. 1, and the Comptroller issued its notice of completeness on July 12, 2022, and issued its amended certification of the Amended Application on July 12, 2022, and approved the form of this Amendment No. 1 on July 12, 2022; and

WHEREAS, on August 18, 2022, the Board of Trustees determined that this Amendment No. 1 is in the best interest of the District and the State of Texas and is consistent with and authorized by Chapter 313 of the Texas Tax Code, and hereby approves this Amendment No. 1 and authorizes the Board President and Secretary or in the event the Board President and Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized the Board Vice President, to execute and deliver such Agreement to the Applicant.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual benefits to be derived by the Parties and other good and valuable considerations, the receipt and adequacy of which are hereby acknowledged, and in compliance with Section 10.2 of the Agreement, the

undersigned Parties agree to amend the Agreement as follows:

1. **Amendments.** The Agreement is hereby amended as follows:

A. The Tax Limitation Period for this Agreement:

1. Starts on January 1, 2026, the first complete Tax Year that begins after the end of Qualifying Time Period; and,
2. Ends on December 31, 2035.

B. The Final Termination Date for this Agreement is December 31, 2040.

C. Exhibits 3 and 4 of the Agreement are hereby amended, restated, and replaced in their entirety, respectively, with the Exhibits 3 and 4 attached to this Amendment No. 1.

D. Exhibit 5 of the Agreement is hereby amended, restated, and replaced in its entirety, respectively with the Exhibit 5 attached to this Amendment No. 1.

2. **Effect.** Except as modified and amended by the terms of this Amendment No. 1, all of the terms, conditions, provisions and covenants of the Findings of Fact and Agreement are ratified and shall remain in full force and effect, and the Agreement and this Amendment No. 1 shall be deemed to constitute a single instrument or document and the Findings of Fact and this Amendment No. 1 shall be deemed to constitute a single instrument or document. Should there be any inconsistency between the terms of this Amendment No. 1 and the Agreement or this Amendment No. 1 and the Findings of Fact; the terms of this Amendment No. 1 shall prevail. A copy of this Amendment No. 1 shall be delivered to the Texas Comptroller to be posted to the Texas Comptroller's internet website. A copy of this Amendment No. 1 shall be recorded with the official Minutes of the meeting at which it has been approved on August 18, 2022.

3. **Binding on Successors and Assigns.** The Agreement, as amended by this Amendment No. 1, shall be binding upon and inure to the benefit of the Parties and each other person and entity having any interest therein during their ownership thereof, and their respective successors and assigns.

4. **Counterparts.** This Amendment No. 1 may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

IN WITNESS WHEREOF, the District and Applicant have caused this Amendment No. 1 to be executed and delivered by their duly authorized representatives on this 18th day of August 2022.

ARBORS RENEWABLE GAS LLC

By: _____
Darwin Fielder
EVP, PROJECT AND SITE DEVELOPMENT

BEAUMONT INDEPENDENT SCHOOL DISTRICT

By: _____
PRESIDENT, BOARD OF TRUSTEES

ATTEST:

By: _____
SECRETARY, BOARD OF TRUSTEES

OR IN THE EVENT OF A CONFLICT OF INTEREST

By: _____
VICE PRESIDENT, BOARD OF TRUSTEES

EXHIBIT 3

APPLICANT'S QUALIFIED INVESTMENT

Applicant's Qualified Investment shall be all tangible personal property first placed in service after November 16, 2021, that is owned by the Applicant, as more fully described in Tab #7 of the Application and located within the boundaries of the Beaumont Independent School District and the *Arbor Reinvestment Zone* depicted by the map attached to **EXHIBIT 4**.

Applicant plans to design and construct a plant that will produce renewable gasoline or renewable hydrogen utilizing, 1,000 tons per day of waste wood as a feedstock. The plant configuration will produce carbon dioxide at an industrial scale. The estimated qualified investment of the plant and its facilities during the qualifying time period is $283,000,000.

