STATE OF TEXAS	§	**TAX ABATEMENT AGREEMENT**
	§	**BETWEEN THE COUNTY OF CASS**
	§	**AND ADVANCED LUMBERWORKS-**
	§	**LINDEN, LLC AND TM MILL SITE,**
COUNTY OF CASS	§	**LLC**

THIS TAX ABATEMENT AGREEMENT **("Agreement")** is entered into between the County of Cass, a political subdivision of the State of Texas **("COUNTY")**, duly acting herein by and through the Cass County Commissioners Court **("Commissioners Court")** for and on behalf of COUNTY and Advanced Lumberworks-Linden, LLC and TM Mill Site, LLC, Texas limited liability companies validly existing, in good standing and authorized to do business under the laws of the State of Texas, hereafter collectively referred to as **("MILL")**. The COUNTY and MILL may be collectively referenced herein as the "Parties" or individually as a "Party".

WITNESSETH:

WHEREAS, the Commissioners Court of Cass County, Texas, by Resolution 07082021 established the Mill Reinvestment Zone (the **"Zone"**), which constitutes a reinvestment zone for commercial/industrial tax phase-in, as authorized by the Texas Property Redevelopment and Tax Abatement Act (Texas Tax Code Chapter 312); and

WHEREAS, the MILL has purchased certain real property within Cass County which consists of approximately twenty-five (25) acres of land upon which it will construct its headquarters and manufacturing facility **("Project site")** and conduct its "Business Activities" which, for the purposes of this Agreement, include but are not limited to the manufacturing of wood components for pallets and associated business operations, all to be located in the Zone which is located in Cass County, Texas; (cumulatively, the **"Project"**); and

WHEREAS, the MILL has made application to the COUNTY for a tax abatement on certain eligible property to be located at the Project site after execution of this Agreement; and

WHEREAS, COUNTY has approved Tax Abatement Guidelines **("Guidelines")** which govern tax abatement agreements entered into by COUNTY; and

WHEREAS, in order to maintain and enhance the commercial and industrial economic and employment base, the Commissioners Court has determined to grant the tax abatement and to enter into this Agreement, in accordance with the Guidelines and all other applicable laws; and

WHEREAS, the Commissioners Court finds that the proposed investment, as described in this Agreement, is consistent with the expansion of primary employment and the attraction of major investment in the Zone, which contributes to economic development in Cass County and the enhancement of the tax base, and is in compliance with other applicable laws;

NOW, THEREFORE, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties do hereby contract, covenant, and agree as follows:

ARTICLE I
DEFINITIONS

1.01 ***"Application"*** for purposes of this Agreement will mean the MILL's Application for Tax Abatement Assistance dated on or about February 28, 2020, and supplemented February 28, 2021, on file with the Commissioners Court, the content of which is incorporated herein for all purposes.

1.02 ***"Base Value"*** for purposes of the abatement on New Eligible Property (as defined in Article I, Paragraph 1.08) will mean the assessed value of any taxable property located on the Project site prior to the Effective Date (as defined in Article II, Paragraph 2.04). Such values will be determined by the Cass County Appraisal District **("Appraisal District")** under applicable Texas law.

1.03 ***"Business Activities"*** for purposes of this Agreement will mean the normal business activities conducted by the MILL which, for the purposes of this Agreement, include the manufacturing of wood components for pallets and associated business operations including those support service activities (including, but not limited to, finance, procurement, human resources, supply chain management, and customer service) necessary to support the business operations of the MILL.

1.04 ***"Certificate of Completion"*** means the sworn certificate of the MILL in the form attached as Exhibit "C," incorporated herein for all purposes upon submission to the COUNTY by the MILL, affirming that the construction of its operations facilities is complete and no uncured breach of any term or condition of this Agreement then exists.

1.05 ***"Employment Positions"*** for purposes of this Agreement will mean non-temporary, full- time employees of the MILL employed at its facility in Cass County, Texas, working on average at least thirty-two (32) hours per week.

1.06 ***"Force Majeure"*** for purposes of this Agreement means an act of God, natural disaster, acts of public enemies, failures to act by any Governmental Authority, riots, perils of the sea, or any other extraordinary cause beyond the reasonable control of the MILL. It also includes explosion or other casualty or accident which is not the result of negligence, intentional act or misconduct on the part of the MILL. In addition to the relief expressly granted in this Agreement, COUNTY may grant relief from performance of this Agreement if the MILL is prevented from compliance and performance by an event of Force Majeure. The burden to prove the occurrence of an event of Force Majeure will rest solely with the MILL. To obtain release based upon Force Majeure, the MILL must file a written submission detailing the event(s) to the County Commissioners.

