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

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by and between

CORPUS CHRISTI INDEPENDENT SCHOOL DISTRICT

and

CORPUS CHRISTI LIQUEFACTION, LLC
(*Texas Taxpayer ID # 32048261799)*

Comptroller Application Number 362

Dated

November 9, 2015

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

STATE OF TEXAS §

COUNTY OF NUECES §

THIS AMENDED AND RESTATED 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 **CORPUS CHRISTI 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 **CORPUS CHRISTI LIQUEFACTION, LLC,** a Delaware limited liability company (*Texas Taxpayer ID # 32048261799),* hereinafter referred to as the "Applicant." The Applicant and the District are each hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties." Certain capitalized and other terms used in this Agreement shall have the meanings ascribed to them in Section 1.3.

RECITALS

WHEREAS, on November 11, 2013, the Superintendent of Schools of the Corpus Christi Independent School District (the "Superintendent"), acting as agent of the Board of Trustees of the District (the "Board of Trustees"), received from the Applicant an Application for Appraised Value Limitation on Qualified Property (the "Application"), pursuant to Chapter 313 of the Texas Tax Code; and,

WHEREAS, on November 11, 2013, the Board of Trustees authorized the Superintendent to accept, on behalf of the District, the Application from Corpus Christi Liquefaction, LLC; and,

WHEREAS, on November 18, 2013, the Superintendent acknowledged receipt of the Application and the requisite application fee, pursuant to Texas Tax Code §313.025(a)(1) and Local District Policy CCG (Local) and determined the Application to be complete; and,

WHEREAS, the Application was delivered to the office of the Texas Comptroller of Public Accounts (the "Comptroller") for review pursuant to Texas Tax Code §313.025(d); and,

WHEREAS, the Comptroller, via letter, has established December 5, 2013 as the completed Application date; and,

WHEREAS, pursuant to 34 Texas Administrative Code §9.1054, the Application was delivered for review to the Nueces County Appraisal District established in Nueces County, Texas (the "Appraisal District"), pursuant to Texas Tax Code §6.01; and,

WHEREAS, the Comptroller, pursuant to Texas Tax Code §313.025(d), reviewed the Application, and on February 18, 2014, via letter, recommended that the Application be approved; and,

WHEREAS, the Comptroller conducted an economic impact evaluation pursuant to Texas Tax Code §313.026, which was presented to the Board of Trustees at the April 28, 2014 public hearing held in connection with the Board of Trustees' consideration of the Application; and,

WHEREAS, the Board of Trustees carefully reviewed the economic impact evaluation and carefully considered the Comptroller's positive recommendation for the project; and,

WHEREAS, on April 28, 2014, 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; and,

WHEREAS, on April 28, 2014, the Board of Trustees made factual findings pursuant to Texas Tax Code §313.025(f), including, but not limited to, findings that: (i) the information in the Application is true and correct; (ii) this Agreement is in the best interest of the District and the State of Texas; (iii) the Applicant is eligible for the Limitation on Appraised Value of the Applicant's Qualified Property; (iv) each criterion referenced in Texas Tax Code §313.025(e) has been met; and,

WHEREAS, District qualifies as a rural school district under the provisions of Texas Tax Code §313.051(a)(2); and,

WHEREAS, on April 28, 2014, the Board of Trustees determined that the Tax Limitation Amount requested by the Applicant, and as defined in Sections 1.2 and 1.3, below, is consistent with the minimum values set out by Texas Tax Code, §313.052, as such Tax Limitation Amount was computed as of the date of this Agreement; and,

WHEREAS, the District received written notification, pursuant to 34 Texas Administrative Code §9.1055(e)(2)(A), that the Comptroller reviewed this Agreement

and reaffirmed the recommendation previously made on February, 18, 2014 that the Application be approved; and,

WHEREAS, on April 28, 2014, the Board of Trustees approved the form of this Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the President and Secretary of the Board of Trustees to execute and deliver such Agreement to the Applicant; and

WHEREAS, on August 17, 2015, the District received from Applicant a request to amend the Application and the Agreement to change the deferred Commencement Date to December 1, 2015; and

WHEREAS, Section 8.3 of the Agreement permits the Agreement to be amended by a written instrument signed by both parties; and

WHEREAS, on August 17, 2015, the Comptroller received Applicant's amended Application, in satisfaction of the requirements of Comptroller's Rule 9.1054(g)(14) that an application amendment be received no earlier than 180 days and no later than 90 days prior to the commencement of a deferred qualifying time period, which commencement date under this Agreement, as amended, is December 1, 2015; and

WHEREAS, the District received written notification that the Comptroller reviewed the Application amendment and this Agreement, as amended, and reaffirmed the recommendation previously made that the Application be approved and that the Comptroller approved this Agreement, as amended; and

WHEREAS, on November 9, 2015, the Board of Trustees approved the form of this Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, as amended, and authorized the President and Secretary of the Board of Trustees to execute and deliver such Agreement to the Applicant;

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

ARTICLE I

AUTHORITY, TERM, DEFINITIONS, AND GENERAL PROVISIONS

Section 1.1. 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 Texas Tax Code §313.027.

Section 1.2. TERM OF THE AGREEMENT

After a deferral period granted by the Board of Trustees pursuant to the provisions of Tex. Tax Code § 313.027(h), this Agreement shall commence and first become effective on the Commencement Date, as defined in Section 1.3 below. In the event that the Applicant makes a Qualified Investment in the amount defined in Section 2.6 below, or greater, between the Commencement Date, as defined in Section 1.3 below, and the end of the Qualifying Time Period, the Applicant will be entitled to the Tax Limitation Amount defined in Section 1.3 below, for the following Tax Years: 2018, 2019, 2020, 2021, 2022, 2023, 2024, and 2025. The limitation on the local ad valorem property values for Maintenance and Operations purposes shall commence with the property valuations made as of January 1, 2018, the appraisal date for the third full Tax Year following the Commencement Date.

The period beginning with the Commencement Date and ending on December 31, 2017, is referred to herein as the "Qualifying Time Period," as that term is defined in Texas Tax Code §313.021(4). Applicant shall not be entitled to a tax limitation during the Qualifying Time Period.

Unless sooner terminated as provided herein, the limitation on the local ad valorem property values shall terminate on December 31, 2025. Except as otherwise provided herein, this Agreement will terminate in full on the Final Termination Date, as defined in Section 1.3 below. The termination of this Agreement shall not (i) release any obligations, liabilities, rights and remedies arising out of any breach of, or failure to comply with, this Agreement occurring prior to such termination, or (ii) affect the right of a Party to enforce the payment of any amount to which such Party was entitled before such termination or to which such Party became entitled as a result of an event that occurred before such termination, so long as the right to such payment survives said termination.

Except as otherwise provided herein, the Tax Years for which this Agreement is effective are as set forth below and set forth opposite each such Tax Year is the

corresponding year in the term of this Agreement, the date of the appraised value determination for such Tax Year, and a summary description of certain provisions of this Agreement corresponding to such Tax Year (it being understood and agreed that such summary descriptions are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement):

Full Tax Year of Agreement	Date of Appraised Value Determination	School Year	Tax Year	Summary Description of Provisions
Partial Deferral Year Beginning on the Approval Date (4/28/2014)	January 1, 2014	2014-15	2014	Deferral Period
Deferral Year	January 1, 2015	2015-16	2015	Deferral Period
Partial Year Beginning on the Commencement Date (12/1/15)	January 1, 2015	2015-16	2015	Start of Qualifying Time Period beginning with Commencement Date (12/1/15). No limitation on value. First year for computation of Annual Limit. Possible Tax Credit in future years.
1	January 1, 2016	2016-17	2016	Qualifying Time Period. No limitation on value. Possible Tax Credit in future years.
2	January 1, 2017	2017-18	2017	Qualifying Time Period. No limitation on value. Possible Tax Credit in future years.
3	January 1, 2018	2018-19	2018	$ 30 million property value limitation.
4	January 1, 2019	2019-20	2019	$ 30 million property value limitation. Possible Tax Credit due to Applicant.
5	January 1, 2020	2020-21	2020	$ 30 million property value limitation. Possible Tax Credit due to Applicant.

