CHAPTER 381 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Agreement (the "**Agreement**") is entered into as of the 15 day of November 2021 (the "**Effective Date**"), by and between GRAYSON COUNTY, TEXAS, a political subdivision of the State of Texas (the "**County**"), and TEXAS INSTRUMENTS INCORPORATED, a Delaware corporation ("**TI**").

RECITALS:

WHEREAS, TI intends to construct and operate a semiconductor manufacturing facility designed in multiple development phases (each a "**Phase**"), along with other ancillary facilities such as required parking lots/spaces in amount required by County ordinances, and other facilities necessary to produce semiconductors on the scale anticipated as of the Effective Date (the "**Facility**") to be located on an approximately 560 acre parcel at 6412 US-75, Sherman, TX 75090 as more particularly described on **Exhibit "A"** attached hereto (the "**Land**"); and

WHEREAS, components of the Facility include, without limitation, real property improvements, which include the above referenced production facility, office space and other necessary facilities (collectively, the "**Real Property Improvements**"), and tangible, business personal property, which includes equipment, machinery and fixtures, inventory, and supplies owned or leased by TI that are located on the Land (collectively, the "**Tangible Personal Property**"); and

WHEREAS, the Facility will be part of a larger project on the Land that will include certain public improvements designed to support production at the Facility such as water lines, storm sewer facilities, roadways, and other utilities (collectively, the "**Public Infrastructure**" and together with the Facility, the "**Project**"); and

WHEREAS, the Public Infrastructure that is a component of the initial Phase ("**Phase I**") of the Project is set forth on **Exhibit "B"** attached hereto; and

WHEREAS, the Real Property Improvements will include improvements to be developed and constructed in Phase I (the "**Phase I Improvements**"), which Phase I Improvements shall be located on the portion of the Land demarked on **Exhibit "B"**, and shall include, without limitation, the Real Property Improvements described in **Exhibit "B"**.

WHEREAS, TI and the County are executing a tax abatement agreement (the "**Tax Abatement Agreement**") simultaneously with the execution of this Agreement, which Tax Abatement Agreement provides for certain tax abatements for a specified time conditioned upon requirements further set forth therein with respect to the Phase I Improvements and Tangible Personal Property placed into service on or within the Phase I Improvements on the Land underlying the Phase I Improvements (the "**Phase I Tangible Personal Property**"); and

WHEREAS, pursuant to the Tax Abatement Agreement, upon Completion of Construction as defined by the Tax Abatement Agreement, TI will provide the County with a finalized **Exhibit "B"** demarking the portion of the Land upon which the Phase I Improvements

will be located, which **Exhibit "B"** shall, once provided, be incorporated by reference into this Agreement; and

WHEREAS, TI has requested that the County authorize and provide certain economic development grants in connection with its development of the Project as provided herein; and

WHEREAS, pursuant to Chapter 381 of the Texas Local Government Code and for the public purpose of promoting economic development and diversity, increasing employment, reducing unemployment and underemployment, expanding commerce, and stimulating business and commercial activity in the State of Texas, Grayson County, and the City of Sherman, the County desires to offer certain economic development grants to TI as more particularly described in this Agreement.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the County and TI agree as follows:

1. **Subject of this Agreement.** TI will construct and operate the Project, as further described in the submittals filed with the City in order to obtain such permits as may be required under applicable City ordinances.

2. **Economic Development Grants.** Subject to the terms and conditions of this Agreement, and specifically the satisfaction of the conditions for qualifying in Section 3 below, the County will provide economic development grants (each a "**Grant**") to TI as follows:

a. The reimbursement each calendar year as further set forth below of an amount equal to ninety percent (90%) of the ad valorem taxes assessed against completed Phase I Improvements and Phase I Tangible Personal Property and actually received by the County with respect to such calendar year (the "**Ad Valorem Tax Grant**"). Each such Ad Valorem Tax Grant shall be paid by the County to TI within thirty (30) days following receipt by the County of (i) the ad valorem tax payment corresponding to such Ad Valorem Tax Grant, (ii) Investment Reports (if due under Section 3(a) of this Agreement), and (iii) Employment Reports (due under Section 3(b) of this Agreement). The Ad Valorem Tax Grant shall commence upon January 1 of the calendar year following the expiration of the calendar year in which the tax abatements with respect to the Phase I Improvements set forth in the Tax Abatement Agreement have expired by their term, and shall continue for a period of twenty (20) consecutive calendar years thereafter. Provided that the requirements set forth in this Agreement and the Tax Abatement Agreement are satisfied in connection with minimum capital investment and minimum employment requirements and Completion of Construction of the Phase I Improvements described in Exhibit "B", the Tax Abatement shall apply to any Phase I Improvements constructed, and any Phase I Tangible Personal Property placed into service, during the term of this Agreement. Notwithstanding anything herein to the contrary, TI shall not be entitled to receive the Ad Valorem Tax Grant prior to the expiration of the tax abatements with respect to the Phase I Improvements and Phase I Tangible Personal Property set forth in the Tax Abatement Agreement under any circumstance, and the Ad Valorem Tax Grant is contingent upon, among other things,

compliance with the Tax Abatement Agreement during the term of the Tax Abatement Agreement as set forth in Section 3 below.

3. **Conditions to Qualify for Grants**. The following conditions will be satisfied by TI for the entire Term (defined below) of this Agreement in order to qualify for the Grants:

a. Absent events of Force Majeure, the capital investment of TI in the Phase I Improvements and the Phase I Tangible Personal Property shall meet or exceed the following aggregate amounts as of the dates set forth in the schedule below:

Capital Investment	Delivery Date
$2.0 billion	January 1 of the second year in which an Ad Valorem Grant is payable

The Owner agrees to provide the County with reports in a form reasonably acceptable to the County certifying Owner's compliance with the minimum Capital Investment set forth in the schedule above (the "**Investment Reports**"). The Investment Reports shall be prepared and maintained in accordance with generally accepted accounting principles, and shall include information on the extent and the amount of Owner's investments in the Phase I Improvements and the Phase I Tangible Personal Property. The Owner agrees to submit the Investment Reports prior to May 1 of each calendar year in the schedule set forth above. The County shall have the right to inspect Owner's books and records relating to the construction of the Phase I Improvements and the acquisition, location and maintenance of the Phase I Tangible Personal Property on the Phase I Land and Improvements, subject to Owner's reasonable security and confidentiality requirements.

b. Absent events of Force Majeure, TI covenants and agrees to employ the following aggregate number of Employment Positions at the Phase I Improvements as of the dates set forth in the schedule below (regardless of whether such jobs are newly created employment positions or retained employees from TI's prior facility) and retain such Employment Positions throughout the Term of this Agreement:

Employment Positions	Delivery Date
200	January 1 of the second year in which an Ad Valorem Grant is payable
275	January 1 of the sixth year in which an Ad Valorem Grant is payable
350	January 1 of the tenth year in which an Ad Valorem Grant is payable

Prior to May 1 of each calendar year during the Term of this Agreement, TI agrees to provide the County with reports in a form reasonably acceptable to the County certifying TI's compliance with the above commitments to Employment Positions and shall include information on the number of Employment Positions created, filled or contracted for at the Phase I Improvements (the "**Employment Reports**"). The County shall have the right

to inspect TI's payroll and other employment records including, TI's management system assigned to the Phase I Improvements, relating to the Employment Positions at the Phase I Improvements, subject to TI's reasonable security and confidentiality requirements.

c. TI shall comply with the Tax Abatement Agreement during the term of the Tax Abatement Agreement, including but not limited to any requirements with respect to Commencement of Construction, Completion of Construction, and Investment Reports (as those terms are defined in the Tax Abatement Agreement) and not commit an "Event of Default" (as defined in the Tax Abatement Agreement) under the Tax Abatement Agreement that is not cured thereunder.

d. TI must be in continuous compliance with all terms, conditions, covenants, and obligations of this Agreement.

e. At the time of payment of any portion of the Grants, TI must not be delinquent in the payment of any ad valorem taxes then owed by TI on the Project (provided, however, TI retains the right to timely and properly protest and contest any such ad valorem taxes).

If, after all of the conditions set forth above have been initially satisfied, any of the conditions set forth above are thereafter not satisfied during any calendar year for which a Grant is calculated and if such failure of a condition is not cured within ninety (90) days after written notice from the County to TI of such failure, the County will be relieved of its obligation to pay the portions of the Grants related to such calendar year; provided, however, that the subsequent failure of any of the conditions set forth above (after such conditions have been initially satisfied) will not constitute a default hereunder, unless such failure is not cured prior to the expiration of the notice and cure period set forth in Section 5(b). Furthermore, in the event the County provides any portion of a Grant to TI for a particular period based upon a statement or information provided by TI to the County that is incorrect and which, if corrected, would have resulted in TI not being entitled to the portion of such Grant related to the applicable period for which the statement or information was provided, then TI will refund to the County the portion of such Grant which TI received based upon such statement or information within thirty (30) days after receipt of written demand by the County, subject to the right to cure and seek remedies under Section 5. If TI fails to refund such portion of the Grant as provided above, the County will be relieved of its obligation to pay Grants for the period of time that such refund remains unpaid and shall have the right to bring an action against TI for the payment of such refund.

4. **Term of this Agreement**. The term of this Agreement will commence on the Effective Date and will continue until the earlier to occur of the date that the County and TI mutually agree to terminate this Agreement or the date the County's obligation to pay the Grants set forth in Section 2(a) above expires (the "**Term**").

5. **Default**.

a. Each of the following will constitute an "Event of Default" under this Agreement:

(i) the County's failure to process any portion of the Grants owing to TI in accordance with this Agreement;

(ii) TI's failure to satisfy any of the conditions set forth in Section 3 above;

(iii) TI's failure to pay any real or business personal ad valorem taxes or other material fees or charges owed by TI to the County prior to delinquency (provided, however, TI retains the right to timely and properly protest and contest any such taxes or fees, and so long as TI is timely and properly protesting or contesting the same, it will not constitute an Event of Default);

(iv) a breach of any representation or covenant made in this Agreement by TI; or

(v) an attempted assignment of this Agreement by TI in violation of the terms set forth in Section 7 hereof.

b. Notice and Cure Periods. In the event of the occurrence of an Event of Default described under Section 5(a)(i), (ii), (iii), or (v), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default.

In the event of the occurrence of an Event of Default described under Section 5(a)(iv), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default; provided, however, if the defaulting party is diligently pursuing the cure of such default, but such default is not reasonably curable within thirty (30) days, then the defaulting party will have such additional amount of time as is reasonably necessary to cure such default.

c. Remedies. Upon the occurrence and during the continuance of an Event of Default, the non-defaulting party shall have all remedies available to it at law or in equity, except as may be specifically limited in this Section 5.

Without terminating this Agreement, upon an Event of Default, TI and the County have the right hereunder to enforce specific performance of amounts owed to the County or bring an action to collect such amounts. Either party will further have the right to seek a judicial declaration of the total amount of Grants owed, whether an Event of Default has occurred, or whether any attempt to cure has been sufficient. Periods described above for curing a delinquency or violation shall toll, and shall not be considered for any purpose as having run, beginning upon the day the Company files a petition in district court in

Grayson County, Texas to determine whether a delinquency or violation has in fact occurred under this Agreement and/or to determine whether any attempt to cure has been sufficient, and ending upon the issuance of a final court decision or other final resolution of such court proceeding. No action will lie for damages by either party (beyond the foregoing amounts owed by the County upon an Event of Default by the County or the repayment obligations of TI under Section 3.e), including punitive damages, and no special or consequential damages will be recovered by either party.

Upon the occurrence of an Event of Default described in Section 5(a)(ii) (i.e., the conditions set forth in Section 3 are not satisfied during any period of time during the term of this Agreement), and without terminating this Agreement, the County will be relieved of its obligation to pay the portions of the Grants related to such year until such default is cured within the cure period described in Section 5(b) hereof. If such default is cured by TI within the cure period set forth in Section 5(b) hereof, the County will be obligated to pay to TI the portions of the Grants withheld during TI's failure to comply with Section 3 hereof.

d. Termination. This Agreement will terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Term of this Agreement; or

(iii) at the option of the non-defaulting party, upon the occurrence and continuation of an Event of Default (subject to the notice and cure provisions of Section 5(b) above).

e. Attorney's Fees. Attorney's fees may be awarded by a court of competent jurisdiction in any legal proceeding to enforce this Agreement, in which case the attorney's fees will be paid by the party so ordered to pay.

6. **Force Majeure**. For purposes of this Agreement, the term "Force Majeure" will mean and include any delay caused by reason of war, civil commotion, acts of God, strike, inclement weather, shortages or unavailability of labor, supplies or materials (including but not limited to circumstances related to declared national emergencies such as but not limited to COVID-19) or other circumstances which are beyond the reasonable control and are without the fault or negligence of the obligated party, regardless of whether any such circumstance is similar to any of those enumerated or not, the obligated party shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such requirement and any applicable completion deadline shall be extended for a period of time equal to the period the obligated party was delayed. Force Majeure will not mean nor include delays caused by TI's lack of, or inability to obtain, funding.