1.07 ***"Improvements"*** for purposes of this Agreement will have the meaning assigned by the Texas Tax Code §1.04(3).

1.08 ***"Eligible Property"*** for purposes of this Agreement means the realty improvements, the on-site buildings, structures, fixed machinery and equipment, storage tanks, process units (including all integral components necessary for operations), site improvements, and infrastructure and the permanent office space and related fixed improvements, as defined by the Tax Code but does not include personal tangible property.

1.09 ***"Ineligible Property"*** for purposes of this Agreement means property that is fully taxable and ineligible for tax abatement and includes land, supplies, inventory, housing, vehicles, improvements for the generation or transmission of electrical energy not wholly consumed by a new facility or expansion; any improvements, including those to produce, store or distribute natural gas, fluids or gasses, which are not integral to the operation of the facility; deferred maintenance; property to be rented or leased to any third-party, property which has a productive life of less than ten (10) years, or any other property for which abatement is not allowed by state law.

1.10 ***"New Eligible Property"*** for purposes of this Agreement means Eligible Property, the construction of which commences subsequent to the Effective Date of this Agreement as further defined herein below. During the construction phase of the Project, the Mill may make such change orders as are reasonably necessary to accomplish its intended use. It is expressly understood that, notwithstanding anything to the contrary written herein, energy, electricity, manufacturing supplies, feedstock, freight, and direct materials that physically become a part of the end-product manufactured by the Mill are not subject to the terms of this Agreement.

1.11 ***"Recapture Period"*** for purposes of this Agreement means the period beginning on January 1st of the year immediately following the year in which the Tax Abatement Period (as defined in Article I, Paragraph 1.13) ends and continuing for a period of ten years through December 31st of that tenth year.

1.12 ***"Tax Abatement"*** for purposes of this Agreement means the percentage of the increase in the assessed value of the New Eligible Property, above the Base Value, which will be exempt from ad valorem taxation in accordance with the Texas Tax Code, subject to the terms and conditions herein.

1.13 ***"Tax Abatement Period"*** for purposes of this Agreement means the period beginning on January 1, 2023 and continuing for a period of ten (10) tax years thereafter ending on December 31 of that tenth year.

ARTICLE II
TERMS OF TAX ABATEMENT

2.01 Provided the MILL is and remains in compliance with the terms and conditions of this

Agreement, a Tax Abatement will be granted to the MILL during the Tax Abatement Period on that portion of its New Eligible Property after the Effective Date as follows:

Year 1:	80%
Year 2:	70%
Year 3:	60%
Years 4-10:	50%

2.02 The MILL must establish separate tax accounts for the New Eligible Property subject to this Agreement with the Appraisal District and provide those tax account number(s) to the COUNTY within ninety (90) days following the Effective Date of this Agreement.

2.03 The ad valorem taxes eligible for Tax Abatement under this Agreement will be the ad valorem taxes levied by the Commissioners Court for and on behalf of COUNTY on the MILL's New Eligible Property only and will specifically exclude: i) taxes levied on any other property owned by the MILL; and ii) ad valorem taxes levied by Commissioners Court for and on behalf of any other taxing authority or jurisdiction.

2.04 The Agreement will begin on the Effective Date and terminate upon expiration of the Recapture Period **("Term")**.

2.05 The MILL must own the Project site subject to this Agreement during the Term.

2.06 The MILL agrees that during the Term, it will lease, own, hold an interest in, or otherwise control the New Eligible Property and occupy its facilities.

2.07 The MILL agrees that during the Term it will not:

(a) discontinue and/or cease its Business Activities at the Project site for a period of sixty (60) days for any reason, excepting a Force Majeure event. Should such a cessation of Business Activities occur, the COUNTY's determination of the date of cessation will be conclusive unless the MILL presents credible evidence to clearly indicate an alternate date;

(b) relocate all, or alternatively, a significant portion of, its Business Activities to a location outside of the Zone, unless the purpose for such relocation is to transfer the Business Activities, and all of its Employment Positions, to another building or facility located within Cass County, Texas; or

(c) utilize any substantial portion of the Project site for any purpose other than the Business Activities for any period longer than sixty (60) days for any reason, excepting a Force Majeure event, unless prior written consent has been obtained from Commissioners Court. Should the MILL use or allow the Project site to be used for purposes other than the Business Activities, the COUNTY's

determination of the date such inconsistent use began will be conclusive for calculating the above sixty (60) day period unless the MILL presents credible evidence to clearly indicate an alternate date.