Full Tax Year of Agreement	Date of Appraised Value Determination	School Year	Tax Year	Summary Description of Provisions
6	January 1, 2021	2021-22	2021	$ 30 million property value limitation. Possible Tax Credit due to Applicant.
7	January 1, 2022	2022-23	2022	$ 30 million property value limitation. Possible Tax Credit due to Applicant.
8	January 1, 2023	2023-24	2023	$ 30 million property value limitation. Possible Tax Credit due to Applicant.
9	January 1, 2024	2024-25	2024	$ 30 million property value limitation. Possible Tax Credit due to Applicant.
10	January 1, 2025	2025-26	2025	$30 million property value limitation. Possible Tax Credit due to Applicant.
11	January 1, 2026	2026-27	2026	No tax limitation. Possible Tax Credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.
12	January 1, 2027	2027-28	2027	No tax limitation. Possible Tax Credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.
13	January 1, 2028	2028-29	2028	No tax limitation. Possible Tax Credit due to Applicant. Applicant obligated to Maintain Viable Presence if no early termination.

Section 1.3. DEFINITIONS

Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning, to-wit:

"*Act*" means the Texas Economic Development Act set forth in Chapter 313 of the Texas Tax Code, as amended, as it existed on the Completed Application Date, unless otherwise specified herein.

"*Affiliate*" means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Applicant. For purposes of this definition, control of an entity means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.

"*Agreement*" means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented from time to time in accordance with Section 8.3.

"*Annual Limit*" means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Texas Tax Code §313.027(i). For purposes of this Agreement, the amount of the Annual Limit shall be calculated for each year by multiplying the District's average daily attendance for the year immediately preceding the school year for which the calculation is being made, as determined pursuant to Texas Education Code §42.005 times $100, or any larger amount in Texas Tax Code §313.027(i), if such limit amount is increased for any future year of this Agreement. The Annual Limit shall first be computed for tax year 2015, 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 December 1, 2015, on which the Qualifying Time Period commences under this Agreement.

"*Applicant*" means Corpus Christi Liquefaction, LLC, *Texas Taxpayer Id #32048261799*, the company listed in the Preamble of this Agreement who, on November 11, 2013, filed the Application with the District and who filed the August 17, 2015 amended Application. The term "Applicant" shall also include the Applicant's assigns and successors-in-interest, and their direct and indirect subsidiaries.

"*Applicable School Finance Law*" means Chapters 41 and 42 of the Texas Education Code; the Act (Chapter 313 of the Texas Tax Code); the provisions of Chapter 403; Subchapter M, of the Texas Government Code applicable to the District; the Constitution and general laws of the State applicable to the independent school districts of the State; 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 or all of the above. The term also 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.

"*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 November 11, 2013, which has been certified by the Comptroller to constitute a complete final Application as of the date of December 5, 2013. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant to the District or the Comptroller for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant, including the August 17, 2015 amended Application.

"*Appraised Value*" shall have the meaning assigned to such term in Section 1.04(8) of the Texas Tax Code.

"*Appraisal District*" means the Nueces County Appraisal District.

"*Board of Trustees*" means the Board of Trustees of the Corpus Christi Independent School District.

"*Commencement Date*" means December 1, 2015, the date upon which the Qualifying Time Period begins. By agreement of the Parties pursuant to Texas Tax Code §313.027(h), the Commencement Date has been deferred to this date.

"*Completed Application Date*" means December 5, 2013, the date upon which the Comptroller determined to be the date of its receipt of a completed Application for Appraised Value Limitation on Qualified Property (Texas Tax Code, Chapter 313, Subchapter B or C), Comptroller Form 50-296, from the Applicant.

"*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 at Title 34 Texas Administrative Code, Chapter 9, Subchapter D, together with any court or administrative decisions interpreting same, to the extent such rules or decisions interpret the Act, unless otherwise specified herein.

"*County*" means Nueces County, Texas.

"*District*" *or* "*School District*" means the Corpus Christi Independent School District, being a duly authorized and operating independent 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 December 31, 2028. However, any payment obligations of any Party arising under this Agreement prior to the Final Termination Date will survive until paid by the Party owing same.

"*Force Majeure*" means a failure caused by (a) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over the Applicant, the Applicant's Qualified Property or the Applicant's Qualified Investment or any upstream, intermediate or downstream equipment or support facilities as are necessary to the operation of the Applicant's Qualified Property or the Applicant's Qualified Investment; (b) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (c) the action, judgment or decree of any court; (d) floods, storms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, strikes, labor disputes (it being understood that nothing contained in this Agreement shall require the Applicant to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend franchises, licenses or permits, loss, interruption, curtailment or failure to obtain electricity, gas, steam, water, wastewater disposal, waste disposal or other utilities or utility services, inability to obtain or failure of suppliers to deliver equipment, parts or material, or inability of the Applicant to ship or failure of carriers to transport electricity from the Applicant's facilities; or (e) any other cause (except financial), whether similar or dissimilar, over which the Applicant has no reasonable control and which forbids or prevents Applicant's performance of its obligations under this Agreement.

"*Land*" shall have the meaning assigned to such term in Section 2.2.

"*Maintain Viable Presence*" means, after the development and construction of the project described in the Application and in the description of the Applicant's Qualified Investment and Qualified Property as set forth in Section 2.3, below, (i) the operation over the term of this Agreement of the facility or facilities for which the tax

limitation is granted, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured, and/or reengineered; (ii) the maintenance of at least the number of New Jobs required by Chapter 313 of the Texas Tax Code from the time they are created until the Final Termination Date; and (iii) the maintenance of at least the number of Qualifying Jobs set forth in the Application from the time they are created until the Final Termination Date.

"*Maintenance and Operations Revenue*" or "*M&O Revenue*" means (i) those revenues that the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Texas Education Code §45.002 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 District 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.

"*Market Value*" shall have the meaning assigned to such term in Section 1.04(7) of the Texas Tax Code.

"*Material Breach*" shall have the meaning assigned to such term by Section 7.6.

"*Net Aggregate Limit*" means, for any Tax Year of this Agreement, the cumulative total of the Annual Limit amount for such Tax Year and all previous years of the Agreement, less all amounts previously paid by the Applicant to or on behalf of the District under Article IV, below.

"*Net Tax Benefit*" means, (i) the amount of maintenance and operations *ad valorem* taxes that the Applicant would have paid to the District for all Tax Years if this Agreement had not been entered into by the Parties, (ii) adding to the amount determined under clause (i) all Tax Credits received by the Applicant under Chapter 313, Texas Tax Code, and (iii) subtracting from the sum of the amounts determined under clauses (i) and (ii) the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas, for all Tax Years of this Agreement, plus (B) any payments due to the District under Article III under this Agreement.

"*New Jobs*" means the total number of jobs, defined by Comptroller's Rule §9.1051, which the Applicant will create in connection with the project which is the subject of its Application. In accordance with the requirements of Texas Tax Code

§313.024(d), Eighty Percent (80%), of all New Jobs created by the Applicant on the project shall also be Qualifying Jobs, as defined below.

"*New M&O Revenue*" shall have the meaning assigned to such term by Section 3.2.

"*Original M&O Revenue*" shall have the meaning assigned to such term by Section 3.2.

"*Qualified Investment*" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"*Qualifying Jobs*" means the number of New Jobs the Applicant will create in connection with the project that is the subject of its Application, which meet the requirements of Texas Tax Code §§313.021(3) and 313.051(b).

"*Qualified Property*" has the meaning set forth in Chapter 313 of the Texas Tax Code, as interpreted by the Comptroller's Rules and the Texas Attorney General, as these provisions existed on the date of this Agreement, applying any specific requirements for rural school districts imposed by Subchapter C of Chapter 313 of the Texas Tax Code and by the Comptroller's Rules.

"Qualifying Time Period" means the period that begins on the Commencement Date of December 1, 2015 and ends on December 31, 2017.

"*Revenue Protection Amount*" means the amount calculated pursuant to Section 3.2 of this Agreement.

"*State*" means the State of Texas.

"*Substantive Document*" means a document or other information or data in electronic media determined by the Comptroller to substantially involve or include information or data significant to the Application, the evaluation or consideration of the Application, or this Agreement or implementation of this Agreement for Limitation of Appraised Value pursuant to Chapter 313 of the Texas Tax Code. The term includes, but is not limited to, the Application and any amendments or supplements, any economic impact evaluation made in connection with the Application, this Agreement between the Applicant and the District and any subsequent amendments or assignments, any school district written finding or report filed with the Comptroller as required by Comptroller's Rule, and any application requesting school tax credits under Texas Tax Code §313.103.