7. **Assignment**. Except as may otherwise be provided under this Section 7, this Agreement may not be assigned without the County's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Any purported assignment in violation of

this Agreement is void. Notwithstanding the foregoing, so long as no TI Event of Default under this Agreement exists and remains uncured, TI may, without the prior written consent of the County (i) assign its rights and obligations under this Agreement to affiliates or subsidiaries of TI, so long as such affiliate or subsidiary continues to be wholly-owned, directly or indirectly, by TI or one of its constituent parties and TI notifies the County in advance of such assignment and provides evidence reasonably satisfactory to the County that such assignee is an affiliate or subsidiary, or (ii) make a collateral assignment of the Agreement solely for the benefit of a creditor providing financing for the Phase I Improvements or the Phase I Tangible Personal Property. In the event the County consents to an assignment of this Agreement by TI, no further assignment shall be made without the express consent in writing of the County, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by TI of its interest in this Agreement shall not relieve TI from its obligations under this Agreement unless approved by the County.

8. **Miscellaneous.**

a. All construction will be in accordance with applicable rules, regulations, and ordinances of the City, subject to any variances granted in writing by the City.

b. It is acknowledged and agreed by the parties that the terms hereof are not intended to and will not be deemed to create a partnership or joint venture among the parties. It is further understood and agreed by the parties that TI and the County, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibility or liability to third parties in connection with these actions.

c. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may not be modified or terminated except in accordance with the provisions hereof or by the mutual written agreement of the parties hereto.

d. This Agreement will be construed in accordance with the laws of the State of Texas and will be performable in Grayson County, Texas.

e. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

f. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others (i) that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, (ii) that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement, and (iii) that each individual affixing his or her signature hereto is authorized to do so and such authorization is valid and effective on the date hereof. This Agreement was approved by the Commissioners Court of the County at its meeting on October 19, 2021.

g. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

h. Any notice and/or statement required and permitted to be delivered will be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to the County:	Grayson County, Texas 100 W. Houston Street Sherman, Texas 75090 Attn: County Judge
With required copy to:	Grayson County Criminal District Attorney 200 S. Crockett, Suite 116 Sherman, Texas 75090 Attn: Commissioners Court Counsel
If to TI:	Texas Instruments Incorporated 12500 TI Blvd, MS B4000 Dallas, Texas 75243 Attn: Virginia Schaefer
With required copy to:	Texas Instruments Incorporated 13588 N. Central Expressway, MS 3999 Dallas, TX 75243 Attn: Law Department, TMG Counsel

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

i. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original for all purposes.

j. In case any one or more of the provisions contained in this Agreement will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement or any part hereof invalid or illegal, the parties agree to terminate (or if feasible, modify) this Agreement and to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible.

k. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

l. Time is of the essence in this Agreement.

m. The recitals to this Agreement are incorporated herein for all purposes. The following exhibits are attached to this Agreement and incorporated by reference herein for all purposes:

Exhibit "A" — Property

Exhibit "B" — Phase I Project Improvements

n. The parties agree this Agreement has been drafted jointly by the parties and their legal representatives.

o. Nothing in this Agreement will be implied to vest any rights in the parties. In addition, nothing contained in this Agreement will constitute a "permit" as defined in Chapter 245, Texas Local Government Code. **TI WAIVES ANY STATUTORY CLAIM THAT THIS AGREEMENT ESTABLISHES VESTED RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE. THIS SECTION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

p. It is expressly understood that this Agreement will be binding upon and benefit the parties hereto only upon execution by both parties.

q. Pursuant to Section 2270.002, Texas Govt. Code, TI hereby represents that neither TI, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of TI "boycotts Israel", and subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of this Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001, Texas Govt. Code.

r. Pursuant to Subchapter F, Chapter 2252, Texas Govt. Code, TI certifies that it is not engaged in business with Iran, Sudan or a foreign terrorist organization.

s. Pursuant to Chapter 2274, Texas Govt. Code, TI verifies that (i) it does not boycott energy companies and will not boycott energy companies during the term of this Agreement and (ii) it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement.

t. Pursuant to Chapter 2264, Texas Govt. Code, TI represents and certifies that is does not and will not knowingly employ any undocumented worker at the Facility or on the Property who is not lawfully admitted for permanent residence to the United

States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the County under this Agreement, TI is convicted of a violation under 8 U.S.C. § 1342a(f), TI shall repay to the County an amount equal to all Grant payments tendered to TI under this Agreement plus interest at the annual rate of four percent (4%) not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies TI of such violation.

u. TI shall utilize, or cause its contractors to utilize, Separated Building Materials and Labor Contracts as defined in Comptroller Rule 3.291(a)(13) for all taxable building material contracts related to the construction of the Facility or the acquisition and installation of the Tangible Personal Property which equal or exceed the amount of $100,000.00 and require that the situs of any sales tax paid and related thereto will be Sherman, Texas.

v. Any controversy or claim arising from or relating to this Agreement, or a breach thereof, shall be subject to non-binding mediation, as a condition precedent to the institution of legal or equitable proceedings by any party, unless the institution of such legal or equitable proceeding is necessary to avoid the running of an applicable statute of limitation. The parties shall endeavor to resolve their claims by mediation. County and TI shall share the costs of mediation equally. The mediation shall be held in Sherman, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the Effective Date as described herein.

COUNTY:

GRAYSON COUNTY, TEXAS,
a political subdivision of the State of Texas

By: _____
Name: William L. Magers
Title: County Judge

TI:

TEXAS INSTRUMENTS INCORPORATED,
a Delaware corporation

By: _____
Name: Rafael Lizardi
Title: Chief Financial Officer

Exhibit "A"
Property — Metes and Bounds Description

SITUATED in the City of Sherman, Texas, in the William Martin Survey, Abstract No. 765, the James A. Foster Survey, Abstract No. 418, the M.G. Felers Survey, Abstract No. 427, the C.S. Dale Survey, Abstract No. 356, the Heirs of Sherrod Dunman Survey, Abstract No. 329 and the John Chronister Survey, Abstract No. 248 of Grayson County, Texas and being: all of that certain called 136.869 acre tract of land described in a deed to Texas Instruments Incorporated, dated June 29, 2011, recorded in Volume 4981, Page 253, Deed Records, Grayson County, Texas (D.R.G.C.T.); part of that certain called 470.340 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 247, D.R.G.C.T.; Part of that certain called 66.912 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 242, D.R.G.C.T.; all of that certain called 71.578 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 239, D.R.G.C.T.; all of that certain called 3.250 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 40, D.R.G.C.T. and all of that certain called 5.450 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 49, D.R.G.C.T. and all of that certain called 21.006 acre tract of land described in a deed to Texas Instruments Incorporated (hereinafter referred to as "TI"), dated September 23, 2002 and recorded in Volume 3317, Page 177, D.R.G.C.T. and being more particularly described by metes & bounds as follows:

BEGINNING at 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found on the west right-of-way line of U.S. Highway No. 75 (variable width right-of-way) and the east line of the above described 470.340 acre TI tract and same being the southeast corner of the above described 136.869 acre TI tract;

THENCE: South 10 deg. 13 min. 46 sec. West, along the east line of said 470.340 acre TI tract and the west right-of-way line of said U.S. Highway No. 75, at a distance of 615.10 feet, passing the northeast corner of the above described 66.912 acre tract and continuing on for a total distance of 1,231.50 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northeast corner of MEMC Southwest Addition, an addition to the City of Sherman, according to the plat thereof, recorded in Volume 11, Page 1, Plat Records, Grayson County, Texas;

THENCE: South 89 deg. 03 min. 25 sec. West, departing from said U.S. Highway 75, along the north line of said MEMC Southwest Addition, a distance of 1,943.83 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northwest corner of said addition;

THENCE: South 00 deg. 47 min. 01 sec. East, along the west line of said MEMC Southwest Addition, at a distance of 1,943.52 feet, passing the southwest corner of said addition at the northwest corner of the dedicated right-of-way and continuing for a total distance of 1,993.52

feet to a point for corner in the center of Shepherd Drive, on the south line of said 66.912 acre tract;

THENCE: South 88 deg. 31 min. 40 sec. West. Along the south line of the above described 470.340 acre tract and along the center of said Shepherd Drive, a distance of 882.62 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: South 89 deg. 10 min. 27 sec. West, continuing along the south line of said 470.340 acre tract and the center of said Shepherd Drive, a distance of 28.25 feet to the southeast corner of that certain called 0.922 acre tract described in a deed to City of Sherman, Texas, recorded in Volume 2450, Page 274, D.R.G.C.T.;

THENCE: North 00 deg. 49 min. 33 sec. West, departing from said Shepherd Drive, along the east line of said City of Sherman tract, a distance of 251.00 feet to a 1/2 inch iron rod found for the northeast corner of said City of Sherman tract;

THENCE: South 89 deg. 10 min. 27 sec. West, along the north line of said City of Sherman tract, a distance of 160.00 feet to a 1/2 inch iron rod found for the northwest corner of said City of Sherman tract;

THENCE: South 00 deg. 49 min. 33 sec. East, along the west line of said City of Sherman tract, a distance of 251.00 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for the southwest corner of said City of Sherman tract, in the center of Shepherd Drive and same being on the south line of said 470.340 acre TI tract;

THENCE: South 89 deg. 04 min. 26 sec. West, along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 1,058.91 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: North 73 deg. 45 min. 44 sec. West, continuing along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 280.48 feet to a point for the southwest corner of said 470.340 acre TI tract, on the easterly line of that certain called 117.20 acre tract described in a deed to Sherman 179 Shepard Partnership, recorded in Volume 3933, Page 844, D.R.G.C.T. and same being the easterly right-of-way line of the old Texas Traction Company's Interurban Railway;

THENCE: North 01 deg. 55 min. 56 sec. West, departing from said Shepherd Drive, along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract, a distance of 998.90 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract;

THENCE: North 88 deg. 20 min. 15 sec. East, continuing along said common line, a distance of 14.48 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said 470.340 acre TI tract;

THENCE: North 01 deg. 06 min. 57 sec. West, continuing along said common line, a distance of 504.19 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract, on the south line of the above described 71.578 acre TI tract and said William Martin Survey;

THENCE: South 75 deg. 52 min. 25 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said 117.20 acre Sherman 179 tract, a distance of 19.78 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the southwest corner of said 71.578 acre TI tract and an inside ell corner of said railway and Sherman 179 tract;

THENCE: North 01 deg. 51 min. 13 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said Sherman 179 tract, a distance of 95.70 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the beginning of a curve to the right, having a radius of 2,292.00 feet, a central angle of 14 deg. 07 min. 55 sec. and a chord that bears North 05 deg. 12 min. 37 sec. East - 563.89 feet;

THENCE: Continuing along said common line and along said curve to the right, an arc distance of 565.32 feet to a 5/8 inch iron rod found at the end of said curve;

THENCE: North 12 deg. 16 min. 34 sec. East, continuing along said common line, at a distance of 920.86 feet, passing a 1/2 inch iron rod found for the northwest corner of said 71.578 acre TI tract and the northwesterly outside ell corner of said 470.340 acre TI tract and continuing along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract for a total distance of 1,720.86 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for corner at the beginning of a curve to the left, having a radius of 2,166.14 feet, a central angle of 23 deg. 07 min. 10 sec. and a chord that bears North 00 deg. 42 min. 59 sec. East - 868.15 feet;

THENCE: Continuing along said common line and said curve to the left, at an arc distance of 702.50 feet, passing a 5/8 inch iron rod found for the northeast corner of said Sherman 179 tract and the most westerly northwest corner of said 470.340 acre TI tract and said point also being the southwest corner of the above described 3.250 acre TI tract and the southeast corner of that certain called 27.928 acre tract of land described as "Tract 2" in a deed to Janet Anderson, recorded in Document No. 2015-22641, D.R.G.C.T. and continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban Railway and along said curve to the left for a total arc distance of 874.06 feet to a point for corner at the end of said curve;

THENCE: North 10 deg. 50 min. 22 sec. West, continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban railway, a distance of 364.85 feet to a point in the centerline of Choctaw Creek for the northwest corner of said 3.250 acre TI tract and this tract;

THENCE: Departing from said Interurban Railway and continuing along the common line of said 3.250 acre TI tract and Anderson tract and the centerline of said Choctaw Creek as follows:

North 78 deg. 51 min. 48 sec. East, a distance of 124.33 feet to a point for corner;
North 36 deg. 12 min. 09 sec. East, a distance of 71.81 feet to a point for corner;
North 04 deg. 48 min. 13 sec. West, a distance of 136.66 feet to a point for corner;
North 13 deg. 20 min. 12 sec. East, a distance of 65.70 feet to a point for corner;
North 26 deg. 04 min. 57 sec. West, a distance of 113.79 feet to a point for corner;
North 32 deg. 53 min. 38 sec. East, at a distance of 62.36 feet, passing the northeast corner of said 3.250 acre TI tract, the most easterly southeast corner of said Anderson tract, the most northerly northwest corner of said 470.340 acre TI tract and the southwest corner of that certain called 14.270 acre tract of land described as "Tract 2" in a deed to Judy Moore, recorded in Volume 2669, Page 747 and Volume 2438, Page 278, D.R.G.C.T., and continuing along said creek for a total distance of 148.33 feet to a point for corner;

THENCE: Continuing along the centerline of said Choctaw Creek, with the common line of said 470.340 acre TI tract and said Moore tract as follows:

North 64 deg. 22 min. 54 sec. East, a distance of 99.64 feet to a point for corner;
South 66 deg. 40 min. 08 sec. East, a distance of 164.37 feet to a point for corner;
North 76 deg. 03 min. 41 sec. East, a distance of 174.19 feet to a point for corner;
North 63 deg. 01 min. 43 sec. East, a distance of 123.40 feet to a point for corner;
South 48 deg. 11 min. 20 sec. East, a distance of 61.20 feet to a point for corner;
South 00 deg. 07 min. 58 sec. East, a distance of 123.37 feet to a point for corner;
South 16 deg. 00 min. 31 sec. East, a distance of 100.28 feet to a point for corner;
South 66 deg. 49 min. 55 sec. East, a distance of 143.71 feet to a point for corner;
North 79 deg. 36 min. 56 sec. East, a distance of 95.84 feet to a point for corner;
North 10 deg. 55 min. 06 sec. West, a distance of 97.70 feet to a point for corner;
North 16 deg. 11 min. 47 sec. East, a distance of 120.11 feet to a point for corner;
North 82 deg. 33 min. 43 sec. East, a distance of 151.46 feet to a point for the southeast corner of said Moore tract and an inside ell corner of said 470.340 acre TI tract;

THENCE: North 16 deg. 06 min. 35 sec. West, departing from the centerline of said creek, along the common line of said TI and Moore tracts, a distance of 46.01 feet to a point on the north bank of said Choctaw Creek for the southwest corner of that certain called 60.85 acre tract of land described as "Tract II" in a deed to Panda Sherman Power, LLC, recorded in Volume 5132, Page 123, D.R.G.C.T.;

THENCE: Along the north bank of Choctaw Creek and the common line of said 470.340 acre TI tract and Panda Sherman tract as follows:

North 67 deg. 26 min. 14 sec. East, a distance of 67.60 feet to a point for corner;
North 35 deg. 12 min. 36 sec. East, a distance of 177.55 feet to a point for corner;
North 66 deg. 05 min. 55 sec. East, a distance of 76.50 feet to a point for corner;
South 51 deg. 47 min. 35 sec. East, a distance of 119.72 feet to a point for corner;
South 58 deg. 54 min. 31 sec. East, a distance of 75.25 feet to a point for corner;
North 57 deg. 10 min. 55 sec. East, a distance of 143.66 feet to a point for corner;
North 27 deg. 07 min. 41 sec. East, a distance of 74.40 feet to a point for corner;
North 41 deg. 18 min. 39 sec. East, a distance of 245.64 feet to a point for corner;

North 37 deg. 37 min. 13 sec. East, a distance of 134.41 feet to a point for corner;
North 84 deg. 41 min. 55 sec. East, a distance of 132.97 feet to a point for corner;
North 65 deg. 15 min. 19 sec. East, a distance of 69.31 feet to a point for corner;
North 84 deg. 58 min. 04 sec. East, a distance of 34.55 feet to a point for corner;
South 74 deg. 50 min. 25 sec. East, a distance of 94.21 feet to a point for corner;
South 64 deg. 53 min. 16 sec. East, a distance of 89.81 feet to a point for corner;
South 46 deg. 49 min. 23 sec. East, a distance of 71.47 feet to a point for corner;
South 84 deg. 10 min. 37 sec. East, a distance of 173.17 feet to a point for corner;
North 53 deg. 21 min. 32 sec. East, a distance of 279.39 feet to a point for corner;
North 78 deg. 02 min. 48 sec. East, a distance of 242.38 feet to a point for corner;
North 28 deg. 48 min. 50 sec. East, a distance of 60.92 feet to a point for corner;
North 07 deg. 31 min. 00 sec. East, a distance of 447.48 feet to a point for corner;
North 82 deg. 02 min. 55 sec. East, a distance of 199.24 feet to a point for corner;
South 76 deg. 32 min. 41 sec. East, a distance of 305.86 feet to a point for corner;
North 43 deg. 40 min. 40 sec. East, a distance of 143.38 feet to a point for corner;
South 65 deg. 28 min. 50 sec. East, a distance of 213.45 feet to a point for corner;
North 61 deg. 52 min. 37 sec. East, a distance of 129.18 feet to a point for corner;
South 89 deg. 05 min. 36 sec. East, a distance of 69.52 feet to a point for the southeast corner of said 60.85 acre Panda Sherman tract and the most northerly northeast corner of said 470.340 acre TI tract, on the west line of the above described 21.006 acre TI tract;

THENCE: North 15 deg. 25 min. 15 sec. West, departing from the bank of Choctaw Creek, along the common line of said 21.006 acre TI tract and said 60.85 acre Panda Sherman tract, a distance of 1,041.64 feet to the northwest corner of said 21.006 acre TI tract on the southerly right-of-way line of the St. Louis, San Francisco & Texas Railroad (100' wide right-of-way);

THENCE: North 63 deg. 22 min. 03 sec. East, along the north line of said 21.006 acre TI tract and said railroad, a distance of 944.50 feet to a point for the northeast corner of said 21.006 acre TI tract at the intersection of the southerly right-of-way line of said railroad and the westerly right-of-way line of the above described U.S. Highway No. 75 (variable width right-of-way);

THENCE: South 07 deg. 38 min. 59 sec. East, along the common line of said 21.006 acre TI tract and U.S. Highway No. 75, a distance of 653.71 feet to a point for corner at the beginning of a non-tangent curve to the right, having a radius of 5,529.58 feet, a central angle of 17 deg. 14 min. 57 sec. and a chord that bears South 01 deg. 36 min. 18 sec. West – 1,658.44 feet;

THENCE: Along the west right-of-way line of said U.S. Highway No. 75 and with said curve to the right, at an arc distance of 571.89 feet, passing the southeast corner of said 21.006 acre TI tract, the northeast corner of the above described 5.450 acre TI tract, continuing along the west right-of-way line of said U. S. Highway No. 75, at an arc distance of 879.37 feet, passing a 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found for the northeast corner of the above described 136.869 acre TI tract and continuing for a total arc distance of 1664.71 feet to a 1/2 inch iron rod, found for corner at the end of said curve;

THENCE: South 10 deg. 13 min. 44 sec. West, continuing along the west right-of-way line of said U.S. Highway 75, a distance of 2,772.22 feet to the POINT OF BEGINNING and containing 559.77 acres of land, more or less.

Exhibit "B"
Phase I Project Improvements

[To be provided upon Completion of Construction]

CHAPTER 381 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Agreement (the "**Agreement**") is entered into as of the 15 day of November 2021 (the "**Effective Date**"), by and between GRAYSON COUNTY, TEXAS, a political subdivision of the State of Texas (the "**County**"), and TEXAS INSTRUMENTS INCORPORATED, a Delaware corporation ("**TI**").

RECITALS:

WHEREAS, TI intends to construct and operate a semiconductor manufacturing facility designed in multiple development phases (each a "**Phase**"), along with other ancillary facilities such as required parking lots/spaces in amount required by County ordinances, and other facilities necessary to produce semiconductors on the scale anticipated as of the Effective Date (the "**Facility**") to be located on an approximately 560 acre parcel at 6412 US-75, Sherman, TX 75090 as more particularly described on **Exhibit "A"** attached hereto (the "**Land**"); and

WHEREAS, components of the Facility include, without limitation, real property improvements, which include the above referenced production facility, office space and other necessary facilities (collectively, the "**Real Property Improvements**"), and tangible, business personal property, which includes equipment, machinery and fixtures, inventory, and supplies owned or leased by TI that are located on the Land (collectively, the "**Tangible Personal Property**"); and

WHEREAS, the Facility will be part of a larger project on the Land that will include certain public improvements designed to support production at the Facility such as water lines, storm sewer facilities, roadways, and other utilities (collectively, the "**Public Infrastructure**" and together with the Facility, the "**Project**"); and

WHEREAS, the Public Infrastructure that is a component of the second Phase ("**Phase II**") of the Project is set forth on **Exhibit "B"** attached hereto; and

WHEREAS, the Real Property Improvements will include improvements to be developed and constructed in Phase II (the "**Phase II Improvements**"), which Phase II Improvements shall be located on the portion of the Land demarked on **Exhibit "B"**, and shall include, without limitation, the Real Property Improvements described in **Exhibit "B"**.

WHEREAS, TI and the County are executing a tax abatement agreement (the "**Tax Abatement Agreement**") simultaneously with the execution of this Agreement, which Tax Abatement Agreement provides for certain tax abatements for a specified time conditioned upon requirements further set forth therein with respect to the Phase II Improvements and Tangible Personal Property placed into service on or within the Phase II Improvements on the Land underlying the Phase II Improvements (the "**Phase II Tangible Personal Property**"); and

WHEREAS, pursuant to the Tax Abatement Agreement, upon Completion of Construction as defined by the Tax Abatement Agreement, TI will provide the County with a finalized **Exhibit "B"** demarking the portion of the Land upon which the Phase II Improvements

will be located, which **Exhibit "B"** shall, once provided, be incorporated by reference into this Agreement; and

WHEREAS, TI has requested that the County authorize and provide certain economic development grants in connection with its development of the Project as provided herein; and

WHEREAS, pursuant to Chapter 381 of the Texas Local Government Code and for the public purpose of promoting economic development and diversity, increasing employment, reducing unemployment and underemployment, expanding commerce, and stimulating business and commercial activity in the State of Texas, Grayson County, and the City of Sherman, the County desires to offer certain economic development grants to TI as more particularly described in this Agreement.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the County and TI agree as follows:

1. **Subject of this Agreement.** TI will construct and operate the Project, as further described in the submittals filed with the City in order to obtain such permits as may be required under applicable City ordinances.

2. **Economic Development Grants.** Subject to the terms and conditions of this Agreement, and specifically the satisfaction of the conditions for qualifying in Section 3 below, the County will provide economic development grants (each a "**Grant**") to TI as follows:

a. The reimbursement each calendar year as further set forth below of an amount equal to ninety percent (90%) of the ad valorem taxes assessed against completed Phase II Improvements and Phase II Tangible Personal Property and actually received by the County with respect to such calendar year (the "**Ad Valorem Tax Grant**"). Each such Ad Valorem Tax Grant shall be paid by the County to TI within thirty (30) days following receipt by the County of (i) the ad valorem tax payment corresponding to such Ad Valorem Tax Grant, (ii) Investment Reports (if due under Section 3(a) of this Agreement), and (iii) Employment Reports (due under Section 3(b) of this Agreement). The Ad Valorem Tax Grant shall commence upon January 1 of the calendar year following the expiration of the calendar year in which the tax abatements with respect to the Phase II Improvements set forth in the Tax Abatement Agreement have expired by their term, and shall continue for a period of twenty (20) consecutive calendar years thereafter. Provided that the requirements set forth in this Agreement and the Tax Abatement Agreement are satisfied in connection with minimum capital investment and minimum employment requirements and Completion of Construction of the Phase II Improvements described in **Exhibit "B"**, the Tax Abatement shall apply to any Phase II Improvements constructed, and any Phase II Tangible Personal Property placed into service, during the term of this Agreement. Notwithstanding anything herein to the contrary, TI shall not be entitled to receive the Ad Valorem Tax Grant prior to the expiration of the tax abatements with respect to the Phase II Improvements and Phase II Tangible Personal Property set forth in the Tax Abatement Agreement under any circumstance, and the Ad Valorem Tax Grant is contingent upon, among other things,

compliance with the Tax Abatement Agreement during the term of the Tax Abatement Agreement as set forth in Section 3 below.

3. **Conditions to Qualify for Grants**. The following conditions will be satisfied by TI for the entire Term (defined below) of this Agreement in order to qualify for the Grants:

a. Absent events of Force Majeure, the capital investment of TI in the Phase II Improvements and the Phase II Tangible Personal Property shall meet or exceed the following aggregate amounts as of the dates set forth in the schedule below:

Capital Investment	Delivery Date
$2 billion	January 1 of the second year in which an Ad Valorem Grant is payable

The Owner agrees to provide the County with reports in a form reasonably acceptable to the County certifying Owner's compliance with the minimum Capital Investment set forth in the schedule above (the "**Investment Reports**"). The Investment Reports shall be prepared and maintained in accordance with generally accepted accounting principles, and shall include information on the extent and the amount of Owner's investments in the Phase II Improvements and the Phase II Tangible Personal Property. The Owner agrees to submit the Investment Reports prior to May 1 of each calendar year in the schedule set forth above. The County shall have the right to inspect Owner's books and records relating to the construction of the Phase II Improvements and the acquisition, location and maintenance of the Phase II Tangible Personal Property on the Phase II Land and Improvements, subject to Owner's reasonable security and confidentiality requirements.

b. Absent events of Force Majeure, TI covenants and agrees to employ the following aggregate number of Employment Positions at the Phase II Improvements as of the dates set forth in the schedule below (regardless of whether such jobs are newly created employment positions or retained employees from TI's prior facility) and retain such Employment Positions throughout the Term of this Agreement:

Employment Positions	Delivery Date
200	January 1 of the second year in which an Ad Valorem Grant is payable
275	January 1 of the sixth year in which an Ad Valorem Grant is payable
350	January 1 of the tenth year in which an Ad Valorem Grant is payable

Prior to May 1 of each calendar year during the Term of this Agreement, TI agrees to provide the County with reports in a form reasonably acceptable to the County certifying TI's compliance with the above commitments to Employment Positions and shall include information on the number of Employment Positions created, filled or contracted for at the Phase II Improvements (the "**Employment Reports**"). The County shall have the right to inspect TI's payroll and other employment records including, TI's management system assigned to the Phase II Improvements, relating to the Employment Positions at

the Phase II Improvements, subject to TI's reasonable security and confidentiality requirements.

c. TI shall comply with the Tax Abatement Agreement during the term of the Tax Abatement Agreement, including but not limited to any requirements with respect to Commencement of Construction, Completion of Construction, and Investment Reports (as those terms are defined in the Tax Abatement Agreement) and not commit an "Event of Default" (as defined in the Tax Abatement Agreement) under the Tax Abatement Agreement that is not cured thereunder.

d. TI must be in continuous compliance with all terms, conditions, covenants, and obligations of this Agreement.

e. At the time of payment of any portion of the Grants, TI must not be delinquent in the payment of any ad valorem taxes then owed by TI on the Project (provided, however, TI retains the right to timely and properly protest and contest any such ad valorem taxes).