2.08 The MILL agrees to pay, before the delinquency date, all of its ad valorem taxes due with respect to any other property located in Cass County that is not subject to Tax Abatement under this Agreement or other similar incentive agreement, subject to its right to protest and/or contest ad valorem taxes as permitted by applicable law.

2.09 The MILL understands and agrees that the Base Value of the property, and the tax levy on the Base Value, will not decrease, but taxes may increase and that the amount of ad valorem taxes paid by the MILL attributable to the property will not be less than the amount of taxes paid for the tax year this Agreement is executed. However, the MILL will have the right to protest and/or contest appraisals over and above the Base Value.

2.10 The MILL agrees to furnish the Appraisal District with such information pertaining to the Project site as is necessary for abatement and appraisal purposes, as well as any relevant accounting or tax records pertaining to the New Eligible Property deemed necessary by the Appraisal District for such purposes. All values (including Base Value) relevant to this Agreement and the yearly amount of the Tax Abatement to be provided hereunder will be determined by the Appraisal District under applicable Texas law and the Appraisal District's final determination of amounts for purposes of this Agreement will be conclusive.

2.11 The MILL must maintain the Project site and any Improvements to be located on the real property in good repair and condition during the Term, normal wear and tear excepted.

2.12 The MILL also agrees that it will conduct its Business Activities in accordance with all applicable federal, state and local laws.

ARTICLE III
CAPITAL INVESTMENT COMMITMENTS

3.01 This Agreement and the Tax Abatement granted hereunder is conditioned on the MILL complying with the capital investment commitments described in this Article III.

3.02 The MILL agrees that its capital investment to the Project site will be no less than **FIVE MILLION, TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS ($5,225,000.00)**. The capital investments related to the Project site contemplated by this Paragraph 3.02 must be completed on or before December 31, 2022, subject to Force Majeure. Within thirty (30) days following substantial completion of the MILL's proposed improvements at the Project site, the MILL must submit to the COUNTY a fully complete and endorsed original Certificate of Completion.

3.03 The MILL agrees that all property subject to this Agreement will be located entirely

within Cass County and solely within the Zone.

3.04 The MILL agrees that all construction at the real property site will comply with:

(a) applicable building codes and ordinances, including but not limited to flood, subdivision, building, electrical, plumbing, fire, and life safety codes and ordinances, as amended; and

(b) applicable city, County, state, and federal laws, rules, regulations, statutes, ordinances, orders, and codes, as amended.

3.05 The MILL understands and agrees that the Tax Abatement granted pursuant to this Agreement applies only to the Project and this Agreement, and that no other real property or any Improvements located thereon will be eligible for Tax Abatement under this Agreement.

3.06 The MILL agrees to furnish COUNTY with semi-annual reports in a form satisfactory to COUNTY that is substantially similar to Exhibit "B", certifying its compliance with the capital investment commitments contemplated by this Agreement. The semi-annual reports must include information on the extent and amount of investment which occurred during the semi-annual period preceding the submission of such reports. The MILL agrees to submit the reports by March 31st (covering the period July 1 through December 31) and September 30th (covering the period January 1 through June 30) of each year until such time as it has certified that all of the investments contemplated by this Agreement are completed, after which no further semi-annual reports will be required pursuant to this Section 3.06. COUNTY may require that the reports include detailed information on capital expenditures, to include purchase order numbers, vendor names, and dollar amounts paid for all of the capital investments. These reports must be prepared and administered in accordance with generally accepted accounting principles. During the Term, COUNTY and its employees and agents will have access to the Project site (upon ten (10) business days advance written notice and during normal business hours) for the purpose of inspection to ensure that the investments contemplated by this Agreement have been made and the MILL's facilities are being used for the purposes described in this Agreement. COUNTY representatives may be accompanied by the MILL's representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with the MILL's Business Activities; and (b) comply with the MILL's reasonable security and confidentiality requirements. All information provided by the MILL shall be subject to applicable state or federal law or regulation, including the Texas Public Information Act, Texas Government Code § 552.001, et seq. (the **"Act"**). Any information the MILL deems confidential and proprietary must be clearly marked confidential and proprietary as appropriate, and if appropriately marked, the COUNTY will take reasonable steps to protect that information from further disclosure pursuant to applicable law or regulation. Notwithstanding anything to the contrary in this Agreement, the Parties understand and agree that the COUNTY is a political subdivision of the State of Texas

and the Act shall control over the release or disclosure of all tangible information under this Agreement and the COUNTY shall have the right to rely on the advice, decisions and opinions of the Texas Attorney General regarding any such disclosure or release.