"*Supplemental Payment*" shall have the meaning assigned to such term in Section 4.2.

"*Tax Credit*" means the tax credit, either to be paid by the District to the Applicant, or to be applied against any taxes that the District imposes on Qualified Property, as computed under the provisions of Subchapter D of the Act, and rules adopted by the Comptroller and/or the Texas Education Agency, provided that the Applicant complies with the requirements under such provisions, including the timely filing of a completed application under Texas Tax Code §313.103 and the duly adopted administrative rules.

"*Tax Limitation Amount*" means the maximum amount which may be placed as the Appraised Value on Qualified Property for years three (3) through ten (10) of this Agreement pursuant to Texas Tax Code §313.054. That is, for each of the eight (8) Tax Years: 2018, 2019, 2020, 2021, 2022, 2023, 2024, and 2025, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed, and the Tax Limitation Amount shall be, the lesser of:

(a) the Market Value of the Applicant's Qualified Property; or

(b) Thirty Million Dollars ($30,000,000.00).

The Tax Limitation Amount set forth in the immediately preceding Subsection (b) is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Texas Tax Code, §313.022(b) or §313.052.

"*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.

"*Texas Education Agency Rules*" means the applicable rules and regulations adopted by the Texas Commissioner of Education in relation to the administration of Chapter 313 of the Texas Tax Code, which are set forth at Title 19 – Part 2, Texas Administrative Code, together with any court or administrative decisions interpreting same.

ARTICLE II

PROPERTY DESCRIPTION

Section 2.1. LOCATION WITHIN A QUALIFIED REINVESTMENT ZONE

The Applicant's Qualified Property and the Applicant's Qualified Investment will be located within an area designated as a reinvestment zone under Chapter 312 of the Texas Tax Code. The legal description of the reinvestment zone in which the Applicant's Qualified Property is located is attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 2.2. LOCATION OF QUALIFIED PROPERTY

The land upon which the Applicant's Qualified Property will be located is described in the legal description that is attached to this Agreement as **EXHIBIT 2** and is incorporated herein by reference for all purposes (the "Land"). The Parties expressly agree that the boundaries of the Land may not be materially changed from the configuration described in **EXHIBIT 2** without the express authorization of each of the Parties.

Section 2.3. DESCRIPTION OF QUALIFIED INVESTMENT AND QUALIFIED PROPERTY

The Qualified Investment and/or Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 3**, which is attached hereto and incorporated herein by reference for all purposes.

"Applicant's Qualified Investment" shall be that portion of the property described in **EXHIBIT 3** which is placed in service under the terms of the Application, during the Qualifying Time Period.

"Applicant's Qualified Property" shall be all property described in **EXHIBIT 3**, including, but not limited to the Applicant's Qualified Investment, together with the land described in **EXHIBIT 2** which: 1) is owned by the Applicant; 2) was first placed in service after the Completed Application Date; and 3) is used in connection with the activities described in the Application. Property which is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Investment or Applicant's Qualified Property for purposes of this Agreement, unless pursuant to Texas Tax Code §313.027(e) and Section 8.3 of this Agreement, the Board of Trustees, by official action, provides that such other property is

a part of the Applicant's Qualified Investment and/or Applicant's Qualified Property for purposes of this Agreement.

Property owned by the Applicant which is not described on **EXHIBIT 3** may not be considered to be Applicant's Qualified Property unless the Applicant:

(a) submits to the District and the Comptroller a written request to add such property to this Agreement, which request shall include a specific description of the additional property to which the Applicant requests that the Tax Limitation Amount apply;

(b) notifies the District and the Comptroller of any other changes to the information that was provided in the Application approved by the District; and,

(c) provides any additional information reasonably requested by the District or the Comptroller that is necessary to re-evaluate the economic impact analysis for the new or changed conditions.

Section 2.4. APPLICANT'S OBLIGATIONS TO PROVIDE CURRENT INVENTORY OF QUALIFIED PROPERTY

At the end of the Qualifying Time Period, or at any other time when there is a material change in the Applicant's Qualified Property located on the land described in **EXHIBIT 2**, or upon a reasonable request of the District, the Comptroller, or the Appraisal District, the Applicant shall provide to the District, the Comptroller, and the Appraisal District a specific and detailed description of the tangible personal property, buildings, or permanent, nonremovable building components (including any affixed to or incorporated into real property) to which the value limitation applies, including maps or surveys of sufficient detail and description to locate all such described property within the boundaries of the real property which is subject to the Agreement.

Section 2.5. QUALIFYING USE

The Applicant's Qualified Investment/Property described above in Section 2.3 qualifies for a tax limitation agreement under Texas Tax Code §313.024(b)(1) as a manufacturing facility.

Section 2.6. LIMITATION ON APPRAISED VALUE

So long as the Applicant makes a Qualified Investment in the amount of Thirty Million Dollars ($30,000,000.00), or greater, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, for each of the eight (8) Tax Years: 2018, 2019, 2020, 2021, 2022, 2023, 2024, and 2025, 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 Investment; or

(b) Thirty Million Dollars ($30,000,000.00).

The Tax Limitation Amount set forth in the immediately preceding Subsection(b) is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Texas Tax Code §313.022 (b) or §313.052.

ARTICLE III

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 3.1. INTENT OF THE PARTIES

Subject to the limitations contained in this Agreement (including Section 5.1), it is the intent of the Parties that the District shall, in accordance with the provisions of Texas Tax Code §313.027(f)(1), be compensated by the Applicant for: any loss that the District incurs in its Maintenance and Operations Revenue; or for any new uncompensated operating cost incurred as a result of, or on account of, entering into this Agreement, after taking into account any payments to be made under this Agreement. Such compensation shall be independent of, and in addition to, all such other payments as are set forth in Article IV. Subject only to the limitations contained in this Agreement (including Section 5.1), it is the intent of the Parties that the risk of any negative financial consequence to the District in making the decision to enter into this Agreement will be borne by the Applicant and not by the District, and paid by the Applicant to the District in addition to any and all payments due under Article IV.

Section 3.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT

The calculation of 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 during the term of this Agreement (the "Revenue Protection Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

(a) The Revenue Protection Amount owed by the Applicant to District means the Original M&O Revenue *minus* the New M&O Revenue;

Where:

i. *"Original M&O Revenue"* means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified Investment been subject to the ad valorem maintenance & operations tax at the tax rate actually adopted by the District for the applicable year.

ii. *"New M&O Revenue"* means the total State and local Maintenance & Operations Revenue that the District actually received for such school year, after all adjustments have been made to Maintenance and Operations Revenue because of any portion of this Agreement.

(b) In making the calculations required by this Section 3.2:

i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.

ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property and/or the Applicant's Qualified Investment 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 3.2 results in a negative number, the negative number will be considered to be zero.

iv. All calculations made for years three (3) through ten (10) of this Agreement under Section 3.2, Subsection (a)(ii) of this Agreement will reflect the Tax Limitation Amount for such year.

v. All calculations made under this Section 3.2 shall be made by a methodology which isolates the full M & O 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 on account of any other factors not contained in this Agreement.

Section 3.3. COMPENSATION FOR LOSS OF OTHER REVENUES

In addition to the amounts determined pursuant to Section 3.2 above, and to the extent provided in Section 6.3, the Applicant, on an annual basis, shall also indemnify and reimburse the District for the following:

(a) All non-reimbursed costs incurred by the District in paying or otherwise crediting to the account of the Applicant, any applicable tax credit to which the Applicant may be entitled pursuant to Chapter 313, Subchapter D of the Texas Tax Code, and for which the District does not receive reimbursement from the State pursuant to Texas Education Code §42.2515, or other similar or successor statute.

(b) 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 that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project.

(c) All non-reimbursed increases in District costs paid to the Appraisal District certified by the District's external auditor to have been caused by increased appraised values arising solely from the project described in the Application.

Section 3.4. 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 approved 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 the mediator provided in Section 7.9 of this Agreement.