If, after all of the conditions set forth above have been initially satisfied, any of the conditions set forth above are thereafter not satisfied during any calendar year for which a Grant is calculated and if such failure of a condition is not cured within ninety (90) days after written notice from the County to TI of such failure, the County will be relieved of its obligation to pay the portions of the Grants related to such calendar year; provided, however, that the subsequent failure of any of the conditions set forth above (after such conditions have been initially satisfied) will not constitute a default hereunder, unless such failure is not cured prior to the expiration of the notice and cure period set forth in Section 5(b). Furthermore, in the event the County provides any portion of a Grant to TI for a particular period based upon a statement or information provided by TI to the County that is incorrect and which, if corrected, would have resulted in TI not being entitled to the portion of such Grant related to the applicable period for which the statement or information was provided, then TI will refund to the County the portion of such Grant which TI received based upon such statement or information within thirty (30) days after receipt of written demand by the County, subject to the right to cure and seek remedies under Section 5. If TI fails to refund such portion of the Grant as provided above, the County will be relieved of its obligation to pay Grants for the period of time that such refund remains unpaid and shall have the right to bring an action against TI for the payment of such refund.

4. **Term of this Agreement**. The term of this Agreement will commence on the Effective Date and will continue until the earlier to occur of the date that the County and TI mutually agree to terminate this Agreement or the date the County's obligation to pay the Grants set forth in Section 2(a) above expires (the "**Term**").

5. **Default**.

a. Each of the following will constitute an "Event of Default" under this Agreement:

(i) the County's failure to process any portion of the Grants owing to TI in accordance with this Agreement;

(ii) TI's failure to satisfy any of the conditions set forth in Section 3 above;

(iii) TI's failure to pay any real or business personal ad valorem taxes or other material fees or charges owed by TI to the County prior to delinquency (provided, however, TI retains the right to timely and properly protest and contest any such taxes or fees, and so long as TI is timely and properly protesting or contesting the same, it will not constitute an Event of Default);

(iv) a breach of any representation or covenant made in this Agreement by TI; or

(v) an attempted assignment of this Agreement by TI in violation of the terms set forth in Section 7 hereof.

b. Notice and Cure Periods. In the event of the occurrence of an Event of Default described under Section 5(a)(i), (ii), (iii), or (v), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default.

In the event of the occurrence of an Event of Default described under Section 5(a)(iv), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default; provided, however, if the defaulting party is diligently pursuing the cure of such default, but such default is not reasonably curable within thirty (30) days, then the defaulting party will have such additional amount of time as is reasonably necessary to cure such default.

c. Remedies. Upon the occurrence and during the continuance of an Event of Default, the non-defaulting party shall have all remedies available to it at law or in equity, except as may be specifically limited in this Section 5.

Without terminating this Agreement, upon an Event of Default, TI and the County have the right hereunder to enforce specific performance of amounts owed to the County or bring an action to collect such amounts. Either party will further have the right to seek a judicial declaration of the total amount of Grants owed, whether an Event of Default has occurred, or whether any attempt to cure has been sufficient. Periods described above for curing a delinquency or violation shall toll, and shall not be considered for any purpose as having run, beginning upon the day the Company files a petition in district court in Grayson County, Texas to determine whether a delinquency or violation has in fact occurred under this Agreement and/or to determine whether any attempt to cure has been sufficient, and ending upon the issuance of a final court decision or other final resolution of such court proceeding. No action will lie for damages by either party (beyond the foregoing amounts owed by the County upon an Event of Default by the County or the

repayment obligations of TI under Section 3.e), including punitive damages, and no special or consequential damages will be recovered by either party.

Upon the occurrence of an Event of Default described in Section 5(a)(ii) (i.e., the conditions set forth in Section 3 are not satisfied during any period of time during the term of this Agreement), and without terminating this Agreement, the County will be relieved of its obligation to pay the portions of the Grants related to such year until such default is cured within the cure period described in Section 5(b) hereof. If such default is cured by TI within the cure period set forth in Section 5(b) hereof, the County will be obligated to pay to TI the portions of the Grants withheld during TI's failure to comply with Section 3 hereof.

d. Termination. This Agreement will terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Term of this Agreement; or

(iii) at the option of the non-defaulting party, upon the occurrence and continuation of an Event of Default (subject to the notice and cure provisions of Section 5(b) above).

e. Attorney's Fees. Attorney's fees may be awarded by a court of competent jurisdiction in any legal proceeding to enforce this Agreement, in which case the attorney's fees will be paid by the party so ordered to pay.

6. **Force Majeure**. For purposes of this Agreement, the term "Force Majeure" will mean and include any delay caused by reason of war, civil commotion, acts of God, strike, inclement weather, shortages or unavailability of labor, supplies or materials (including but not limited to circumstances related to declared national emergencies such as but not limited to COVID-19) or other circumstances which are beyond the reasonable control and are without the fault or negligence of the obligated party, regardless of whether any such circumstance is similar to any of those enumerated or not, the obligated party shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such requirement and any applicable completion deadline shall be extended for a period of time equal to the period the obligated party was delayed. Force Majeure will not mean nor include delays caused by TI's lack of, or inability to obtain, funding.

7. **Assignment**. Except as may otherwise be provided under this Section 7, this Agreement may not be assigned without the County's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Any purported assignment in violation of this Agreement is void. Notwithstanding the foregoing, so long as no TI Event of Default under this Agreement exists and remains uncured, TI may, without the prior written consent of the County (i) assign its rights and obligations under this Agreement to affiliates or subsidiaries of TI, so long as such affiliate or subsidiary continues to be wholly-owned, directly or indirectly, by TI or one of its constituent parties and TI notifies the County in advance of such assignment and

provides evidence reasonably satisfactory to the County that such assignee is an affiliate or subsidiary, or (ii) make a collateral assignment of the Agreement solely for the benefit of a creditor providing financing for the Phase II Improvements or the Phase II Tangible Personal Property. In the event the County consents to an assignment of this Agreement by TI, no further assignment shall be made without the express consent in writing of the County, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by TI of its interest in this Agreement shall not relieve TI from its obligations under this Agreement unless approved by the County.

8. Miscellaneous.

a. All construction will be in accordance with applicable rules, regulations, and ordinances of the City, subject to any variances granted in writing by the City.

b. It is acknowledged and agreed by the parties that the terms hereof are not intended to and will not be deemed to create a partnership or joint venture among the parties. It is further understood and agreed by the parties that TI and the County, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibility or liability to third parties in connection with these actions.

c. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may not be modified or terminated except in accordance with the provisions hereof or by the mutual written agreement of the parties hereto.

d. This Agreement will be construed in accordance with the laws of the State of Texas and will be performable in Grayson County, Texas.

e. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

f. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others (i) that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, (ii) that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement, and (iii) that each individual affixing his or her signature hereto is authorized to do so and such authorization is valid and effective on the date hereof. This Agreement was approved by the Commissioners Court at its meeting on October 19, 2021.

g. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

h. Any notice and/or statement required and permitted to be delivered will be deemed delivered by depositing same in the United States mail, certified with return

receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to the County:	Grayson County, Texas 100 W. Houston Street Sherman, Texas 75090 Attn: County Judge
With required copy to:	Grayson County Criminal District Attorney 200 S. Crockett St., Suite 116 Sherman, Texas 75090 Attn: Commissioners Court Counsel
If to TI:	Texas Instruments Incorporated 12500 TI Blvd, MS B4000 Dallas, Texas 75243 Attn: Virginia Schaefer
With required copy to:	Texas Instruments Incorporated 13588 N. Central Expressway, MS 3999 Dallas, TX 75243 Attn: Law Department, TMG Counsel

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

i. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original for all purposes.

j. In case any one or more of the provisions contained in this Agreement will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement or any part hereof invalid or illegal, the parties agree to terminate (or if feasible, modify) this Agreement and to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible.

k. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

l. Time is of the essence in this Agreement.

m. The recitals to this Agreement are incorporated herein for all purposes. The following exhibits are attached to this Agreement and incorporated by reference herein for all purposes:

Exhibit "A" — Property

Exhibit "B" — Phase II Project Improvements

n. The parties agree this Agreement has been drafted jointly by the parties and their legal representatives.

o. Nothing in this Agreement will be implied to vest any rights in the parties. In addition, nothing contained in this Agreement will constitute a "permit" as defined in Chapter 245, Texas Local Government Code. **TI WAIVES ANY STATUTORY CLAIM THAT THIS AGREEMENT ESTABLISHES VESTED RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE. THIS SECTION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

p. It is expressly understood that this Agreement will be binding upon and benefit the parties hereto only upon execution by both parties.

q. Pursuant to Section 2270.002, Texas Govt. Code, TI hereby represents that neither TI, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of TI "boycotts Israel", and subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of this Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001, Texas Govt. Code.

r. Pursuant to Subchapter F, Chapter 2252, Texas Govt. Code, TI certifies that it is not engaged in business with Iran, Sudan or a foreign terrorist organization.

s. Pursuant to Chapter 2274, Texas Govt. Code, TI verifies that (i) it does not boycott energy companies and will not boycott energy companies during the term of this Agreement and (ii) it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement.

t. Pursuant to Chapter 2264, Texas Govt. Code, TI represents and certifies that is does not and will not knowingly employ any undocumented worker at the Facility or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the County under this Agreement, TI is convicted of a violation under 8 U.S.C. § 1342a(f), TI shall repay to the County an amount equal to all Grant payments tendered to TI under this Agreement plus interest at the annual rate of four percent (4%) not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies TI of such violation.

u. TI shall utilize, or cause its contractors to utilize, Separated Building Materials and Labor Contracts as defined in Comptroller Rule 3.291(a)(13) for all taxable building material contracts related to the construction of the Facility or the acquisition and installation of the Tangible Personal Property which equal or exceed the amount of $100,000.00 and require that the situs of any sales tax paid and related thereto will be Sherman, Texas.

v. Any controversy or claim arising from or relating to this Agreement, or a breach thereof, shall be subject to non-binding mediation, as a condition precedent to the institution of legal or equitable proceedings by any party, unless the institution of such legal or equitable proceeding is necessary to avoid the running of an applicable statute of limitation. The parties shall endeavor to resolve their claims by mediation. County and TI shall share the costs of mediation equally. The mediation shall be held in Sherman, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the Effective Date as described herein.

COUNTY:

GRAYSON COUNTY, TEXAS,
a political subdivision of the State of Texas

By: _____
Name: William L. Magers
Title: County Judge

TI:

TEXAS INSTRUMENTS INCORPORATED,
a Delaware corporation

By: _____
Name: Rafael Lizardi
Title: Chief Financial Officer

Exhibit "A"
Property — Metes and Bounds Description

SITUATED in the City of Sherman, Texas, in the William Martin Survey, Abstract No. 765, the James A. Foster Survey, Abstract No. 418, the M.G. Felers Survey, Abstract No. 427, the C.S. Dale Survey, Abstract No. 356, the Heirs of Sherrod Dunman Survey, Abstract No. 329 and the John Chronister Survey, Abstract No. 248 of Grayson County, Texas and being: all of that certain called 136.869 acre tract of land described in a deed to Texas Instruments Incorporated, dated June 29, 2011, recorded in Volume 4981, Page 253, Deed Records, Grayson County, Texas (D.R.G.C.T.); part of that certain called 470.340 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 247, D.R.G.C.T.; Part of that certain called 66.912 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 242, D.R.G.C.T.; all of that certain called 71.578 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 239, D.R.G.C.T.; all of that certain called 3.250 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 40, D.R.G.C.T. and all of that certain called 5.450 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 49, D.R.G.C.T. and all of that certain called 21.006 acre tract of land described in a deed to Texas Instruments Incorporated (hereinafter referred to as "TI"), dated September 23, 2002 and recorded in Volume 3317, Page 177, D.R.G.C.T. and being more particularly described by metes & bounds as follows:

BEGINNING at 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found on the west right-of-way line of U.S. Highway No. 75 (variable width right-of-way) and the east line of the above described 470.340 acre TI tract and same being the southeast corner of the above described 136.869 acre TI tract;

THENCE: South 10 deg. 13 min. 46 sec. West, along the east line of said 470.340 acre TI tract and the west right-of-way line of said U.S. Highway No. 75, at a distance of 615.10 feet, passing the northeast corner of the above described 66.912 acre tract and continuing on for a total distance of 1,231.50 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northeast corner of MEMC Southwest Addition, an addition to the City of Sherman, according to the plat thereof, recorded in Volume 11, Page 1, Plat Records, Grayson City, Texas;

THENCE: South 89 deg. 03 min. 25 sec. West, departing from said U.S. Highway 75, along the north line of said MEMC Southwest Addition, a distance of 1,943.83 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northwest corner of said addition;

THENCE: South 00 deg. 47 min. 01 sec. East, along the west line of said MEMC Southwest Addition, at a distance of 1,943.52 feet, passing the southwest corner of said addition at the northwest corner of the dedicated right-of-way and continuing for a total distance of 1,993.52

feet to a point for corner in the center of Shepherd Drive, on the south line of said 66.912 acre tract;