ARTICLE IV
EMPLOYMENT COMMITMENTS

4.01 This Agreement (and the Tax Abatement granted hereunder) is conditioned upon the MILL creating and maintaining the agreed number of Employment Positions within Cass County and in the Zone and complying with the additional employment commitments described in this Article IV during the Term.

4.02 The MILL represents that as of the date of this Tax Abatement Agreement, the Mill and/or its business affiliate has fifteen (15) employees in permanent Employment Positions in Cass County, Texas (the **"Employment Baseline"**).

4.03 As further consideration supporting this Agreement, the MILL covenants and agrees that it will create and fill not less than eight (8) new Employment Positions in Cass County over and above the Employment Baseline (the **"Employment Commitment"**). The MILL further covenants and agrees that once its Employment Commitment is achieved it will maintain not less than fifty percent (50%) of the cumulative total number of Employment Positions above the Employment Baseline in the Zone **("Total Employment Positions")** through the Term.

4.04 The MILL agrees that from the Effective Date throughout the Term, one hundred percent (100%) of all Employment Positions at the New Facility will be paid a minimum wage, not including benefits, of at least the state minimum.

4.05 The MILL agrees to make a good faith effort to fill at least twenty-five percent (25%) of the new Employment Positions created and maintained with qualified Cass County residents.

4.06 The MILL agrees that from the Effective Date throughout the Term, all of the Employment Positions it creates to comply with the Employment Commitment described in Article IV, Paragraph 4.03 hereof.

4.07 The MILL must not engage in employment practices which have the effect of discriminating against any employee or applicant for employment and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, disability, or political belief or affiliation.

4.08 The MILL agrees to comply with all applicable federal and state laws governing the employer-employee relationship including, but not limited to, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Equal Pay

Act of 1963, the Family and Medical Leave Act, and Title I and V of the Americans with Disabilities Act.

4.09 The MILL must furnish COUNTY with semi-annual reports substantially similar to Exhibit "B" certifying to its compliance with the Employment Commitment and each semi-annual report must include information on the number of new Employment Positions created and the total number of Employment Positions then filled in the Zone. The MILL further agrees that the reports will certify the number of Cass County residents employed by the MILL and the salaries of the individuals in the Employment Positions in the Zone. The MILL agrees to submit the reports by March 31st (covering the period July 1 through December 31) and September 30th (covering the period January 1 through June 30) for each year of the Term of this Agreement. With at least ten (10) days prior notice to the MILL, it must grant COUNTY and its employees and agents reasonable access to payroll records and related backup information, wherever maintained, for the limited purpose of verifying the information provided in the reports outlined above. Provided, however, that COUNTY shall not have any right or ability to obtain copies of the MILL's records or remove any information or documents from the MILL's files. Similarly, COUNTY shall not have the ability to obtain copies or otherwise review records or files that are protected by the trade secret privilege, the attorney-client privilege, as attorney work product, or by any applicable state or federal law, statute, or regulation. COUNTY representatives may be accompanied by the MILL's representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with the MILL's Business Activities; and (b) comply with the MILL's reasonable security and confidentiality requirements. All information provided by the MILL shall be subject to applicable state or federal law or regulation, including the Act. Any information the MILL deems confidential and proprietary must be clearly marked confidential and proprietary as appropriate, and if appropriately marked, the COUNTY will take reasonable steps to protect that information from further disclosure pursuant to applicable law or regulation. Notwithstanding anything to the contrary in this Agreement, the Parties understand and agree that the COUNTY is a political subdivision of the State of Texas and the Act shall control over the release or disclosure of all tangible information under this Agreement and the COUNTY shall have the right to rely on the advice, decisions and opinions of the Texas Attorney General regarding any such disclosure or release.

ARTICLE V
GOODWILL BENEFITS

5.01 The MILL, as a tax abatement recipient, will make a good faith effort to provide goodwill benefits to the COUNTY community. These goodwill benefits may include completed, current or planned benefits which can be in-kind donations, monetary donations or service donations to local non-profits, community organizations or national organizations directly assisting citizens of the COUNTY.

ARTICLE VI

REPRESENTATIONS OF THE MILL

6.01 The execution and performance of this Agreement by the MILL has been duly authorized by its governing authority and does not require the consent or approval of any other person which has not been obtained. Additionally, the individual executing this Agreement on behalf of the MILL represents, warrants, assures and guarantees that he or she has full legal authority to execute this Agreement on behalf of the MILL and to bind the MILL to all terms, performances and provisions herein contained. In the event that a dispute arises as to the legal authority of either the MILL, or the person signing on behalf of the MILL, to enter into this Agreement, COUNTY will have the right, at its option, to either temporarily suspend or permanently terminate this Agreement.