Section 3.5. DATA USED FOR CALCULATIONS

The calculations under this Agreement shall be initially based upon the valuations that are placed upon all taxable property in the District, including 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 Texas Tax Code §26.01 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 under Section 3.4. 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 3.6. DELIVERY OF CALCULATIONS

On or before November 1 of each year for which this Agreement is effective, the Third Party selected pursuant to Section 3.4 of this Agreement shall forward to the Parties a certification containing the calculations required under Sections 3.2 and/or 3.3 and Article IV, or under Section 5.1 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. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's 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 calculation and fee for a period of five (5) years after payment. The Applicant shall not be liable for any of Third Party's costs resulting from an 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 3.7, if such fee is timely paid.

Section 3.7. 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 of the year 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 3.6, above, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or tax credit or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement. In no year shall the Applicant be responsible for the payment of total expenses under this Section 3.7 and Section 3.6, above, in excess of Ten Thousand Dollars ($10,000.00).

Section 3.8. RESOLUTION OF DISPUTES

Should the Applicant disagree with the certification prepared and/or delivered pursuant to Section 3.6, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days of receipt of 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 District's Board of Trustees. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the District's Board of Trustees within thirty (30) days of the final determination of the certification containing the calculations.

Section 3.9. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT

If, at the time the Third Party selected under Section 3.4 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Qualified Property, and the appeal of the appraised values are unresolved, the Third Party shall base its calculations upon the values initially placed upon the Qualified Property by the Appraisal District.

If as a result of an appraisal 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 for the applicable year or years using the new Taxable Value. 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 counter-party within thirty (30) days of the receipt of the new calculations from the Third Party.

Section 3.10. EFFECT OF STATUTORY CHANGES

Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 5.1, 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, or to other governmental entities including the Appraisal District, because of its participation in this Agreement, the Applicant shall make payments to the District, up to the revenue protection amount limit set forth in Section 5.1, that are necessary to offset any negative impact on the District as a result of its participation in this Agreement. Such calculation 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. Both the District and the Applicant anticipate and intend that the provisions of Section 3.2 through 3.6 above will fulfill the requirements of this Section 3.10.

ARTICLE IV

Section 4.1. INTENT OF PARTIES WITH RESPECT TO SUPPLEMENTAL PAYMENTS

In interpreting the provisions of Article IV, the Parties agree as follows:

(a) Amounts Exclusive of Indemnity Amounts

In addition to undertaking the responsibility for the payment of all of the amounts set forth under Article III, 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 IV. 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 obligation for Supplemental Payments under this Article IV are separate and independent of the obligation of the Applicant to pay the amounts described in Article III; provided, however, that all payments under Articles III and IV are subject to such limitations as are contained in Section 5.1, and that all payments under Article IV are subject to the separate limitations contained in Section 4.4.

(b) Adherence to Statutory Limits on Supplemental Payments

It is the express intent of the parties that any Supplemental Payments made to or on behalf of the District by the Applicant, under this Article IV, shall not exceed the limit imposed by the provisions of Texas Tax Code 313.027(i) unless that limit is increased by the Legislature at a future date, in which case all references to statutory limits in this Agreement will be automatically adjusted to reflect the new, higher limits, but only if, and to the extent that such increases are authorized by law; however, in such event, it shall not exceed the stipulated Supplemental Payment Amount described in Sections 4.2 and 4.3 below.

Section 4.2. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO NET AGGREGATE LIMIT

In any year during the term of this Agreement, the District shall be entitled to receive a payment in an amount equal to the lesser of:

(a) the Applicant's Stipulated Supplemental Payment Amount, defined as Forty Percent (40%) of the Applicant's Net Tax Benefit, as the term is defined in Section 1.3, above; or,

(b) the Net Aggregate Limit, as the term is defined in Section 1.3, above.

Each such payment shall be referred to herein as a *"Supplemental Payment."*

Section 4.3. ANNUAL CALCULATION OF STIPULATED SUPPLEMENTAL PAYMENT AMOUNT

The Parties agree that for each Tax Year of this Agreement, beginning with the third full year (Tax Year 2018), the Stipulated Supplemental Payment amount described in Section 4.2 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 school tax rate of any other governmental entity, including the State of Texas, for such Tax Year;

Plus,

Any Tax Credit received by the Applicant with respect to such Tax Year;

Minus,

Any amounts previously paid to the District under Article III for such Tax Year;

Multiplied by,

The number 0.4;

Minus,

Any amounts previously paid to the District under Sections 4.2 and 4.3 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 described in Section 3.4, above, shall adjust the Stipulated Supplemental Payment amount calculation to reflect any changes in the data.

Section 4.4. CALCULATION OF ANNUAL SUPPLEMENTAL PAYMENTS TO THE DISTRICT AND APPLICATION OF NET AGGREGATE LIMIT

For each year of this Agreement, beginning with year three (Tax Year 2018) and continuing thereafter through year thirteen (Tax Year 2028), the District, or its successor beneficiary should one be designated under Section 4.6, below, shall not be entitled to receive Supplemental Payments, computed under Sections 4.2 and 4.3, above, that exceed the Net Aggregate Limit, defined in Section 1.3, above.

If, for any year of this Agreement, the payment of the Applicant's Stipulated Supplemental Payment amount, calculated under sections 4.2 and 4.3, above, exceeds the Net Aggregate Limit for that year, the difference between the Stipulated Supplemental Payment amount and the Net Aggregate Limit, shall be carried forward from year-to-year into subsequent years of this Agreement, and to the extent not limited by the Net Aggregate Limit in any subsequent year of this Agreement, shall be paid to the District.

Any Stipulated Supplemental Payment amount, which cannot be made to the District prior to the end of year thirteen (Tax Year 2028), because such payment would exceed the Net Aggregate Limit, will be deemed to have been cancelled by operation of law.

Section 4.5. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS

(a) All calculations required by this Article, including but not limited to: (i) the calculation of the Stipulated Supplemental Payment amount; (ii) the determination of both the Annual Limit and the Net Aggregate Limit; (iii) the effect, if any, of the Net 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 Stipulated Supplemental Payment amounts unpaid by the Applicant due to the Net Aggregate Limit in previous years, shall be calculated by the Third Party selected pursuant to Section 3.4.

(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 3.6.

(c) The payment of all amounts due under this Article shall be made at the time set forth in Section 3.7.

Section 4.6. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY

At any time during this Agreement, the District's 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 the Applicant's payment obligations under this Article IV be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 6.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time, and such rescission will become effective after delivery of notice of such action to the Applicant in conformance with the provisions of Section 8.1.

Any designation of a successor beneficiary under this Section shall not alter the Net Aggregate Limit or the Supplemental Payments described in Section 4.4, above.

ARTICLE V

ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

SECTION 5.1. ANNUAL LIMITATION AFTER FIRST THREE YEARS

Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year beginning after the end of Tax Year 2018 and ending on the Final Termination Date, 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 III and IV 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 Sections 3.4 and 3.6, 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 III and IV shall be reduced until such excess is eliminated.

Section 5.2. OPTION TO CANCEL AGREEMENT

If any payment otherwise due from the Applicant to the District under Article III and/or Article IV with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 5.1 above, then the Applicant shall have the option to terminate this Agreement. The Applicant may exercise such option to cancel this Agreement by notifying the District of its election in writing not later than the July 31 of the year next following the Tax Year with respect to which a reduction under Section 5.1 is applicable. Any cancellation of this Agreement under the foregoing provisions of this Section 5.2 shall be effective immediately prior to the second Tax Year following the Tax Year in which the reduction giving rise to the option occurred. In addition to the foregoing, 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, during the Qualifying Time Period, to terminate this Agreement by notifying the District in writing of its exercise of such option. Any termination of this Agreement under the immediately preceding sentence shall be effective immediately prior to the beginning of the Tax Year immediately following the Tax Year during which such notification is delivered to the District. Upon any termination of this Agreement under this Section 5.2, this Agreement shall terminate and be of no further force or effect; provided, however, that 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.

ARTICLE VI

TAX CREDITS

Section 6.1. APPLICANT'S ENTITLEMENT TO TAX CREDITS

The Applicant shall be entitled to Tax Credits from the District under and in accordance with the provisions of Subchapter D of the Act and Comptroller Rules, provided that the Applicant complies with the requirements under such provisions, including the timely filing of a completed Tax Credit application under Texas Tax Code § 313.103 and Comptroller Rules.