THENCE: South 88 deg. 31 min. 40 sec. West. Along the south line of the above described 470.340 acre tract and along the center of said Shepherd Drive, a distance of 882.62 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: South 89 deg. 10 min. 27 sec. West, continuing along the south line of said 470.340 acre tract and the center of said Shepherd Drive, a distance of 28.25 feet to the southeast corner of that certain called 0.922 acre tract described in a deed to City of Sherman, Texas, recorded in Volume 2450, Page 274, D.R.G.C.T.;

THENCE: North 00 deg. 49 min. 33 sec. West, departing from said Shepherd Drive, along the east line of said City of Sherman tract, a distance of 251.00 feet to a 1/2 inch iron rod found for the northeast corner of said City of Sherman tract;

THENCE: South 89 deg. 10 min. 27 sec. West, along the north line of said City of Sherman tract, a distance of 160.00 feet to a 1/2 inch iron rod found for the northwest corner of said City of Sherman tract;

THENCE: South 00 deg. 49 min. 33 sec. East, along the west line of said City of Sherman tract, a distance of 251.00 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for the southwest corner of said City of Sherman tract, in the center of Shepherd Drive and same being on the south line of said 470.340 acre TI tract;

THENCE: South 89 deg. 04 min. 26 sec. West, along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 1,058.91 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: North 73 deg. 45 min. 44 sec. West, continuing along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 280.48 feet to a point for the southwest corner of said 470.340 acre TI tract, on the easterly line of that certain called 117.20 acre tract described in a deed to Sherman 179 Shepard Partnership, recorded in Volume 3933, Page 844, D.R.G.C.T. and same being the easterly right-of-way line of the old Texas Traction Company's Interurban Railway;

THENCE: North 01 deg. 55 min. 56 sec. West, departing from said Shepherd Drive, along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract, a distance of 998.90 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract;

THENCE: North 88 deg. 20 min. 15 sec. East, continuing along said common line, a distance of 14.48 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said 470.340 acre TI tract;

THENCE: North 01 deg. 06 min. 57 sec. West, continuing along said common line, a distance of 504.19 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract, on the south line of the above described 71.578 acre TI tract and said William Martin Survey;

THENCE: South 75 deg. 52 min. 25 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said 117.20 acre Sherman 179 tract, a distance of 19.78 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the southwest corner of said 71.578 acre TI tract and an inside ell corner of said railway and Sherman 179 tract;

THENCE: North 01 deg. 51 min. 13 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said Sherman 179 tract, a distance of 95.70 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the beginning of a curve to the right, having a radius of 2,292.00 feet, a central angle of 14 deg. 07 min. 55 sec. and a chord that bears North 05 deg. 12 min. 37 sec. East - 563.89 feet;

THENCE: Continuing along said common line and along said curve to the right, an arc distance of 565.32 feet to a 5/8 inch iron rod found at the end of said curve;

THENCE: North 12 deg. 16 min. 34 sec. East, continuing along said common line, at a distance of 920.86 feet, passing a 1/2 inch iron rod found for the northwest corner of said 71.578 acre TI tract and the northwesterly outside ell corner of said 470.340 acre TI tract and continuing along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract for a total distance of 1,720.86 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for corner at the beginning of a curve to the left, having a radius of 2,166.14 feet, a central angle of 23 deg. 07 min. 10 sec. and a chord that bears North 00 deg. 42 min. 59 sec. East - 868.15 feet;

THENCE: Continuing along said common line and said curve to the left, at an arc distance of 702.50 feet, passing a 5/8 inch iron rod found for the northeast corner of said Sherman 179 tract and the most westerly northwest corner of said 470.340 acre TI tract and said point also being the southwest corner of the above described 3.250 acre TI tract and the southeast corner of that certain called 27.928 acre tract of land described as "Tract 2" in a deed to Janet Anderson, recorded in Document No. 2015-22641, D.R.G.C.T. and continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban Railway and along said curve to the left for a total arc distance of 874.06 feet to a point for corner at the end of said curve;

THENCE: North 10 deg. 50 min. 22 sec. West, continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban railway, a distance of 364.85 feet to a point in the centerline of Choctaw Creek for the northwest corner of said 3.250 acre TI tract and this tract;

THENCE: Departing from said Interurban Railway and continuing along the common line of said 3.250 acre TI tract and Anderson tract and the centerline of said Choctaw Creek as follows:

North 78 deg. 51 min. 48 sec. East, a distance of 124.33 feet to a point for corner;
North 36 deg. 12 min. 09 sec. East, a distance of 71.81 feet to a point for corner;
North 04 deg. 48 min. 13 sec. West, a distance of 136.66 feet to a point for corner;
North 13 deg. 20 min. 12 sec. East, a distance of 65.70 feet to a point for corner;
North 26 deg. 04 min. 57 sec. West, a distance of 113.79 feet to a point for corner;
North 32 deg. 53 min. 38 sec. East, at a distance of 62.36 feet, passing the northeast corner of said 3.250 acre TI tract, the most easterly southeast corner of said Anderson tract, the most northerly northwest corner of said 470.340 acre TI tract and the southwest corner of that certain called 14.270 acre tract of land described as "Tract 2" in a deed to Judy Moore, recorded in Volume 2669, Page 747 and Volume 2438, Page 278, D.R.G.C.T., and continuing along said creek for a total distance of 148.33 feet to a point for corner;

THENCE: Continuing along the centerline of said Choctaw Creek, with the common line of said 470.340 acre TI tract and said Moore tract as follows:

North 64 deg. 22 min. 54 sec. East, a distance of 99.64 feet to a point for corner;
South 66 deg. 40 min. 08 sec. East, a distance of 164.37 feet to a point for corner;
North 76 deg. 03 min. 41 sec. East, a distance of 174.19 feet to a point for corner;
North 63 deg. 01 min. 43 sec. East, a distance of 123.40 feet to a point for corner;
South 48 deg. 11 min. 20 sec. East, a distance of 61.20 feet to a point for corner;
South 00 deg. 07 min. 58 sec. East, a distance of 123.37 feet to a point for corner;
South 16 deg. 00 min. 31 sec. East, a distance of 100.28 feet to a point for corner;
South 66 deg. 49 min. 55 sec. East, a distance of 143.71 feet to a point for corner;
North 79 deg. 36 min. 56 sec. East, a distance of 95.84 feet to a point for corner;
North 10 deg. 55 min. 06 sec. West, a distance of 97.70 feet to a point for corner;
North 16 deg. 11 min. 47 sec. East, a distance of 120.11 feet to a point for corner;
North 82 deg. 33 min. 43 sec. East, a distance of 151.46 feet to a point for the southeast corner of said Moore tract and an inside ell corner of said 470.340 acre TI tract;

THENCE: North 16 deg. 06 min. 35 sec. West, departing from the centerline of said creek, along the common line of said TI and Moore tracts, a distance of 46.01 feet to a point on the north bank of said Choctaw Creek for the southwest corner of that certain called 60.85 acre tract of land described as "Tract II" in a deed to Panda Sherman Power, LLC, recorded in Volume 5132, Page 123, D.R.G.C.T.;

THENCE: Along the north bank of Choctaw Creek and the common line of said 470.340 acre TI tract and Panda Sherman tract as follows:

North 67 deg. 26 min. 14 sec. East, a distance of 67.60 feet to a point for corner;
North 35 deg. 12 min. 36 sec. East, a distance of 177.55 feet to a point for corner;
North 66 deg. 05 min. 55 sec. East, a distance of 76.50 feet to a point for corner;
South 51 deg. 47 min. 35 sec. East, a distance of 119.72 feet to a point for corner;
South 58 deg. 54 min. 31 sec. East, a distance of 75.25 feet to a point for corner;
North 57 deg. 10 min. 55 sec. East, a distance of 143.66 feet to a point for corner;
North 27 deg. 07 min. 41 sec. East, a distance of 74.40 feet to a point for corner;
North 41 deg. 18 min. 39 sec. East, a distance of 245.64 feet to a point for corner;

North 37 deg. 37 min. 13 sec. East, a distance of 134.41 feet to a point for corner;
North 84 deg. 41 min. 55 sec. East, a distance of 132.97 feet to a point for corner;
North 65 deg. 15 min. 19 sec. East, a distance of 69.31 feet to a point for corner;
North 84 deg. 58 min. 04 sec. East, a distance of 34.55 feet to a point for corner;
South 74 deg. 50 min. 25 sec. East, a distance of 94.21 feet to a point for corner;
South 64 deg. 53 min. 16 sec. East, a distance of 89.81 feet to a point for corner;
South 46 deg. 49 min. 23 sec. East, a distance of 71.47 feet to a point for corner;
South 84 deg. 10 min. 37 sec. East, a distance of 173.17 feet to a point for corner;
North 53 deg. 21 min. 32 sec. East, a distance of 279.39 feet to a point for corner;
North 78 deg. 02 min. 48 sec. East, a distance of 242.38 feet to a point for corner;
North 28 deg. 48 min. 50 sec. East, a distance of 60.92 feet to a point for corner;
North 07 deg. 31 min. 00 sec. East, a distance of 447.48 feet to a point for corner;
North 82 deg. 02 min. 55 sec. East, a distance of 199.24 feet to a point for corner;
South 76 deg. 32 min. 41 sec. East, a distance of 305.86 feet to a point for corner;
North 43 deg. 40 min. 40 sec. East, a distance of 143.38 feet to a point for corner;
South 65 deg. 28 min. 50 sec. East, a distance of 213.45 feet to a point for corner;
North 61 deg. 52 min. 37 sec. East, a distance of 129.18 feet to a point for corner;
South 89 deg. 05 min. 36 sec. East, a distance of 69.52 feet to a point for the southeast corner of said 60.85 acre Panda Sherman tract and the most northerly northeast corner of said 470.340 acre TI tract, on the west line of the above described 21.006 acre TI tract;

THENCE: North 15 deg. 25 min. 15 sec. West, departing from the bank of Choctaw Creek, along the common line of said 21.006 acre TI tract and said 60.85 acre Panda Sherman tract, a distance of 1,041.64 feet to the northwest corner of said 21.006 acre TI tract on the southerly right-of-way line of the St. Louis, San Francisco & Texas Railroad (100' wide right-of-way);

THENCE: North 63 deg. 22 min. 03 sec. East, along the north line of said 21.006 acre TI tract and said railroad, a distance of 944.50 feet to a point for the northeast corner of said 21.006 acre TI tract at the intersection of the southerly right-of-way line of said railroad and the westerly right-of-way line of the above described U.S. Highway No. 75 (variable width right-of-way);

THENCE: South 07 deg. 38 min. 59 sec. East, along the common line of said 21.006 acre TI tract and U.S. Highway No. 75, a distance of 653.71 feet to a point for corner at the beginning of a non-tangent curve to the right, having a radius of 5,529.58 feet, a central angle of 17 deg. 14 min. 57 sec. and a chord that bears South 01 deg. 36 min. 18 sec. West – 1,658.44 feet;

THENCE: Along the west right-of-way line of said U.S. Highway No. 75 and with said curve to the right, at an arc distance of 571.89 feet, passing the southeast corner of said 21.006 acre TI tract, the northeast corner of the above described 5.450 acre TI tract, continuing along the west right-of-way line of said U. S. Highway No. 75, at an arc distance of 879.37 feet, passing a 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found for the northeast corner of the above described 136.869 acre TI tract and continuing for a total arc distance of 1664.71 feet to a 1/2 inch iron rod, found for corner at the end of said curve;

THENCE: South 10 deg. 13 min. 44 sec. West, continuing along the west right-of-way line of said U.S. Highway 75, a distance of 2,772.22 feet to the POINT OF BEGINNING and containing 559.77 acres of land, more or less.

Exhibit "B"
Phase II Project Improvements

[To be provided upon Completion of Construction]

CHAPTER 381 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Agreement (the "**Agreement**") is entered into as of the 15 day of November 2021 (the "**Effective Date**"), by and between GRAYSON COUNTY, TEXAS, a political subdivision of the State of Texas (the "**County**"), and TEXAS INSTRUMENTS INCORPORATED, a Delaware corporation ("**TI**").

RECITALS:

WHEREAS, TI intends to construct and operate a semiconductor manufacturing facility designed in multiple development phases (each a "**Phase**"), along with other ancillary facilities such as required parking lots/spaces in amount required by County ordinances, and other facilities necessary to produce semiconductors on the scale anticipated as of the Effective Date (the "**Facility**") to be located on an approximately 560 acre parcel at 6412 US-75, Sherman, TX 75090 as more particularly described on **Exhibit "A"** attached hereto (the "**Land**"); and

WHEREAS, components of the Facility include, without limitation, real property improvements, which include the above referenced production facility, office space and other necessary facilities (collectively, the "**Real Property Improvements**"), and tangible, business personal property, which includes equipment, machinery and fixtures, inventory, and supplies owned or leased by TI that are located on the Land (collectively, the "**Tangible Personal Property**"); and

WHEREAS, the Facility will be part of a larger project on the Land that will include certain public improvements designed to support production at the Facility such as water lines, storm sewer facilities, roadways, and other utilities (collectively, the "**Public Infrastructure**" and together with the Facility, the "**Project**"); and

WHEREAS, the Public Infrastructure that is a component of the third Phase ("**Phase III**") of the Project is set forth on **Exhibit "B"** attached hereto; and

WHEREAS, the Real Property Improvements will include improvements to be developed and constructed in Phase III (the "**Phase III Improvements**"), which Phase III Improvements shall be located on the portion of the Land demarked on **Exhibit "B"**, and shall include, without limitation, the Real Property Improvements described in **Exhibit "B"**.