6.02 The MILL represents that the real property will only be used for the Business Activities described in this Agreement. The MILL agrees that any change in the use of the real property during the Term from the Business Activities so described must have the prior written approval of Commissioners Court, such approval not to be unreasonably withheld, and any other governmental entity having an interest in the abatement of ad valorem taxation of the property subject to this Agreement.

6.03 The MILL represents that the Project described in this Agreement is not financed by tax increment bonds.

6.04 The MILL represents that no bonds for which the COUNTY is liable have been (or will be) used to finance any portion of this Project. Further, the MILL acknowledges that this Agreement is entered into subject to the rights of the holders of outstanding bonds of COUNTY.

6.05 The MILL represents that no interest in any of the property subject to Tax Abatement under this Agreement is presently held by or leased to, and that it will not, during the Term, sell or lease an interest in such property to, a member of the Commissioners Court, the City of Linden Council, the City of Linden Zoning and Planning Commissioners, or any other officer or employee of COUNTY or the City of Linden, or any member of the governing body of any taxing unit joining in or adopting this Agreement.

6.06 The MILL represents that all of its activities related to this Agreement will be conducted in accordance with applicable federal, state and local laws.

6.07 The MILL represents that there is no litigation pending or threatened against either party or any of their affiliates for any violations under the Occupational Safety and Health Act (29 U.S.C. §§651, et seq.), and agrees to provide COUNTY with notice of such actions if discovered subsequent to execution of this Agreement.

6.08 The MILL represents that the information provided and the representations made in the

Application are true and correct.

6.09 The MILL represents that any and all oral representations made to Commissioners Court are true and correct in all material respects and agrees to comply with such representations and perform the same as though those representations were expressly described herein.

ARTICLE VII
DEFAULT, TERMINATION, AND RECAPTURE

7.01 During the Term, this Agreement will terminate upon the occurrence of any one or more of the following (each an **"Event of Termination"**):

(a) The MILL fails to meet the capital investment commitment set out in Article III, Paragraph 3.02 on or before December 31, 2022 (or any date thereafter with the written consent of Commissioners Court in the form of an amendment to this Agreement entered into prior to the passing of such date), except if such failure is the result of an event of Force Majeure occurring through no fault of the MILL;

(b) The MILL fails to meet its Employment Commitment numbers as set out in Article IV, Paragraph 4.03 within the time periods specified in that Paragraph (or an alternative date with the written consent of Commissioners Court in the form of an amendment to this Agreement entered into prior to the passing of such date) or fails to maintain the Total Employment Positions once achieved for the duration of the Term, except if such failure is the result of an event of Force Majeure occurring through no fault of the MILL;

(c) The MILL fails to comply with any term or condition of this Agreement, or if any representation or warranty made by the MILL to COUNTY in this Agreement is false or misleading;

(d) The MILL makes a general assignment for the benefit of creditors;

(e) The MILL files a petition under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state thereof and it is not dismissed, withdrawn or otherwise concluded without adjudication within sixty (60) days after being filed;

(f) The MILL admits in writing its inability to pay its debts when due;

(g) a final judgment representing a claim or charge against the assets of the MILL in an amount in excess of ONE HUNDRED THOUSAND DOLLARS ($100,000.00) remains unsatisfied or of record for ninety (90) days or longer (unless a supersedeas or other appeal bond is filed);

(h) The MILL ceases to operate for a period exceeding sixty (60) days, is dissolved or is terminated;

(i) a suit to foreclose any lien against any portion of the New Eligible Property is instituted against the MILL and not dismissed within sixty (60) days;

(j) The MILL submits falsified information or documentation or fails to timely submit any information or documentation required or requested by the COUNTY pursuant to the terms of this Agreement (including, but not limited to, the semi- annual reports required under Paragraph 3.06 and Paragraph 4.10);

(k) in the event the MILL attempts to assign this Agreement in violation of the assignment provisions set out in Article VIII, Paragraph 8.01;

(l) in the event the MILL violates Article XVI, Paragraph 16.01 of this Agreement; provided, however, that notwithstanding anything in this Article VIII to the contrary, if the MILL should violate Article XVI, Paragraph 16.01, the notice and repayment provisions of that Article will control; or

(m) any subsequent federal or state legislation or any decision by a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