Section 6.2. DISTRICT'S OBLIGATIONS WITH RESPECT TO TAX CREDITS

The District shall timely comply and shall cause the District's collector of taxes to timely comply with their obligations under Subchapter D of the Act and Comptroller Rules, including, but not limited to, such obligations set forth in Texas Tax Code § 313.104 and either Comptroller and/or Texas Education Agency Rules.

Section 6.3. COMPENSATION FOR LOSS OF TAX CREDIT PROTECTION REVENUES

If, after the Applicant has actually received the benefit of a Tax Credit under Section 6.1, the District does not receive aid from the State pursuant to Texas Education Code §42.2515 or other similar or successor statute with respect to all or any portion of such Tax Credit for reasons other than the District's failure to comply with the requirements for obtaining such aid, then the District shall notify the Applicant in writing thereof and the circumstances surrounding the State's failure to provide such aid to the District. The Applicant shall pay to the District the amount of such Tax Credit for which the District did not receive such aid within thirty (30) calendar days after receipt of such notice, and such payment shall be subject to the same provisions for late payment as are set forth in Section 7.4 and 7.5. If the District receives aid from the State for all or any portion of a Tax Credit with respect to which the Applicant has made a payment to the District under this Section 6.3, then the District shall pay to the Applicant the amount of such aid within thirty (30) calendar days after the District's receipt thereof.

ARTICLE VII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 7.1. DATA REQUESTS

During the term of this Agreement, and upon the written request of one Party or by the Comptroller (the "Requesting Party"), the other Party shall provide the Requesting Party with all information reasonably necessary for the Requesting Party to determine whether the other Party is in compliance with its obligations, including any employment obligations which may arise under this Agreement. The Applicant shall allow authorized employees of the District, the Comptroller, and/or the Appraisal District to have access to the Applicant's Qualified Property and/or business records, in accordance with Texas Tax Code §22.07, during the term of this Agreement, in order to inspect the project to determine compliance with the terms hereof. All inspections will be made at a mutually agreeable time after the giving of not less that forty-eight (48) 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. 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 private personnel data, proprietary, a trade secret or confidential in nature or is subject to a confidentiality agreement with any third party.

Section 7.2. REPORTS TO OTHER GOVERNMENTAL AGENCIES

The Applicant shall timely make any and all reports that are or may be required under the provisions of law or administrative regulation, including but not limited to the annual report or certifications that may be required to be submitted by the Applicant to the Comptroller under the provisions of Texas Tax Code §313.032. The Applicant shall forward a copy of all such required reports or certifications to the District contemporaneously with the filing thereof. The obligation to make all such required filings shall be a material obligation under this Agreement.

Section 7.3. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE

By entering into this Agreement, the Applicant warrants that:

(a) it will abide by all of the terms of the Agreement;

(b) it will Maintain Viable Presence in the District 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, as defined in Section 1.3, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure; and,

(c) it will meet minimum eligibility requirements under Texas Tax Code, Chapter 313 throughout the value limitation and tax-credit settle-up periods.

Section 7.4. CONSEQUENCES OF EARLY TERMINATION OR Material BREACH BY APPLICANT

In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 5.2, or in the event that the Applicant or its successor-in-interest commits a Material Breach, after the notice and cure period provided by Section 7.8, and any dispute resolution conducted pursuant to Section 7.9, then the District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of penalty and interest, as calculated

in accordance with Section 7.5, on that recaptured ad valorem tax revenue. For purposes of this recapture calculation, the ad valorem tax revenue lost as a result of this Agreement shall be, calculated for each Tax Year with respect to which the Tax Limitation Amount has previously applied, (a) the Taxable Value of Applicant's Qualified Property for such Tax Year, minus (b) the Taxable Value of Applicant's Qualified Property for such Tax Year after giving effect to this Agreement, multiplied by (c) the District's maintenance and operations tax rate for such Tax Year, less (d) all payments made to the District pursuant to Article III and Article IV with respect to such Tax Year.

Section 7.5. CALCULATION OF PENALTY AND INTEREST

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 owed less all credits under Section 7.4 for each Tax Year during the term of this Agreement since the Commencement Date. The District shall calculate penalty or interest for each Tax Year during the term of this Agreement since the Commencement Date 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 7.4 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 Texas Tax Code §33.01(a), or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Texas Tax Code §33.01(c), or its successor statute.

Section 7.6 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:

(a) Applicant is determined to have made inaccurate material representations of fact in submission of its Application, in violation of Section 8.13, below.

(b) Applicant fails to Maintain Viable Presence in the District, as required by Section 7.3 of this Agreement, through the Final Termination Date of this Agreement.

(c) Applicant fails to make any payment required under Articles III or IV of this Agreement on or before its due date.

(d) Applicant fails to make any payment required by this Agreement, or by the State or its agencies where such payment is authorized or required by the Act or by rules adopted thereunder.

(e) Applicant fails to create and maintain at least the number of New Jobs it committed to create and maintain on Schedule C, Column C of its Application.

(f) Applicant fails to create and maintain at least the number of Qualifying Jobs it committed to create and maintain on Schedule C, Column E of its Application.

(g) Applicant fails to create and maintain at least Eighty Percent (80%) of all New Jobs created by the Applicant on the project as Qualifying Jobs.

(h) Applicant makes 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, Texas Tax Code, in excess of the amounts set forth in Articles III and IV, above. Voluntary donations made by the Applicant to the District after the date of execution of this Agreement, and not mandated by this Agreement or made in recognition of consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 are not barred by this provision.

(i) Applicant fails to comply in any material respect with any other term of this Agreement**,** or the Applicant fails to meet its obligations under the applicable Comptroller's Rules, and under the Act, including but not limited to the filing of all required reports related to this Agreement.

Section 7.7 LIMITED STATUTORY CURE OF MATERIAL BREACH

In accordance with the provisions of Texas Tax Code § 313.0275 for any full Tax Year with respect to which a Tax Limitation Amount applies, the Applicant may cure a Material Breach of this Agreement described in Section 7.6(e), 7.6(f), or 7.6(g), above, without the termination of the remaining term of this Agreement. In order to cure its non-compliance with one of the aforementioned Sections for the particular Tax Year of non-compliance only, the Applicant must make the liquidated damages payment required by Texas Tax Code §313.0275(b), in accordance with the provisions of Texas Tax Code §313.0275(c), or by Comptroller's Rule § 9.1054(h)(11). Such payment shall be

calculated by applying the calculations set forth in Section 7.4 with respect to such Tax Year.

Section 7.8. DETERMINATION OF MATERIAL BREACH AND TERMINATION OF AGREEMENT

Prior to making a determination under Section 7.6 that the Applicant has committed a Material Breach of this Agreement as defined in Section 7.6, above, the District shall provide the Applicant with a written notice of the facts that it believes have caused the Material 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 Material Breach of its obligations under the Agreement, or that it has cured or undertaken to cure any such Material Breach.

If the Board of Trustees is not satisfied with such response and/or that such Material 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 Material Breach has occurred and, if so, whether such Material 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 whether or not a Material Breach of this Agreement has occurred, the date such breach occurred, if any, and whether or not any such breach has been cured. In the event that the Board of Trustees determines that such a Material Breach has occurred and has not been cured, it shall also terminate the Agreement and determine the amount of recaptured taxes under Section 7.4, and the amount of any penalty and/or interest under Section 7.5 that are owed to the District.

After making its determination regarding any alleged Material 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").

Section 7.9. DISPUTE RESOLUTION

After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 7.8, 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's receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 7.8, 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 Nueces County, Texas. The Parties agree to sign a document that provides that 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. The ninety (90) day period prescribed above for disputing a Determination of Breach and Notice of Contract Termination shall toll, and shall not be considered for any purpose as continuing to run, during the mediation.

In the event that any mediation is not successful in resolving the dispute, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, 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 covenant, agreement, or undertaking made by a Party pursuant to this Agreement.

If payments become due under this Agreement and are not received before the expiration of ninety (90) days (taking into account any tolling of such period), and 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 7.8 as are set forth in Texas Tax Code Chapter 33, Subchapters B and C, 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 Texas Tax Code § 6.30, and a lien shall attach to the Applicant's Qualified Property and the Applicant's Qualified Investment pursuant to Texas Tax Code §33.07 to secure payment of such fees.

Section 7.10. 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 Sections 7.4 and 7.5 above. 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 7.10 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 7.11. BINDING ON SUCCESSORS

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.