The proposed improvements will include all process facilities, infrastructure and auxiliary equipment, including the following significant components:

- Methanol reactors
- Gasoline reactors
- Cooling fans
- Final product storage tanks
- Heat exchangers
- Heaters
- Pumps
- Valves
- Compressors
- Motors and motor control centers
- Process control systems
- Waste heat recovery boiler
- Flare stack
- Refining columns
- Pollution control equipment
- CO2 capture equipment
- Process control buildings
- Warehouse, maintenance and other buildings
- Electric wood grinders
- Wood dryers
- Gasifier with cyclone
- Hot oxygen burner
- Syngas cooler
- Gas filter systems
- Lock hopper and silo feed systems

- Ash storage silos
- Gasoline hydrocrackers
- Syngas cleanup systems
- Acid gas removal systems
- Water gas shift systems
- Wood storage silos
- Truck unloading tippers
- Wood screening systems
- Wood conveying systems
- Demineralized water system
- Wastewater treatment
- Fire prevention system
- Oxygen VPSA
- Hydrogen PSA
- Nitrogen PSA
- Pipeline interconnect facilities
- Electric substation
- Utility connections
- Drum dryers
- Dryer furnace
- Regenerative thermal oxidizer
- Wet electrostatic precipitator
- Dryer cyclones
- Gas turbine generator system
- Duct burners
- Pipe racks
- Ducting systems

The projected estimate for the purchase of the land for the plant and its facilities is $5,350,000

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EXHIBIT 4

APPLICANT'S QUALIFIED PROPERTY

Applicant's Qualified Property shall be all tangible personal property first placed in service after September 13, 2021, that is owned by the Applicant, as more fully described in Tab #8 of the Application and located within *the* boundaries of the Beaumont Independent School District and the *Arbor Reinvestment Zone* depicted by the map attached to this **EXHIBIT 4**.

Applicant plans to design and construct a plant that will produce renewable gasoline, utilizing 1,000 tons per day of waste wood as a feedstock. The plant configuration will produce carbon dioxide at an industrial scale. The estimated investment of the plant is $1,175,000,000, with a projected estimate of $5,350,000 for the purchase of the land once the site location is determined. The total estimated investment of the qualified property is $1,180,350,000.

The proposed improvements will include all process facilities, infrastructure and auxiliary equipment, including the following significant components:

- Methanol reactors
- Gasoline reactors
- Cooling fans
- Final product storage tanks
- Heat exchangers
- Heaters
- Pumps
- Valves
- Compressors
- Motors and motor control centers
- Process control systems
- Waste heat recovery boiler
- Flare stack
- Refining columns
- Pollution control equipment
- CO2 capture equipment
- Process control buildings
- Warehouse, maintenance and other buildings
- Electric wood grinders
- Wood dryers
- Gasifier with cyclone
- Hot oxygen burner
- Syngas cooler
- Gas filter systems
- Lock hopper and silo feed systems

- Ash storage silos
- Gasoline hydrocrackers
- Syngas cleanup systems
- Acid gas removal systems
- Water gas shift systems
- Wood storage silos
- Truck unloading tippers
- Wood screening systems
- Wood conveying systems
- Demineralized water system
- Wastewater treatment
- Fire prevention system
- Oxygen VPSA
- Hydrogen PSA
- Nitrogen PSA
- Pipeline interconnect facilities
- Electric substation
- Utility connections
- Drum dryers
- Dryer furnace
- Regenerative thermal oxidizer
- Wet electrostatic precipitator
- Dryer cyclones
- Gas turbine generator system
- Duct burners
- Pipe racks
- Ducting systems