WHEREAS, TI and the County are executing a tax abatement agreement (the "**Tax Abatement Agreement**") simultaneously with the execution of this Agreement, which Tax Abatement Agreement provides for certain tax abatements for a specified time conditioned upon requirements further set forth therein with respect to the Phase III Improvements and Tangible Personal Property placed into service on or within the Phase III Improvements on the Land underlying the Phase III Improvements (the "**Phase III Tangible Personal Property**"); and

WHEREAS, pursuant to the Tax Abatement Agreement, upon Completion of Construction as defined by the Tax Abatement Agreement, TI will provide the County with a finalized **Exhibit "B"** demarking the portion of the Land upon which the Phase III

Improvements will be located, which **Exhibit "B"** shall, once provided, be incorporated by reference into this Agreement; and

WHEREAS, TI has requested that the County authorize and provide certain economic development grants in connection with its development of the Project as provided herein; and

WHEREAS, pursuant to Chapter 381 of the Texas Local Government Code and for the public purpose of promoting economic development and diversity, increasing employment, reducing unemployment and underemployment, expanding commerce, and stimulating business and commercial activity in the State of Texas, Grayson County, and the City of Sherman, the County desires to offer certain economic development grants to TI as more particularly described in this Agreement.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the County and TI agree as follows:

1. **Subject of this Agreement.** TI will construct and operate the Project, as further described in the submittals filed with the City in order to obtain such permits as may be required under applicable City ordinances.

2. **Economic Development Grants.** Subject to the terms and conditions of this Agreement, and specifically the satisfaction of the conditions for qualifying in Section 3 below, the County will provide economic development grants (each a "**Grant**") to TI as follows:

a. The reimbursement each calendar year as further set forth below of an amount equal to ninety percent (90%) of the ad valorem taxes assessed against completed Phase III Improvements and Phase III Tangible Personal Property and actually received by the County with respect to such calendar year (the "**Ad Valorem Tax Grant**"). Each such Ad Valorem Tax Grant shall be paid by the County to TI within thirty (30) days following receipt by the County of (i) the ad valorem tax payment corresponding to such Ad Valorem Tax Grant, (ii) Investment Reports (if due under Section 3(a) of this Agreement), and (iii) Employment Reports (due under Section 3(b) of this Agreement). The Ad Valorem Tax Grant shall commence upon January 1 of the calendar year following the expiration of the calendar year in which the tax abatements with respect to the Phase III Improvements set forth in the Tax Abatement Agreement have expired by their term, and shall continue for a period of twenty (20) consecutive calendar years thereafter. Provided that the requirements set forth in this Agreement and the Tax Abatement Agreement are satisfied in connection with minimum capital investment and minimum employment requirements and Completion of Construction of the Phase III Improvements described in **Exhibit "B"**, the Tax Abatement shall apply to any Phase III Improvements constructed, and any Phase III Tangible Personal Property placed into service, during the term of this Agreement. Notwithstanding anything herein to the contrary, TI shall not be entitled to receive the Ad Valorem Tax Grant prior to the expiration of the tax abatements with respect to the Phase III Improvements and Phase III Tangible Personal Property set forth in the Tax Abatement Agreement under any circumstance, and the Ad Valorem Tax Grant is contingent upon, among other things,

compliance with the Tax Abatement Agreement during the term of the Tax Abatement Agreement as set forth in Section 3 below.

3. **Conditions to Qualify for Grants**. The following conditions will be satisfied by TI for the entire Term (defined below) of this Agreement in order to qualify for the Grants:

a. Absent events of Force Majeure, the capital investment of TI in the Phase III Improvements and the Phase III Tangible Personal Property shall meet or exceed the following aggregate amounts as of the dates set forth in the schedule below:

Capital Investment	Delivery Date
$2 billion	January 1 of the second year in which an Ad Valorem Grant is payable

The Owner agrees to provide the County with reports in a form reasonably acceptable to the County certifying Owner's compliance with the minimum Capital Investment set forth in the schedule above (the "**Investment Reports**"). The Investment Reports shall be prepared and maintained in accordance with generally accepted accounting principles, and shall include information on the extent and the amount of Owner's investments in the Phase III Improvements and the Phase III Tangible Personal Property. The Owner agrees to submit the Investment Reports prior to May 1 of each calendar year in the schedule set forth above. The County shall have the right to inspect Owner's books and records relating to the construction of the Phase III Improvements and the acquisition, location and maintenance of the Phase III Tangible Personal Property on the Phase III Land and Improvements, subject to Owner's reasonable security and confidentiality requirements.

b. Absent events of Force Majeure, TI covenants and agrees to employ the following aggregate number of Employment Positions at the Phase III Improvements as of the dates set forth in the schedule below (regardless of whether such jobs are newly created employment positions or retained employees from TI's prior facility) and retain such Employment Positions throughout the Term of this Agreement:

Employment Positions	Delivery Date
200	January 1 of the second year in which an Ad Valorem Grant is payable
275	January 1 of the sixth year in which an Ad Valorem Grant is payable
350	January 1 of the tenth year in which an Ad Valorem Grant is payable

Prior to May 1 of each calendar year during the Term of this Agreement, TI agrees to provide the County with reports in a form reasonably acceptable to the County certifying TI's compliance with the above commitments to Employment Positions and shall include information on the number of Employment Positions created, filled or contracted for at the Phase III Improvements (the "**Employment Reports**"). The County shall have the right to inspect TI's payroll and other employment records including, TI's management system assigned to the Phase III Improvements, relating to the Employment Positions at

the Phase III Improvements, subject to TI's reasonable security and confidentiality requirements.

c. TI shall comply with the Tax Abatement Agreement during the term of the Tax Abatement Agreement, including but not limited to any requirements with respect to Commencement of Construction, Completion of Construction, and Investment Reports (as those terms are defined in the Tax Abatement Agreement) and not commit an "Event of Default" (as defined in the Tax Abatement Agreement) under the Tax Abatement Agreement that is not cured thereunder.

d. TI must be in continuous compliance with all terms, conditions, covenants, and obligations of this Agreement.

e. At the time of payment of any portion of the Grants, TI must not be delinquent in the payment of any ad valorem taxes then owed by TI on the Project (provided, however, TI retains the right to timely and properly protest and contest any such ad valorem taxes).

If, after all of the conditions set forth above have been initially satisfied, any of the conditions set forth above are thereafter not satisfied during any calendar year for which a Grant is calculated and if such failure of a condition is not cured within ninety (90) days after written notice from the County to TI of such failure, the County will be relieved of its obligation to pay the portions of the Grants related to such calendar year; provided, however, that the subsequent failure of any of the conditions set forth above (after such conditions have been initially satisfied) will not constitute a default hereunder, unless such failure is not cured prior to the expiration of the notice and cure period set forth in Section 5(b). Furthermore, in the event the County provides any portion of a Grant to TI for a particular period based upon a statement or information provided by TI to the County that is incorrect and which, if corrected, would have resulted in TI not being entitled to the portion of such Grant related to the applicable period for which the statement or information was provided, then TI will refund to the County the portion of such Grant which TI received based upon such statement or information within thirty (30) days after receipt of written demand by the County, subject to the right to cure and seek remedies under Section 5. If TI fails to refund such portion of the Grant as provided above, the County will be relieved of its obligation to pay Grants for the period of time that such refund remains unpaid and shall have the right to bring an action against TI for the payment of such refund.

4. **Term of this Agreement**. The term of this Agreement will commence on the Effective Date and will continue until the earlier to occur of the date that the County and TI mutually agree to terminate this Agreement or the date the County's obligation to pay the Grants set forth in Section 2(a) above expires (the "**Term**").

5. **Default**.

a. Each of the following will constitute an "Event of Default" under this Agreement:

(i) the County's failure to process any portion of the Grants owing to TI in accordance with this Agreement;

(ii) TI's failure to satisfy any of the conditions set forth in Section 3 above;

(iii) TI's failure to pay any real or business personal ad valorem taxes or other material fees or charges owed by TI to the County prior to delinquency (provided, however, TI retains the right to timely and properly protest and contest any such taxes or fees, and so long as TI is timely and properly protesting or contesting the same, it will not constitute an Event of Default);

(iv) a breach of any representation or covenant made in this Agreement by TI; or

(v) an attempted assignment of this Agreement by TI in violation of the terms set forth in Section 7 hereof.

b. Notice and Cure Periods. In the event of the occurrence of an Event of Default described under Section 5(a)(i), (ii), (iii), or (v), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default.

In the event of the occurrence of an Event of Default described under Section 5(a)(iv), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default; provided, however, if the defaulting party is diligently pursuing the cure of such default, but such default is not reasonably curable within thirty (30) days, then the defaulting party will have such additional amount of time as is reasonably necessary to cure such default.

c. Remedies. Upon the occurrence and during the continuance of an Event of Default, the non-defaulting party shall have all remedies available to it at law or in equity, except as may be specifically limited in this Section 5.

Without terminating this Agreement, upon an Event of Default, TI and the County have the right hereunder to enforce specific performance of amounts owed to the County or bring an action to collect such amounts. Either party will further have the right to seek a judicial declaration of the total amount of Grants owed, whether an Event of Default has occurred, or whether any attempt to cure has been sufficient. Periods described above for curing a delinquency or violation shall toll, and shall not be considered for any purpose as having run, beginning upon the day the Company files a petition in district court in Grayson County, Texas to determine whether a delinquency or violation has in fact occurred under this Agreement and/or to determine whether any attempt to cure has been sufficient, and ending upon the issuance of a final court decision or other final resolution of such court proceeding. No action will lie for damages by either party (beyond the foregoing amounts owed by the County upon an Event of Default by the County or the

repayment obligations of TI under Section 3.e), including punitive damages, and no special or consequential damages will be recovered by either party.

Upon the occurrence of an Event of Default described in Section 5(a)(ii) (i.e., the conditions set forth in Section 3 are not satisfied during any period of time during the term of this Agreement), and without terminating this Agreement, the County will be relieved of its obligation to pay the portions of the Grants related to such year until such default is cured within the cure period described in Section 5(b) hereof. If such default is cured by TI within the cure period set forth in Section 5(b) hereof, the County will be obligated to pay to TI the portions of the Grants withheld during TI's failure to comply with Section 3 hereof.

d. Termination. This Agreement will terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Term of this Agreement; or

(iii) at the option of the non-defaulting party, upon the occurrence and continuation of an Event of Default (subject to the notice and cure provisions of Section 5(b) above).

e. Attorney's Fees. Attorney's fees may be awarded by a court of competent jurisdiction in any legal proceeding to enforce this Agreement, in which case the attorney's fees will be paid by the party so ordered to pay.

6. **Force Majeure**. For purposes of this Agreement, the term "Force Majeure" will mean and include any delay caused by reason of war, civil commotion, acts of God, strike, inclement weather, shortages or unavailability of labor, supplies or materials (including but not limited to circumstances related to declared national emergencies such as but not limited to COVID-19) or other circumstances which are beyond the reasonable control and are without the fault or negligence of the obligated party, regardless of whether any such circumstance is similar to any of those enumerated or not, the obligated party shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such requirement and any applicable completion deadline shall be extended for a period of time equal to the period the obligated party was delayed. Force Majeure will not mean nor include delays caused by TI's lack of, or inability to obtain, funding.

7. **Assignment**. Except as may otherwise be provided under this Section 7, this Agreement may not be assigned without the County's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Any purported assignment in violation of this Agreement is void. Notwithstanding the foregoing, so long as no TI Event of Default under this Agreement exists and remains uncured, TI may, without the prior written consent of the County (i) assign its rights and obligations under this Agreement to affiliates or subsidiaries of TI, so long as such affiliate or subsidiary continues to be wholly-owned, directly or indirectly, by TI or one of its constituent parties and TI notifies the County in advance of such assignment and

provides evidence reasonably satisfactory to the County that such assignee is an affiliate or subsidiary, or (ii) make a collateral assignment of the Agreement solely for the benefit of a creditor providing financing for the Phase III Improvements or the Phase III Tangible Personal Property. In the event the County consents to an assignment of this Agreement by TI, no further assignment shall be made without the express consent in writing of the County, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by TI of its interest in this Agreement shall not relieve TI from its obligations under this Agreement unless approved by the County.