Section 7.12. ADDITIONAL APPLICANT OBLIGATIONS PRIOR TO END OF DEFERRAL PERIOD

As set forth in section 1.2, above, the Parties have agreed to the deferral of the Commencement Date for this Agreement until December 1, 2015. Applicant has, therefore, complied with the following additional requirements in conformance with the provisions of 34 Texas Administrative Code § 9.1054(g)(14). On August 17, 2015, which date was not earlier than 180 days prior to the Commencement Date and not later than 90 days prior to the Commencement Date, Applicant provided the District with an update on the project status, and delivered to the District and the Comptroller an amended Application and/or supplemental Application materials informing the Comptroller of material changes in the Application materials. Additionally, prior to the Commencement Date, Applicant has complied with any written requests from the District or the Comptroller to provide additional information necessary to evaluate the economic impact analysis for the conditions prior to the start of the Qualifying Time Period.

The information submitted pursuant to this Section has resulted in the reaffirmation of the Comptroller's recommendation in favor of the project.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.1. INFORMATION AND NOTICES

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 transmission, with "answer back" or other "advice 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 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.

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

Dr. Roland Hernandez, Superintendent
CORPUS CHRISTI INDEPENDENT SCHOOL DISTRICT
801 Leopard Street
Corpus Christi, Texas 78403
Fax: (361) 886-9109
E-mail: roland.hernandez@ccisd.org

or at such other address or to such other facsimile and/or electronic mail transmission number and to the attention of such other person as the District may designate by written notice to the Applicant.

Notices to the Applicant shall be addressed to:

Daniel Belhumeur
Vice President and General Tax Counsel
CORPUS CHRISTI LIQUEFACTION, LLC
700 Milam Street, Suite 800
Houston, Texas 77002
Fax: (713) 375-6583
E-mail: daniel.belhumeur@cheniere.com

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

Section 8.2. EFFECTIVE DATE, TERMINATION OF AGREEMENT

(a) This Agreement shall be and become effective on the date of final approval of this Agreement by the District's Board of Trustees.

(b) The obligation to Maintain Viable Presence under this Agreement shall remain in full force and effect through the termination in full date established in Section 1.2 of this Agreement.

(c) In the event that the Applicant fails to make a Qualified Investment in the amount of Thirty Million Dollars ($30,000,000.00), or greater, during the

Qualifying Time Period, this Agreement shall become null and void on December 31, 2017.

Section 8.3. AMENDMENTS TO AGREEMENT; WAIVERS

This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties. 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. By official action of the Board of Trustees, this Agreement may be amended to include, in the Applicant's Qualified Investment and/or Applicant's Qualified Property, additional or replacement Qualified Property not specified in **EXHIBIT 3**, provided that the Applicant reports to the District, the Comptroller, and the Appraisal District, in the same format, style, and presentation as the Application, all relevant investment, value, and employment information that is related to the additional or replacement property. Any amendment of this Agreement adding additional or replacement Qualified Property pursuant to this Section 8.3 shall, (i) require that all property added by amendment be eligible property as defined by Texas Tax Code, §313.024; (ii) clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and (iii) define minimum eligibility requirements for the recipient of limited value. This Agreement may not be amended to extend the value limitation time period beyond its eight year statutory term. The District understands that the schedule of anticipated investment set forth in the Application may be impacted by the Applicant's entrance into acceptable commercial arrangements, receipt of regulatory authorization from the Federal Energy Regulatory Commission to construct and operate the liquefaction assets, securing of pipeline transportation of natural gas to the Corpus Christi liquefaction project, and obtaining adequate financing to construct the facility. As such, the District agrees to expeditiously consider any amendments of this Agreement or the Application requested by Applicant. The Parties intend that following any such amendments to the Agreement or Application, the Agreement and the Application will continue to be governed by the Act as it existed on the Completed Application Date, in the absence of any statutory change to the contrary.

Section 8.4. ASSIGNMENT

Unless otherwise prohibited by law, Applicant may assign this Agreement, or a portion of this Agreement, to an Affiliate or a new owner or lessee of all or a portion of the Applicant's Qualified Property and/or the Applicant's Qualified Investment, or collaterally assign this Agreement or any portion of this Agreement to any party or entity providing financing to the Applicant or its Affiliate, provided that the Applicant shall

provide written notice of such assignment to the District. Upon such assignment, the Applicant's assignee will be liable to the District for outstanding taxes or other obligations arising under this Agreement. A recipient of limited value under Texas Tax Code, Chapter 313 shall notify immediately the District, the Comptroller, and the Appraisal District in writing of any change in address or other contact information for the owner of the property subject to the limitation agreement for the purposes of Texas Tax Code §313.032. The assignee's or its reporting entity's Texas Taxpayer Identification Number shall be included in the notification.

Section 8.5. 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 8.6. MAINTENANCE OF APPRAISAL DISTRICT RECORDS

When appraising the Applicant's Qualified Property and the Applicant's Qualified Investment subject to a limitation on Appraised Value under this Agreement, the Chief Appraiser of the Appraisal District shall determine the Market Value thereof and include both such Market Value and the appropriate value thereof under this Agreement in its appraisal records.

Section 8.7. 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 Nueces County, Texas.

Section 8.8. 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 8.9. 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 a mutually acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 8.9, 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 8.10. PAYMENT OF EXPENSES

Except as otherwise expressly provided in this Agreement, or as covered by the application fee, (i) 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; and (ii) in the event of a dispute between the Parties in connection with this Agreement, the prevailing Party in the resolution of any such dispute, shall be entitled to full recovery of necessary and reasonable attorneys' fees costs and expenses incurred in connection therewith, including costs of court, from the non-prevailing Party.

Section 8.11. INTERPRETATION

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. 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. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

Section 8.12. 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 8.13. ACCURACY OF REPRESENTATIONS CONTAINED IN APPLICATION

The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application. The Applicant warrants that all material representations, information, and facts contained in the Application are true and correct. The parties further agree that the Application and all the attachments thereto are included by reference into this Agreement as if set forth herein in full.

In the event that the Board of Trustees makes a written determination that the Application was either incomplete or inaccurate as to any material representation, information, or fact, then subject to the procedures required by Sections 7.8 and 7.9, the Agreement shall be invalid and void except for the enforcement of the provisions required by Comptroller's Rule §9.1053(f)(2)(K).

Section 8.14. PUBLICATION OF DOCUMENTS

The Parties acknowledge that the District is required to publish all Substantive Documents including the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; the approved and executed copy of this Agreement or any amendment thereto; and each application requesting tax credits under Texas Tax Code §313.103, as follows:

a. Within seven days of such document, the school district shall submit a copy to the Comptroller for publication on the Comptroller's Internet website.

b. 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 Texas Tax Code §313.028.

IN WITNESS WHEREOF, this Amended and Restated Agreement has been executed by the Parties in multiple originals on this 9th day of November, 2015.

CORPUS CHRISTI LIQUEFACTION, LLC

By: _____

Management Representative

CORPUS CHRISTI INDEPENDENT SCHOOL DISTRICT

By: _____

JOHN LONGORIA
President, Board of Trustees

ATTEST:

_____

DR. TONY DIAZ
Secretary, Board of Trustees
Board of Trustees

EXHIBIT 1

DESCRIPTION OF QUALIFIED REINVESTMENT ZONE

The *Corpus Christi ISD Reinvestment Zone Number One* was originally created on April 28, 2014 by action of the Board of Trustees of the Corpus Christi Independent School District.

As a result of the action of the of the Board of Trustees of the Corpus Christi Independent School District, the *Corpus Christi ISD Reinvestment Zone Number One* includes all of the real property, located within Nueces County, Texas, specifically described by the metes and bounds description and the map of same attached to this **EXHIBIT 1**.