7.02 Promptly, but in no event later than ten (10) business days following the occurrence of an Event(s) of Termination, the MILL must notify the COUNTY in accordance with the notice provisions contained in Article IX, Paragraph 9.01 of this Agreement. Upon receipt of notification of an Event(s) of Termination from the MILL (or the County's independent discovery of an Event of Termination), the County will send written notice describing the Event(s) of Termination prior to terminating this Agreement **("Default Notice")**. If COUNTY provides the MILL with a Default Notice and the Event(s) of Termination as identified in the Default Notice is not cured within sixty (60) days from the date the Default Notice is sent **("Cure Period")**, then this Agreement will automatically terminate effective as of the date of the expiration of the Cure Period **("Termination Date")**. COUNTY may, in its sole discretion, extend the Cure Period if the MILL commences the cure within the Cure Period and is diligently pursuing such cure.

7.03 If this Agreement terminates as the result of an uncured Event(s) of Termination which occurs during the Tax Abatement Period, the MILL agrees that taxes on the New Eligible Property will become due and owing for the calendar year in which the Default Notice leading to termination of this Agreement is sent and will accrue without abatement for all years thereafter. In addition, the MILL must repay the COUNTY taxes previously abated pursuant to this Agreement in accordance with the recapture schedule set out in this Paragraph 7.03 below (the **"Recapture Schedule"**). The amount of previously abated taxes to be repaid by the MILL will be determined by multiplying

the total of all taxes abated by the applicable percentage, based on the calendar year in which the Default Notice resulting in termination of this Agreement is sent in accordance with the following Recapture Schedule:

RECAPTURE SCHEDULE	
Year in which Notice Resulting in Termination is Sent:	**Total Taxes Previously Abated Shall be Multiplied by:**
During the Tax Abatement Period	100%
Year 1 of the Recapture Period	100%
Year 2 of the Recapture Period	80%
Year 3 of the Recapture Period	60%
Year 4 of the Recapture Period	40%
Year 5 of the Recapture Period	20%
Year 6 of the Recapture Period	10%

7.04 The MILL agrees that any amounts which become due and owing under this Article VII must be paid to COUNTY within sixty (60) days after the Termination Date. It is not a waiver of default if COUNTY fails to declare immediately a default, or delays in taking any action with respect to a default, or fails to take any action with respect to a default. Additionally, the remedies contained herein are non-exclusive, and the COUNTY will have any and all remedies it may be entitled to in law or in equity. The exercise of any remedy by COUNTY will not be deemed as a waiver of any other remedy to which COUNTY may be entitled.

7.05 In the event any property subject to this Agreement is taken by any public or quasi-public authority under the powers of eminent domain, condemnation, or expropriation, then the Tax Abatement as to that portion of the property affected will terminate and there will be no recapture of taxes or other penalty.

7.06 The remedies contained in this Agreement are non-exclusive and COUNTY will have any and all remedies it may be entitled to either in law or in equity. The exercise of any remedy by COUNTY will not be deemed as a waiver of any other remedy to which COUNTY may be entitled.

ARTICLE VIII
ASSIGNMENT

8.01 Except as provided below, no legal or business entity other than the MILL will be entitled to receive the benefit of the Tax Abatement provided herein, without the prior written consent of COUNTY acting by and through the Commissioners Court, such consent not to be unreasonably withheld. In addition, except as provided below, this Agreement cannot be assigned by the MILL to any other legal entity without the prior written consent of COUNTY, such consent not to be unreasonably withheld. Any

attempted transfer of the rights and responsibilities under this Agreement or the assignment of this Agreement without prior approval of COUNTY, acting by and through the Commissioners Court, will be void and this Agreement will terminate triggering the Recapture provisions of Article VII and the MILL will have no ability to cure. Notwithstanding anything to the contrary in this Agreement, no consent by COUNTY is required for an assignment or transfer to a parent of the MILL, a subsidiary of the MILL, an affiliate entity of the MILL, or to any new entity created as a result of a merger, acquisition or other corporate restructure of the MILL. However, the MILL shall give COUNTY prior written notice of all assignments or other transfers that do not require COUNTY consent.

8.02 In the event of an assignment by the MILL to which COUNTY has consented in writing, or in the event of an assignment by the MILL for which no COUNTY consent is required under Article VIII, Paragraph 8.01, the assignee, or the assignee's legal representative, must then enter into a written agreement with the COUNTY agreeing to assume, perform, and be bound by all of the covenants, obligations, and agreements contained within this Agreement. The MILL agrees that such an assignment will in no way relieve it from any obligation created under this Agreement attributable to the period prior to the assignment.