8. **Miscellaneous**.

a. All construction will be in accordance with applicable rules, regulations, and ordinances of the City, subject to any variances granted in writing by the City.

b. It is acknowledged and agreed by the parties that the terms hereof are not intended to and will not be deemed to create a partnership or joint venture among the parties. It is further understood and agreed by the parties that TI and the County, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibility or liability to third parties in connection with these actions.

c. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may not be modified or terminated except in accordance with the provisions hereof or by the mutual written agreement of the parties hereto.

d. This Agreement will be construed in accordance with the laws of the State of Texas and will be performable in Grayson County, Texas.

e. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

f. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others (i) that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, (ii) that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement, and (iii) that each individual affixing his or her signature hereto is authorized to do so and such authorization is valid and effective on the date hereof. This Agreement was approved by the Commissioners Court of the County at its meeting on October 19, 2021.

g. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

h. Any notice and/or statement required and permitted to be delivered will be deemed delivered by depositing same in the United States mail, certified with return

receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to the County:	Grayson County, Texas 100 W. Houston Street Sherman, Texas 75090 Attn: County Judge
With required copy to:	Grayson County Criminal District Attorney200 S. Crockett St., Suite 116 Sherman, Texas 75090 Attn: Commissioners Court Counsel
If to TI:	Texas Instruments Incorporated 12500 TI Blvd, MS B4000 Dallas, Texas 75243 Attn: Virginia Schaefer
With required copy to:	Texas Instruments Incorporated 13588 N. Central Expressway, MS 3999 Dallas, TX 75243 Attn: Law Department, TMG Counsel

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

i. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original for all purposes.

j. In case any one or more of the provisions contained in this Agreement will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement or any part hereof invalid or illegal, the parties agree to terminate (or if feasible, modify) this Agreement and to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible.

k. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

l. Time is of the essence in this Agreement.

m. The recitals to this Agreement are incorporated herein for all purposes. The following exhibits are attached to this Agreement and incorporated by reference herein for all purposes:

Exhibit "A" — Property

Exhibit "B" — Phase III Project Improvements

n. The parties agree this Agreement has been drafted jointly by the parties and their legal representatives.

o. Nothing in this Agreement will be implied to vest any rights in the parties. In addition, nothing contained in this Agreement will constitute a "permit" as defined in Chapter 245, Texas Local Government Code. **TI WAIVES ANY STATUTORY CLAIM THAT THIS AGREEMENT ESTABLISHES VESTED RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE. THIS SECTION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

p. It is expressly understood that this Agreement will be binding upon and benefit the parties hereto only upon execution by both parties.

q. Pursuant to Section 2270.002, Texas Govt. Code, TI hereby represents that neither TI, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of TI "boycotts Israel", and subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of this Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001, Texas Govt. Code.

r. Pursuant to Subchapter F, Chapter 2252, Texas Govt. Code, TI certifies that it is not engaged in business with Iran, Sudan or a foreign terrorist organization.

s. Pursuant to Chapter 2274, Texas Govt. Code, TI verifies that (i) it does not boycott energy companies and will not boycott energy companies during the term of this Agreement and (ii) it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement.

t. Pursuant to Chapter 2264, Texas Govt. Code, TI represents and certifies that is does not and will not knowingly employ any undocumented worker at the Facility or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the County under this Agreement, TI is convicted of a violation under 8 U.S.C. § 1342a(f), TI shall repay to the County an amount equal to all Grant payments tendered to TI under this Agreement plus interest at the annual rate of four percent (4%) not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies TI of such violation.

u. TI shall utilize, or cause its contractors to utilize, Separated Building Materials and Labor Contracts as defined in Comptroller Rule 3.291(a)(13) for all taxable building material contracts related to the construction of the Facility or the acquisition and installation of the Tangible Personal Property which equal or exceed the amount of $100,000.00 and require that the situs of any sales tax paid and related thereto will be Sherman, Texas.

v. Any controversy or claim arising from or relating to this Agreement, or a breach thereof, shall be subject to non-binding mediation, as a condition precedent to the institution of legal or equitable proceedings by any party, unless the institution of such legal or equitable proceeding is necessary to avoid the running of an applicable statute of limitation. The parties shall endeavor to resolve their claims by mediation. County and TI shall share the costs of mediation equally. The mediation shall be held in Sherman, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the Effective Date as described herein.

COUNTY:

GRAYSON COUNTY, TEXAS,
a political subdivision of the State of Texas

By: _____
Name: William L. Magers
Title: County Judge

TI:

TEXAS INSTRUMENTS INCORPORATED,
a Delaware corporation

By: _____
Name: Rafael Lizardi
Title: Chief Financial Officer

Exhibit "A"
Property — Metes and Bounds Description

SITUATED in the City of Sherman, Texas, in the William Martin Survey, Abstract No. 765, the James A. Foster Survey, Abstract No. 418, the M.G. Felers Survey, Abstract No. 427, the C.S. Dale Survey, Abstract No. 356, the Heirs of Sherrod Dunman Survey, Abstract No. 329 and the John Chronister Survey, Abstract No. 248 of Grayson County, Texas and being: all of that certain called 136.869 acre tract of land described in a deed to Texas Instruments Incorporated, dated June 29, 2011, recorded in Volume 4981, Page 253, Deed Records, Grayson County, Texas (D.R.G.C.T.); part of that certain called 470.340 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 247, D.R.G.C.T.; Part of that certain called 66.912 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 242, D.R.G.C.T.; all of that certain called 71.578 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 239, D.R.G.C.T.; all of that certain called 3.250 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 40, D.R.G.C.T. and all of that certain called 5.450 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 49, D.R.G.C.T. and all of that certain called 21.006 acre tract of land described in a deed to Texas Instruments Incorporated (hereinafter referred to as "TI"), dated September 23, 2002 and recorded in Volume 3317, Page 177, D.R.G.C.T. and being more particularly described by metes & bounds as follows:

BEGINNING at 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found on the west right-of-way line of U.S. Highway No. 75 (variable width right-of-way) and the east line of the above described 470.340 acre TI tract and same being the southeast corner of the above described 136.869 acre TI tract;

THENCE: South 10 deg. 13 min. 46 sec. West, along the east line of said 470.340 acre TI tract and the west right-of-way line of said U.S. Highway No. 75, at a distance of 615.10 feet, passing the northeast corner of the above described 66.912 acre tract and continuing on for a total distance of 1,231.50 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northeast corner of MEMC Southwest Addition, an addition to the City of Sherman, according to the plat thereof, recorded in Volume 11, Page 1, Plat Records, Grayson County, Texas;

THENCE: South 89 deg. 03 min. 25 sec. West, departing from said U.S. Highway 75, along the north line of said MEMC Southwest Addition, a distance of 1,943.83 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northwest corner of said addition;

THENCE: South 00 deg. 47 min. 01 sec. East, along the west line of said MEMC Southwest Addition, at a distance of 1,943.52 feet, passing the southwest corner of said addition at the northwest corner of the dedicated right-of-way and continuing for a total distance of 1,993.52

feet to a point for corner in the center of Shepherd Drive, on the south line of said 66.912 acre tract;

THENCE: South 88 deg. 31 min. 40 sec. West. Along the south line of the above described 470.340 acre tract and along the center of said Shepherd Drive, a distance of 882.62 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: South 89 deg. 10 min. 27 sec. West, continuing along the south line of said 470.340 acre tract and the center of said Shepherd Drive, a distance of 28.25 feet to the southeast corner of that certain called 0.922 acre tract described in a deed to City of Sherman, Texas, recorded in Volume 2450, Page 274, D.R.G.C.T.;

THENCE: North 00 deg. 49 min. 33 sec. West, departing from said Shepherd Drive, along the east line of said City of Sherman tract, a distance of 251.00 feet to a 1/2 inch iron rod found for the northeast corner of said City of Sherman tract;

THENCE: South 89 deg. 10 min. 27 sec. West, along the north line of said City of Sherman tract, a distance of 160.00 feet to a 1/2 inch iron rod found for the northwest corner of said City of Sherman tract;

THENCE: South 00 deg. 49 min. 33 sec. East, along the west line of said City of Sherman tract, a distance of 251.00 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for the southwest corner of said City of Sherman tract, in the center of Shepherd Drive and same being on the south line of said 470.340 acre TI tract;

THENCE: South 89 deg. 04 min. 26 sec. West, along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 1,058.91 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: North 73 deg. 45 min. 44 sec. West, continuing along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 280.48 feet to a point for the southwest corner of said 470.340 acre TI tract, on the easterly line of that certain called 117.20 acre tract described in a deed to Sherman 179 Shepard Partnership, recorded in Volume 3933, Page 844, D.R.G.C.T. and same being the easterly right-of-way line of the old Texas Traction Company's Interurban Railway;

THENCE: North 01 deg. 55 min. 56 sec. West, departing from said Shepherd Drive, along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract, a distance of 998.90 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract;

THENCE: North 88 deg. 20 min. 15 sec. East, continuing along said common line, a distance of 14.48 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said 470.340 acre TI tract;

THENCE: North 01 deg. 06 min. 57 sec. West, continuing along said common line, a distance of 504.19 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract, on the south line of the above described 71.578 acre TI tract and said William Martin Survey;

THENCE: South 75 deg. 52 min. 25 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said 117.20 acre Sherman 179 tract, a distance of 19.78 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the southwest corner of said 71.578 acre TI tract and an inside ell corner of said railway and Sherman 179 tract;

THENCE: North 01 deg. 51 min. 13 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said Sherman 179 tract, a distance of 95.70 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the beginning of a curve to the right, having a radius of 2,292.00 feet, a central angle of 14 deg. 07 min. 55 sec. and a chord that bears North 05 deg. 12 min. 37 sec. East - 563.89 feet;

THENCE: Continuing along said common line and along said curve to the right, an arc distance of 565.32 feet to a 5/8 inch iron rod found at the end of said curve;

THENCE: North 12 deg. 16 min. 34 sec. East, continuing along said common line, at a distance of 920.86 feet, passing a 1/2 inch iron rod found for the northwest corner of said 71.578 acre TI tract and the northwesterly outside ell corner of said 470.340 acre TI tract and continuing along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract for a total distance of 1,720.86 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for corner at the beginning of a curve to the left, having a radius of 2,166.14 feet, a central angle of 23 deg. 07 min. 10 sec. and a chord that bears North 00 deg. 42 min. 59 sec. East - 868.15 feet;

THENCE: Continuing along said common line and said curve to the left, at an arc distance of 702.50 feet, passing a 5/8 inch iron rod found for the northeast corner of said Sherman 179 tract and the most westerly northwest corner of said 470.340 acre TI tract and said point also being the southwest corner of the above described 3.250 acre TI tract and the southeast corner of that certain called 27.928 acre tract of land described as "Tract 2" in a deed to Janet Anderson, recorded in Document No. 2015-22641, D.R.G.C.T. and continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban Railway and along said curve to the left for a total arc distance of 874.06 feet to a point for corner at the end of said curve;

THENCE: North 10 deg. 50 min. 22 sec. West, continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban railway, a distance of 364.85 feet to a point in the centerline of Choctaw Creek for the northwest corner of said 3.250 acre TI tract and this tract;

THENCE: Departing from said Interurban Railway and continuing along the common line of said 3.250 acre TI tract and Anderson tract and the centerline of said Choctaw Creek as follows:

North 78 deg. 51 min. 48 sec. East, a distance of 124.33 feet to a point for corner;
North 36 deg. 12 min. 09 sec. East, a distance of 71.81 feet to a point for corner;
North 04 deg. 48 min. 13 sec. West, a distance of 136.66 feet to a point for corner;
North 13 deg. 20 min. 12 sec. East, a distance of 65.70 feet to a point for corner;
North 26 deg. 04 min. 57 sec. West, a distance of 113.79 feet to a point for corner;
North 32 deg. 53 min. 38 sec. East, at a distance of 62.36 feet, passing the northeast corner of said 3.250 acre TI tract, the most easterly southeast corner of said Anderson tract, the most northerly northwest corner of said 470.340 acre TI tract and the southwest corner of that certain called 14.270 acre tract of land described as "Tract 2" in a deed to Judy Moore, recorded in Volume 2669, Page 747 and Volume 2438, Page 278, D.R.G.C.T., and continuing along said creek for a total distance of 148.33 feet to a point for corner;

THENCE: Continuing along the centerline of said Choctaw Creek, with the common line of said 470.340 acre TI tract and said Moore tract as follows:

North 64 deg. 22 min. 54 sec. East, a distance of 99.64 feet to a point for corner;
South 66 deg. 40 min. 08 sec. East, a distance of 164.37 feet to a point for corner;
North 76 deg. 03 min. 41 sec. East, a distance of 174.19 feet to a point for corner;
North 63 deg. 01 min. 43 sec. East, a distance of 123.40 feet to a point for corner;
South 48 deg. 11 min. 20 sec. East, a distance of 61.20 feet to a point for corner;
South 00 deg. 07 min. 58 sec. East, a distance of 123.37 feet to a point for corner;
South 16 deg. 00 min. 31 sec. East, a distance of 100.28 feet to a point for corner;
South 66 deg. 49 min. 55 sec. East, a distance of 143.71 feet to a point for corner;
North 79 deg. 36 min. 56 sec. East, a distance of 95.84 feet to a point for corner;
North 10 deg. 55 min. 06 sec. West, a distance of 97.70 feet to a point for corner;
North 16 deg. 11 min. 47 sec. East, a distance of 120.11 feet to a point for corner;
North 82 deg. 33 min. 43 sec. East, a distance of 151.46 feet to a point for the southeast corner of said Moore tract and an inside ell corner of said 470.340 acre TI tract;

THENCE: North 16 deg. 06 min. 35 sec. West, departing from the centerline of said creek, along the common line of said TI and Moore tracts, a distance of 46.01 feet to a point on the north bank of said Choctaw Creek for the southwest corner of that certain called 60.85 acre tract of land described as "Tract II" in a deed to Panda Sherman Power, LLC, recorded in Volume 5132, Page 123, D.R.G.C.T.;

THENCE: Along the north bank of Choctaw Creek and the common line of said 470.340 acre TI tract and Panda Sherman tract as follows:

North 67 deg. 26 min. 14 sec. East, a distance of 67.60 feet to a point for corner;
North 35 deg. 12 min. 36 sec. East, a distance of 177.55 feet to a point for corner;
North 66 deg. 05 min. 55 sec. East, a distance of 76.50 feet to a point for corner;
South 51 deg. 47 min. 35 sec. East, a distance of 119.72 feet to a point for corner;
South 58 deg. 54 min. 31 sec. East, a distance of 75.25 feet to a point for corner;
North 57 deg. 10 min. 55 sec. East, a distance of 143.66 feet to a point for corner;
North 27 deg. 07 min. 41 sec. East, a distance of 74.40 feet to a point for corner;
North 41 deg. 18 min. 39 sec. East, a distance of 245.64 feet to a point for corner;