METES AND BOUNDS DESCRIPTION
OF A
52.25 ACRE TRACT

Being 52.25 acres of land, out of a 212.20 acre tract of land as described in Document No. 490819, Official Public Records of San Patricio County, Texas, also being out of a 328.9 acre tract, referred to as "Tract 1, Parcel 2A", described in Document No. 2001000017, Official Public Records of Nueces County, Texas, and a 832.0 acre tract referred to as "Reynolds/Alcoa Retained Tract 1" in Document No. 2001000017, Official Public Records of Nueces County, Texas, and being more particularly described by metes and bounds as follows:

Commencing at a found 5/8 inch iron rod, being the southeast corner of a 125.2 acre tract referred to as "Reynolds/Alcoa Retained Tract 3" in Document No. 2001000017, Official Public Records of Nueces County, Texas, said corner having a State Plane Grid Coordinate of N 17,211,109.14', E, 1,383,532.78', NAD' 83, Texas South Zone, and said corner also being an inside corner of said 212.20 acre tract as shown in MEI Govind drawing no. 0309-501-C04 and drawing no. 0309-501-C05;

Thence along the northeasterly boundary of said 212.20 acre tract, S 17-32-44 E, 250.80 feet, to the Point of Beginning and northeast corner of this herein described tract, said corner having a State Plane Grid Coordinate of N 17,210,870.02', E, 1,383,608.38', NAD' 83, Texas South Zone, and being on the Mean Higher High Water Line of Corpus Christi Bay;

Thence S 17-32-44 E, 46.08 feet, to an interior corner of this herein described tract, same being an interior corner of said 212.20 acre tract;

Thence S 01-10-32 E, 767.00 feet, to a point on the on the south line of a 31.82 acre tract, referred to as "Tract 1, Parcel 5" as recorded in Document No. 2001000017, Official Public Records of Nueces County, Texas, said point being the Port of Corpus Christi Authority North Bulkhead Line, also being the southeast corner of said 212.20 acre tract, same being the southeast corner of this herein described tract;

Thence along the south boundary of this herein described tract, the south boundary of said 212.20 acre tract, the North Bulkhead Line, N 77-30-59 W, 3569.00 feet, to the southwest corner of this herein described tract, same being the southwest corner of said 212.20 acre tract;

Thence leaving said North Bulkhead Line, N 07-00-29 W, 244.22 feet, to an interior corner of this herein described tract, said corner being on the west boundary line of said 212.20 acre tract, and also being on said Mean Higher High Water Line (MHHW);

Thence along said Mean Higher High Water Line as follows:
N 87-07-14 E, 13.56 feet;
S 32-02-58 E, 21.05 feet;
N 68-07-08 E, 19.87 feet;
S 61-24-17 E, 14.94 feet;
N 45-48-36 E, 13.55 feet;
N 25-00-56 W, 72.49 feet;

Thence S 85-43-21 W, 42.23 feet, to an interior corner of this herein described tract, said corner being on the west boundary line of said 212.20 acre tract;

Thence along the west boundary of said 212.20 acre tract, N 07-00-29 W, 30.33 feet, to the northwest corner of this herein described tract, and being on said Mean Higher High Water Line;

Thence with said Mean Higher High Water Line (MHHW) as follows:
N 84-40-25 E, 16.36 feet;
S 84-44-31 E, 50.13 feet;
S 03-16-16 E, 36.14 feet;
S 72-16-10 E, 17.07 feet;
N 53-23-13 E, 27.28 feet;
S 87-50-01 E, 30.47 feet;
N 82-21-56 E, 49.49 feet;
N 87-19-40 E, 40.23 feet;
S 62-13-54 E, 24.71 feet;
S 31-48-19 E, 30.33 feet;

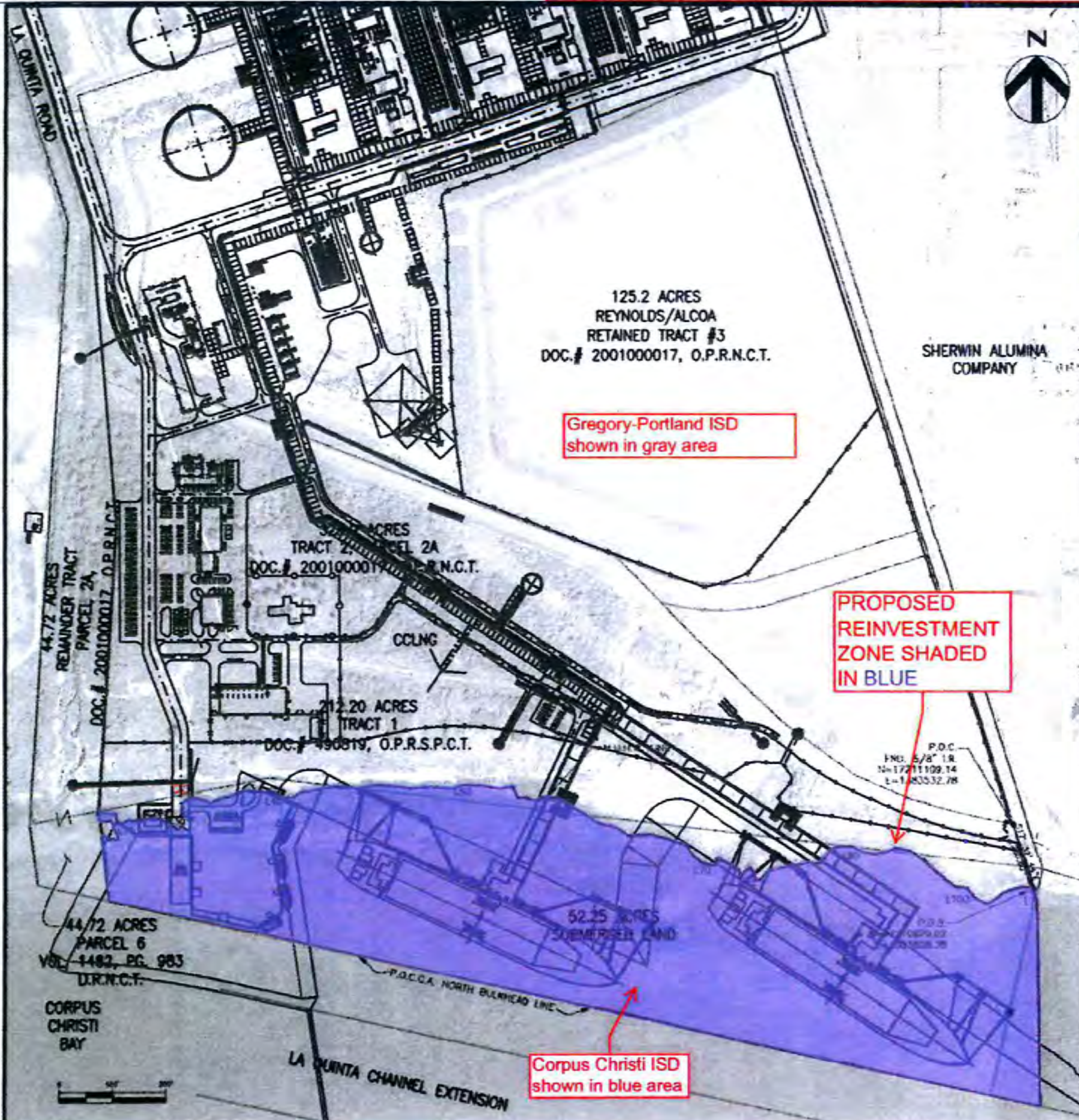
N 37-21-50 W, 9.14 feet;
N 48-34-53 E, 60.83 feet;
N 88-04-21 E, 61.52 feet;
S 62-33-10 E, 49.74 feet;
S 85-11-41 E, 51.68 feet;
N 79-36-23 E, 36.81 feet;
N 65-12-45 E, 35.50 feet;
S 79-22-43 E, 56.99 feet;
S 56-38-50 E, 58.76 feet;
S 48-44-43 E, 111.54 feet;
S 52-35-41 E, 46.53 feet;
S 85-06-59 E, 40.01 feet;
S 60-20-57 E, 12.72 feet;
S 35-27-18 E, 37.43 feet;
S 60-04-28 E, 39.02 feet;
S 84-37-50 E, 20.21 feet;
N 59-26-24 E, 36.04 feet;
N 45-55-06 E, 27.10 feet;
N 66-55-49 E, 27.43 feet;
S 74-12-19 W, 47.14 feet;
N 86-06-05 W, 28.83 feet;

Thence N 74-45-18 W, 16.89 feet, along said Mean Higher High Water Line, to the Point of Beginning and containing 52.25 acres of land, more or less.