ARTICLE IX
NOTICES

9.01 All notices provided to be given under this Agreement must be in writing, and either be personally served against a written receipt therefore or given by certified mail or registered mail, return receipt requested, postage prepaid, and addressed to the proper Party at the address which appears below, or at such other address as the Parties may hereafter designate. All notices given by mail will be deemed to have been given at the time of deposit in the United States mail and will be effective from such date.

If to COUNTY:	County Judge P.O. Box 825 Linden, Texas 75563
With a copy to:	Cass County Appraisal District Attn: Chief Appraiser 502 North Main Street Linden, Texas 75563
If to the MILL:	Advanced Lumberworks-Linden, LLC and TM Mill Site, LLC Attn: President / Managing Member 3402 Texas Blvd. Texarkana, Texas 75503

ARTICLEX
SEVERABILITY

10.01 In the event any section, subsection, paragraph, subparagraph, sentence, phrase, or word contained in this Agreement is held invalid, illegal, or unenforceable, the balance of this Agreement will stand, will be enforceable, and will be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase, or word. In such event, there will be substituted for such deleted provision a provision as similar in terms and in effect to such deleted provision as may be valid, legal, and enforceable.

ARTICLE XI
APPLICABLE LAW

11.01 This Agreement will be governed by and construed in accordance with the laws of the United States and more specifically, the laws of the State of Texas, without regard to conflicts of law principles that would require the application of the laws of any foreign jurisdiction or the laws of any other state. Venue for any action brought hereunder (including any action brought in federal court) will be exclusively in Cass County, Texas.

ARTICLE XII
INCORPORATION OF OTHER DOCUMENTS

12.01 The following exhibits are attached hereto and incorporated herein for all purposes:

Exhibit "A" Description of the Real Property/Project Site

Exhibit "B" Cass County Semi-Annual Tax Abatement Compliance Report

Exhibit "C" Certificate of Completion

ARTICLE XIII
AMENDMENT OF DOCUMENTS

13.01 No amendment, modification, or alteration of the terms hereof will be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the Parties hereto.

ARTICLE XIV
MULTIPLE COUNTERPARTS

14.01 This Agreement may be executed by the Parties in several counterparts, and each counterpart, when so executed and delivered, will constitute an original instrument, and all such separate counterparts will constitute but one and the same instrument.

ARTICLE XV
PRIOR AGREEMENTS SUPERSEDED

15.01 Subject to Article VI, Paragraph 6.09, this Agreement constitutes the sole and only agreement of the Parties hereto and supersedes all prior understandings or written or oral agreements between the Parties respecting the subject matter within.

ARTICLE XVI
CERTIFICATION

16.01 The MILL, by execution of this Agreement and in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any undocumented workers at the Project site during the Term of this Agreement. If the MILL is convicted of a violation under 8 U.S.C. Section 1324a (f), then this Agreement will terminate without necessity of the Cure Period, and the MILL must pay to COUNTY all of the ad valorem taxes previously abated by this Agreement. The COUNTY will provide written notice to the MILL of such a breach **("Violation Notice")** and within one hundred twenty (120) days after the Violation Notice is sent, the MILL must repay to COUNTY all of the ad valorem taxes previously abated by this Agreement with interest to be calculated in accordance with the money judgment rate set forth in Section 304.003 of the Texas Finance Code, as may be amended from time to time, from the date of the Violation Notice until paid. The COUNTY, in its sole discretion, may extend the period for repayment set forth herein. In addition, the MILL agrees to pay all costs and expenses, including attorney's fees, incurred by the COUNTY in enforcing this provision. Notwithstanding any other provision of this Agreement, for purposes of this Article XVI, the default and termination provisions contained herein will control.

16.02 In the event of termination pursuant to the above Paragraph 16.01, the MILL agrees that ad valorem taxes will be due for the calendar year during which the written notice leading to such termination is sent (if termination occurs during the Tax Abatement Period) and will accrue without abatement for all years thereafter.

ARTICLE XVII
COUNTERPARTS; DELIVERY BY FACSIMILE OR ELECTRONIC MAIL

17.01 This Agreement may be executed in counterparts. Each of the counterparts will be deemed an original instrument, but all of the counterparts will constitute one and the same instrument. This Agreement may be executed in any number of counterparts and by different Parties in separate counterparts, each of which when so executed and delivered, will be deemed an original, and all of which, when taken together, will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or electronic mail will be as effective as delivery of a manually executed counterpart of this Agreement, except that any Party delivering an executed counterpart of this Agreement by facsimile or electronic mail

also must deliver a manually executed counterpart of this Agreement. Notwithstanding the foregoing, failure to deliver a manually executed counterpart will not affect the validity, enforceability, and binding effect of this Agreement.