11 B AND 11 C

QUALIFYING INVESTMENT/ QUALIFYING PROPERTY

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May 23, 2022

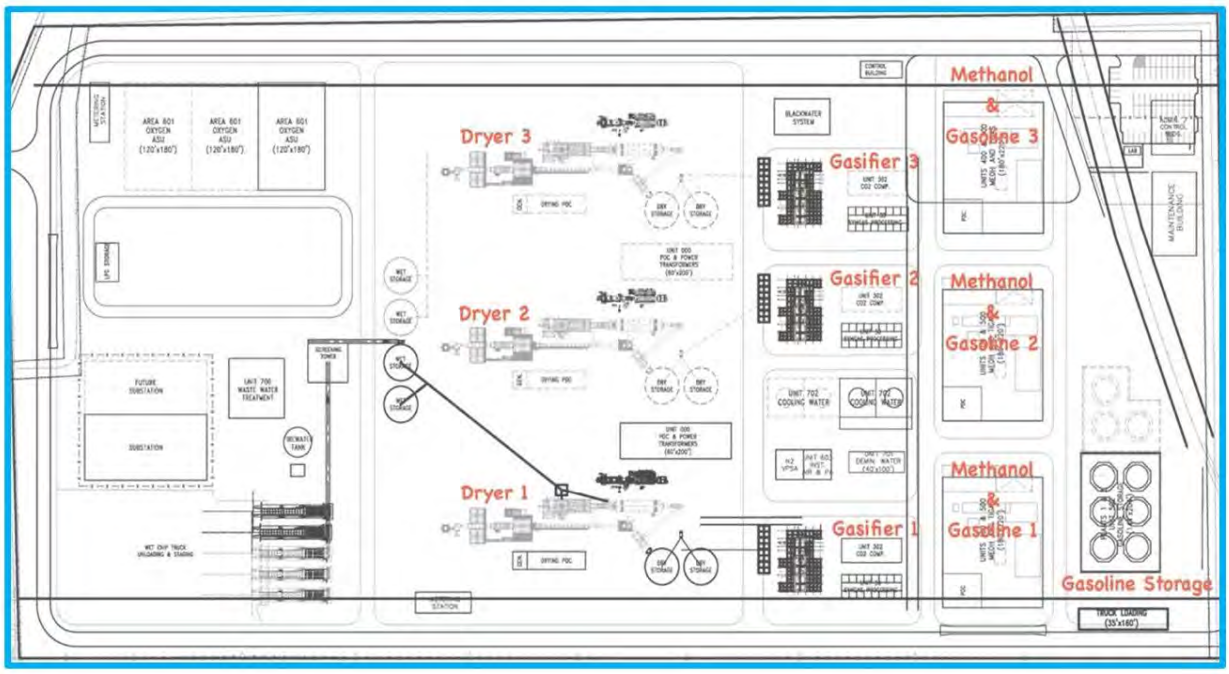

EXHIBIT 5

AGREEMENT SCHEDULE

	Year	Date of Appraisal	School Year	Tax Year	Summary Description
Pre-Limitation Period	Partial Year Beginning on the Date Agreement Signed (11/16/2021)	January 1, 2021	2021-2022	2021	Agreement Signed (11/16/2021). No limitation on appraised value. Qualifying Time Period Deferred until January 1, 2022
	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.
	3	January 1, 2024	2024-2025	2024	No limitation on appraised value.
	4	January 1, 2025	2025-2026	2025	No limitation on appraised value.
Limitation Period (10 Years)	1	January 1, 2026	2026-2027	2026	$30 million appraised value limitation.
	2	January 1, 2027	2027-2028	2027	$30 million appraised value limitation.
	3	January 1, 2028	2028-2029	2028	$30 million appraised value limitation.
	4	January 1, 2029	2029-2030	2029	$30 million appraised value limitation.
	5	January 1, 2030	2030-2031	2030	$30 million appraised value limitation.
	6	January 1, 2031	2031-2032	2031	$30 million appraised value limitation.
	7	January 1, 2032	2032-2033	2032	$30 million appraised value limitation.
	8	January 1, 2033	2033-2034	2033	$30 million appraised value limitation.
	9	January 1, 2034	2034-2035	2034	$30 million appraised value limitation.
	10	January 1, 2035	2035-2036	2035	$30 million appraised value limitation.
Maintain Viable Presence (5 Years)	11	January 1, 2036	2036-2037	2036	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	12	January 1, 2037	2037-2038	2037	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	13	January 1, 2038	2038-2039	2038	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	14	January 1, 2039	2039-2040	2039	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	15	January 1, 2040	2040-2041	2040	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.