Notes:

1) Bearings are State Plane Grid, Texas South Zone, NAD' 83.
2) MHHW Line based on TCOON Gauge "Ingleside"

REINVESTMENT ZONE MAP WITH IMPROVEMENT LAYOUT



LINE	BEARING		DIST. (FT.)
L1	S 17°32'44"	E	46.08
L2	S 61°10'32"	E	787.00
L3	N 77°30'59"	W	3569.00
L4	N 07°00'29"	W	244.22
L5	N 87°07'14"	E	13.56
L6	S 32°02'58"	E	21.05
L7	N 68°07'08"	E	19.87
L8	S 61°24'17"	E	14.94
L9	N 45°45'36"	E	13.55
L10	N 25°00'56"	W	72.49
L11	S 89°43'21"	W	42.23
L12	N 07°00'29"	W	30.35
L13	N 84°40'25"	E	15.36
L14	S 86°44'31"	E	52.13
L15	S 03°16'16"	E	35.14
L16	S 72°15'10"	E	17.07
L17	N 53°23'13"	E	27.28
L18	S 87°50'31"	E	30.47
L19	N 82°21'56"	E	49.49
L20	N 87°19'40"	E	43.23
L21	S 67°13'54"	E	28.71
L22	S 37°48'19"	E	30.31
L23	S 86°47'46"	E	25.78
L24	S 45°11'11"	E	18.43
L25	N 47°14'43"	E	15.84
L26	N 87°42'28"	E	12.45
L27	S 21°17'29"	E	5.44
L28	S 76°24'34"	E	17.87
L29	N 05°35'43"	E	23.34
L30	N 34°17'23"	W	59.34
L31	N 08°16'56"	E	29.00
L32	N 51°02'53"	E	31.85
L33	S 86°07'30"	E	43.91
L34	S 57°39'31"	E	38.49
L35	N 66°50'18"	E	53.20
L36	S 81°28'23"	E	15.81
L37	N 67°01'58"	E	69.38
L38	S 80°51'40"	E	43.39
L39	S 86°22'09"	E	57.68
L40	S 65°01'24"	E	42.88
L41	S 89°44'42"	E	43.41
L42	N 50°02'51"	E	30.37
L43	N 89°19'45"	E	137.70
L44	S 83°30'52"	E	65.16
L45	N 81°09'22"	E	90.87
L46	S 87°19'32"	E	55.99
L47	S 61°57'23"	E	61.68
L48	N 86°58'07"	E	77.25
L49	S 85°10'53"	E	73.71
L50	N 72°29'53"	E	49.12
L51	S 88°46'19"	E	73.40
L52	S 77°50'25"	E	62.56
L53	N 80°34'39"	E	53.80
L54	S 27°31'46"	E	47.47

LINE	BEARING		DIST. (FT.)
L55	N 85°19'47"	E	31.54
L56	S 65°52'39"	E	28.74
L57	S 84°06'00"	E	14.45
L58	N 55°34'53"	E	23.85
L59	N 83°57'13"	E	45.53
L60	S 57°43'43"	E	51.77
L61	S 67°52'25"	E	60.39
L62	S 54°53'38"	E	71.62
L63	S 74°23'21"	E	66.83
L64	S 56°40'00"	E	62.90
L65	N 85°55'06"	E	76.72
L66	S 72°09'41"	E	58.92
L67	S 71°20'44"	E	66.51
L68	S 39°48'21"	E	46.92
L69	S 51°55'22"	E	42.72
L70	S 24°54'44"	E	38.71
L71	N 89°31'22"	E	15.66
L72	N 05°27'24"	E	23.44
L73	S 75°56'28"	E	24.26
L74	S 59°56'59"	E	72.16
L75	S 04°47'23"	W	31.61
L76	N 87°13'50"	E	11.23
L77	N 18°14'54"	E	27.43
L78	N 49°16'46"	E	24.00
L79	S 38°39'03"	E	30.60
L80	S 12°37'32"	E	29.23
L81	N 62°27'01"	E	19.57
L82	N 38°32'35"	E	38.81
L83	N 71°29'32"	E	50.51
L84	N 82°42'50"	E	193.54
L85	N 89°35'36"	E	48.57
L86	N 52°32'49"	E	17.32
L87	N 37°21'52"	W	9.14
L88	N 48°24'57"	E	60.93
L89	N 08°04'21"	E	61.52
L90	S 62°33'10"	E	49.74
L91	S 85°11'41"	E	51.18
L92	N 73°36'23"	E	35.81
L93	N 65°12'45"	E	35.50
L94	S 29°22'43"	E	56.99
L95	S 55°38'50"	E	58.78
L96	S 48°44'43"	E	113.54
L97	S 52°55'41"	E	46.53
L98	S 85°06'59"	E	40.01
L99	S 60°20'57"	E	12.72
L100	S 35°27'18"	E	37.53
L101	S 60°04'28"	E	39.32
L102	S 84°37'50"	E	20.21
L103	N 59°26'24"	E	36.04
L104	N 45°55'08"	E	27.10
L105	N 66°55'45"	E	27.43
L106	S 74°12'19"	W	47.14
L107	N 65°06'35"	W	28.33
L108	N 74°45'16"	W	16.49

NOTES:

1. NO TITLE COMMITMENT WAS PROVIDED FOR THIS SURVEY.
2. METES AND BOUNDS DESCRIPTION ACCOMPANIES THIS DRAWING.
3. BEARINGS ARE STATE PLANE GRID, TEXAS SOUTH ZONE, NAD'83.

ALL PROPOSED QUALIFIED INVESTMENT AND QUALIFIED PROPERTY ARE WITHIN THE PROPOSED REINVESTMENT ZONE AND WITHIN THE BOUNDARY OF CORPUS CHRISTI ISD

I, GEORGE RUBALCABA, LICENSED STATE LAND SURVEYOR, HEREBY STATE THAT THIS DRAWING REPRESENTS THE CONDITIONS THAT EXISTED AT THE TIME OF THE MEAN HIGHER HIGH WATER (MHHW) LINE SURVEY CONDUCTED APRIL 5, 2012.

4/10/2012

GEORGE RUBALCABA, LICENSED STATE LAND SURVEYOR
555 N. CARANCAHUA, SUITE 1650
CORPUS CHRISTI, TEXAS 78401
361-596-3329

STATE OF TEXAS REGISTERED GEORGE RUBALCABA 4229 PROFESSIONAL LAND SURVEYOR

LICENSED STATE LAND SURVEYOR

4/10/2012

REV	DATE	DESCRIPTION	APP

AJ 04/12
GR 04/12
AS SHOWN
15242

HDR
HDR Engineering, Inc.
Texas P.E. Firm Registration No. 754

CORPUS CHRISTI LNG, L.P.
SUBMERGED LAND SURVEY WITHIN 212.20 ACRE TRACT
SAN PATRICIO COUNTY TEXAS
52.25 SUBMERGED ACRES

SHEET 1 OF 1 REV 0

EXHIBIT 2

LOCATION OF QUALIFIED INVESTMENT/QUALIFIED PROPERTY

All Qualified Property owned by Applicant and located within the boundaries of both the Corpus Christi Independent School District and the *Corpus Christi ISD Reinvestment Zone Number One will* be included in and subject to this Agreement.

EXHIBIT 3

DESCRIPTION OF THE APPLICANT'S QUALIFIED INVESTMENT/QUALIFIED PROPERTY

The proposed project, being developed in connection with the immediately adjacent liquefaction facility located within the territorial boundaries of the Gregory-Portland Independent School District. The project will consist of the marine terminal facilities necessary to Applicant's operations. The marine terminal will consist of a maneuvering area and two (2) berths, which will be dredged to a depth of forty-five (45) feet of water. The berths will be designed to accommodate the largest LNG carriers in the global fleet. Four (4) breasting dolphins, consisting of reinforced concrete structures on pilings, will be provided at each berth. They will be equipped with quick-release mooring hooks. In addition, six (6) additional mooring dolphins will be provided at each berth, consisting of reinforced concrete slabs supported on pilings and equipped with quick-release mooring hooks. Each LNG dock will be a one-level concrete structure supported on pilings. The docks will consist of a reinforced concrete beam and slap structure, approximately ninety (90) feet wide by one hundred sixteen (116) feet in length. Each dock will contain four (4) liquid loading and vapor return arms, piping and valving, a gangway, a control room, and other necessary equipment. Liquid and vapor lines will connect the docks to the adjacent onshore LNG liquefaction facility across elevated pipe trestles. Separately, the marine terminal will also include a construction dock and berths for up to four tugs.