ARTICLE XVIII
COMMISSIONERS COURT AUTHORIZATION

18.01 This Agreement was approved by Resolution of the Commissioners Court dated July 8, 2021 authorizing the County Judge to execute this Agreement on behalf of COUNTY, hereinafter (the **"Effective Date"**). The Tax Abatement contemplated by this Agreement is expressly subject to the MILL's fulfillment of all of the terms and conditions described herein.

IN WITNESS WHEREOF, this Agreement is executed in triplicate originals as of the date(s) affixed herein below.

COUNTY OF CASS

By: Becky Williams

ADVANCED LUMBERWORKS-LINDEN, LLC

By: Mihal Sandel

Date: 12/31/21

Title: Manager

TM MILL SITE, LLC

By: Mihal Sandel

Date: 12/31/21

Title: Manager

ATTEST:

Amy Varnell

County Clerk

EXHIBIT "A"

Description of Real Property/Project Site

EXHIBIT "B"

County of Cass Tax Abatement Compliance Report

Personal Property Improvements	
Expenditures associated with the personal property improvements to your facility during _____ through _____.	
1. Improvements occurring during reporting period.	$
2. Improvements existing **prior to** reporting period.	$
3. Total personal property improvements (Add responses from 1 and 2).	$
4. Cass Appraisal District Tax Account Number.	
Real Property Improvements	
Expenditures associated with the real property improvements during _____ through _____.	
5. Improvements occurring during reporting period.	$
6. Improvements existing **prior to** reporting period.	$
7. Total real property improvements (Add responses from 5 and 6).	$
4. Cass Appraisal District Tax Account Number.	
Jobs Created	
Full-time jobs created during _____ through _____.	
8. Jobs created during reporting period.	
9. Jobs existing prior to reporting period.	
10. Total number of jobs created as a result of the Tax Abatement Agreement (Add responses from 8 and 9).	
11. Minimum hourly wage of full-time permanent employment positions (required under Section 4.04).	$
12. Percentage of employment positions earning a cash wage meeting the average hourly wage standard (required under Section 4.04).	
Additional Representations	
13. Percentage of new employment positions occupied by Cass County residents during reporting period (required under Section 4.05).	
14. Goodwill benefits provided or planned to be provided to the Cass County community (pursuant to Section 5.01). Attach a printed description of goodwill benefits to this report with the company name as the title.	

EXHIBIT "C"
CERTIFICATE OF COMPLETION

DATE: _____, 20___
AFFIANT: _____
_____
_____

Unless defined herein, each capitalized term or phrase used in this Certificate of Completion of construction **("Certificate of Completion")** will have the meaning ascribed to such term or phrase in the Tax Abatement Agreement dated _____, 2021 **("Tax Abatement Agreement")** between the MILL **("Affiant')** and Cass County, Texas **("County")**, which is incorporated herein by reference for all purposes.

The person signing this Certificate of Completion has been duly sworn. Under oath, the undersigned swears the following information is true and correct:

1. Authority of Affiant. The undersigned person has been duly authorized by Affiant to sign this Certificate of Completion of construction as its agent and representative and deliver it to the County in accordance with the terms of the Tax Abatement Agreement.

2. Description of Affiant's Obligations. Affiant entered into the Tax Abatement Agreement with the County wherein the County agreed to abatement the taxes on Affiant's New Eligible Property as incentive for Affiant to make certain capital investments described in the Tax Abatement Agreement and create and fill a specified number of Employment Positions in the Zone and at the Project site.

3. Representations of Affiant. Affiant swears that (i) the capital investments described in the Tax Abatement Agreement have been made, (ii) substantial completion (except for minor "punch-list" items) of Affiant's facilities occurred on or before _____, _____, and (iii) as of the date of this Certificate of Completion, no breach of any of the terms, conditions, representations or warranties contained in the Tax Abatement Agreement has occurred without cure by Affiant.

4. Liability for False Statements. Affiant is aware that the County is relying upon the truth and accuracy of this Certificate of Completion and that Affiant will be liable to the County for all damages, attorney's fees, and other expenses incurred because of any false statement contained in this Certificate of Completion.

AFFIANT: _____

SWORN AND SUBSCRIBED to before me on this _____ day of _____,
by _____.

[seal]

_____
Notary Public, State of Texas