North 37 deg. 37 min. 13 sec. East, a distance of 134.41 feet to a point for corner;
North 84 deg. 41 min. 55 sec. East, a distance of 132.97 feet to a point for corner;
North 65 deg. 15 min. 19 sec. East, a distance of 69.31 feet to a point for corner;
North 84 deg. 58 min. 04 sec. East, a distance of 34.55 feet to a point for corner;
South 74 deg. 50 min. 25 sec. East, a distance of 94.21 feet to a point for corner;
South 64 deg. 53 min. 16 sec. East, a distance of 89.81 feet to a point for corner;
South 46 deg. 49 min. 23 sec. East, a distance of 71.47 feet to a point for corner;
South 84 deg. 10 min. 37 sec. East, a distance of 173.17 feet to a point for corner;
North 53 deg. 21 min. 32 sec. East, a distance of 279.39 feet to a point for corner;
North 78 deg. 02 min. 48 sec. East, a distance of 242.38 feet to a point for corner;
North 28 deg. 48 min. 50 sec. East, a distance of 60.92 feet to a point for corner;
North 07 deg. 31 min. 00 sec. East, a distance of 447.48 feet to a point for corner;
North 82 deg. 02 min. 55 sec. East, a distance of 199.24 feet to a point for corner;
South 76 deg. 32 min. 41 sec. East, a distance of 305.86 feet to a point for corner;
North 43 deg. 40 min. 40 sec. East, a distance of 143.38 feet to a point for corner;
South 65 deg. 28 min. 50 sec. East, a distance of 213.45 feet to a point for corner;
North 61 deg. 52 min. 37 sec. East, a distance of 129.18 feet to a point for corner;
South 89 deg. 05 min. 36 sec. East, a distance of 69.52 feet to a point for the southeast corner of said 60.85 acre Panda Sherman tract and the most northerly northeast corner of said 470.340 acre TI tract, on the west line of the above described 21.006 acre TI tract;

THENCE: North 15 deg. 25 min. 15 sec. West, departing from the bank of Choctaw Creek, along the common line of said 21.006 acre TI tract and said 60.85 acre Panda Sherman tract, a distance of 1,041.64 feet to the northwest corner of said 21.006 acre TI tract on the southerly right-of-way line of the St. Louis, San Francisco & Texas Railroad (100' wide right-of-way);

THENCE: North 63 deg. 22 min. 03 sec. East, along the north line of said 21.006 acre TI tract and said railroad, a distance of 944.50 feet to a point for the northeast corner of said 21.006 acre TI tract at the intersection of the southerly right-of-way line of said railroad and the westerly right-of-way line of the above described U.S. Highway No. 75 (variable width right-of-way);

THENCE: South 07 deg. 38 min. 59 sec. East, along the common line of said 21.006 acre TI tract and U.S. Highway No. 75, a distance of 653.71 feet to a point for corner at the beginning of a non-tangent curve to the right, having a radius of 5,529.58 feet, a central angle of 17 deg. 14 min. 57 sec. and a chord that bears South 01 deg. 36 min. 18 sec. West – 1,658.44 feet;

THENCE: Along the west right-of-way line of said U.S. Highway No. 75 and with said curve to the right, at an arc distance of 571.89 feet, passing the southeast corner of said 21.006 acre TI tract, the northeast corner of the above described 5.450 acre TI tract, continuing along the west right-of-way line of said U. S. Highway No. 75, at an arc distance of 879.37 feet, passing a 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found for the northeast corner of the above described 136.869 acre TI tract and continuing for a total arc distance of 1664.71 feet to a 1/2 inch iron rod, found for corner at the end of said curve;

THENCE: South 10 deg. 13 min. 44 sec. West, continuing along the west right-of-way line of said U.S. Highway 75, a distance of 2,772.22 feet to the POINT OF BEGINNING and containing 559.77 acres of land, more or less.

Exhibit "B"
Phase III Project Improvements

[To be provided upon Completion of Construction]

CHAPTER 381 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT

This Agreement (the "**Agreement**") is entered into as of the 15 day of November, 2021 (the "**Effective Date**"), by and between GRAYSON COUNTY, TEXAS, a political subdivision of the State of Texas (the "**County**"), and TEXAS INSTRUMENTS INCORPORATED, a Delaware corporation ("**TI**").

RECITALS:

WHEREAS, TI intends to construct and operate a semiconductor manufacturing facility designed in multiple development phases (each a "**Phase**"), along with other ancillary facilities such as required parking lots/spaces in amount required by County ordinances, and other facilities necessary to produce semiconductors on the scale anticipated as of the Effective Date (the "**Facility**") to be located on an approximately 560 acre parcel at 6412 US-75, Sherman, TX 75090 as more particularly described on **Exhibit "A"** attached hereto (the "**Land**"); and

WHEREAS, components of the Facility include, without limitation, real property improvements, which include the above referenced production facility, office space and other necessary facilities (collectively, the "**Real Property Improvements**"), and tangible, business personal property, which includes equipment, machinery and fixtures, inventory, and supplies owned or leased by TI that are located on the Land (collectively, the "**Tangible Personal Property**"); and

WHEREAS, the Facility will be part of a larger project on the Land that will include certain public improvements designed to support production at the Facility such as water lines, storm sewer facilities, roadways, and other utilities (collectively, the "**Public Infrastructure**" and together with the Facility, the "**Project**"); and

WHEREAS, the Public Infrastructure that is a component of the fourth Phase ("**Phase IV**") of the Project is set forth on **Exhibit "B"** attached hereto; and

WHEREAS, the Real Property Improvements will include improvements to be developed and constructed in Phase IV (the "**Phase IV Improvements**"), which Phase IV Improvements shall be located on the portion of the Land demarked on **Exhibit "B"**, and shall include, without limitation, the Real Property Improvements described in **Exhibit "B"**.

WHEREAS, TI and the County are executing a tax abatement agreement (the "**Tax Abatement Agreement**") simultaneously with the execution of this Agreement, which Tax Abatement Agreement provides for certain tax abatements for a specified time conditioned upon requirements further set forth therein with respect to the Phase IV Improvements and Tangible Personal Property placed into service on or within the Phase IV Improvements on the Land underlying the Phase IV Improvements (the "**Phase IV Tangible Personal Property**"); and

WHEREAS, pursuant to the Tax Abatement Agreement, upon Completion of Construction as defined by the Tax Abatement Agreement, TI will provide the County with a finalized **Exhibit "B"** demarking the portion of the Land upon which the Phase IV

Improvements will be located, which **Exhibit "B"** shall, once provided, be incorporated by reference into this Agreement; and

WHEREAS, TI has requested that the County authorize and provide certain economic development grants in connection with its development of the Project as provided herein; and

WHEREAS, pursuant to Chapter 381 of the Texas Local Government Code and for the public purpose of promoting economic development and diversity, increasing employment, reducing unemployment and underemployment, expanding commerce, and stimulating business and commercial activity in the State of Texas, Grayson County, and the City of Sherman, the County desires to offer certain economic development grants to TI as more particularly described in this Agreement.

NOW, THEREFORE, for and in consideration of the promises, covenants, and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the County and TI agree as follows:

1. **Subject of this Agreement.** TI will construct and operate the Project, as further described in the submittals filed with the City in order to obtain such permits as may be required under applicable City ordinances.

2. **Economic Development Grants.** Subject to the terms and conditions of this Agreement, and specifically the satisfaction of the conditions for qualifying in Section 3 below, the County will provide economic development grants (each a "**Grant**") to TI as follows:

a. The reimbursement each calendar year as further set forth below of an amount equal to ninety percent (90%) of the ad valorem taxes assessed against completed Phase IV Improvements and Phase IV Tangible Personal Property and actually received by the County with respect to such calendar year (the "**Ad Valorem Tax Grant**"). Each such Ad Valorem Tax Grant shall be paid by the County to TI within thirty (30) days following receipt by the County of (i) the ad valorem tax payment corresponding to such Ad Valorem Tax Grant, (ii) Investment Reports (if due under Section 3(a) of this Agreement), and Employment Reports (due under Section 3(b) of this Agreement). The Ad Valorem Tax Grant shall commence upon January 1 of the calendar year following the expiration of the calendar year in which the tax abatements with respect to the Phase IV Improvements set forth in the Tax Abatement Agreement have expired by their term, and shall continue for a period of twenty (20) consecutive calendar years thereafter. Provided that the requirements set forth in this Agreement and the Tax Abatement Agreement are satisfied in connection with minimum capital investment and minimum employment requirements and Completion of Construction of the Phase IV Improvements described in **Exhibit "B"**, the Tax Abatement shall apply to any Phase IV Improvements constructed, and any Phase IV Tangible Personal Property placed into service, during the term of this Agreement. Notwithstanding anything herein to the contrary, TI shall not be entitled to receive the Ad Valorem Tax Grant prior to the expiration of the tax abatements with respect to the Phase IV Improvements and Phase IV Tangible Personal Property set forth in the Tax Abatement Agreement under any circumstance, and the Ad Valorem Tax Grant is contingent upon, among other things,

compliance with the Tax Abatement Agreement during the term of the Tax Abatement Agreement as set forth in Section 3 below.

3. **Conditions to Qualify for Grants.** The following conditions will be satisfied by TI for the entire Term (defined below) of this Agreement in order to qualify for the Grants:

a. Absent events of Force Majeure, the capital investment of TI in the Phase IV Improvements and the Phase IV Tangible Personal Property shall meet or exceed the following aggregate amounts as of the dates set forth in the schedule below:

Capital Investment	Delivery Date
$2 billion	January 1 of the second year in which an Ad Valorem Grant is payable

The Owner agrees to provide the County with reports in a form reasonably acceptable to the County certifying Owner's compliance with the minimum Capital Investment set forth in the schedule above (the "**Investment Reports**"). The Investment Reports shall be prepared and maintained in accordance with generally accepted accounting principles, and shall include information on the extent and the amount of Owner's investments in the Phase IV Improvements and the Phase IV Tangible Personal Property. The Owner agrees to submit the Investment Reports prior to May 1 of each calendar year in the schedule set forth above. The County shall have the right to inspect Owner's books and records relating to the construction of the Phase IV Improvements and the acquisition, location and maintenance of the Phase IV Tangible Personal Property on the Phase IV Land and Improvements, subject to Owner's reasonable security and confidentiality requirements.

b. Absent events of Force Majeure, TI covenants and agrees to employ the following aggregate number of Employment Positions at the Phase IV Improvements as of the dates set forth in the schedule below (regardless of whether such jobs are newly created employment positions or retained employees from TI's prior facility) and retain such Employment Positions throughout the Term of this Agreement:

Employment Positions	Delivery Date
200	January 1 of the second year in which an Ad Valorem Grant is payable
275	January 1 of the sixth year in which an Ad Valorem Grant is payable
350	January 1 of the tenth year in which an Ad Valorem Grant is payable

Prior to May 1 of each calendar year during the Term of this Agreement, TI agrees to provide the County with reports in a form reasonably acceptable to the County certifying TI's compliance with the above commitments to Employment Positions and shall include information on the number of Employment Positions created, filled or contracted for at the Phase IV Improvements (the "**Employment Reports**"). The County shall have the right to inspect TI's payroll and other employment records including, TI's management system assigned to the Phase IV Improvements, relating to the Employment Positions at

the Phase IV Improvements, subject to TI's reasonable security and confidentiality requirements.

c. TI shall comply with the Tax Abatement Agreement during the term of the Tax Abatement Agreement, including but not limited to any requirements with respect to Commencement of Construction, Completion of Construction, and Investment Reports (as those terms are defined in the Tax Abatement Agreement) and not commit an "Event of Default" (as defined in the Tax Abatement Agreement) under the Tax Abatement Agreement that is not cured thereunder.

d. TI must be in continuous compliance with all terms, conditions, covenants, and obligations of this Agreement.

e. At the time of payment of any portion of the Grants, TI must not be delinquent in the payment of any ad valorem taxes then owed by TI on the Project (provided, however, TI retains the right to timely and properly protest and contest any such ad valorem taxes).

If, after all of the conditions set forth above have been initially satisfied, any of the conditions set forth above are thereafter not satisfied during any calendar year for which a Grant is calculated and if such failure of a condition is not cured within ninety (90) days after written notice from the County to TI of such failure, the County will be relieved of its obligation to pay the portions of the Grants related to such calendar year; provided, however, that the subsequent failure of any of the conditions set forth above (after such conditions have been initially satisfied) will not constitute a default hereunder, unless such failure is not cured prior to the expiration of the notice and cure period set forth in Section 5(b). Furthermore, in the event the County provides any portion of a Grant to TI for a particular period based upon a statement or information provided by TI to the County that is incorrect and which, if corrected, would have resulted in TI not being entitled to the portion of such Grant related to the applicable period for which the statement or information was provided, then TI will refund to the County the portion of such Grant which TI received based upon such statement or information within thirty (30) days after receipt of written demand by the County, subject to the right to cure and seek remedies under Section 5. If TI fails to refund such portion of the Grant as provided above, the County will be relieved of its obligation to pay Grants for the period of time that such refund remains unpaid and shall have the right to bring an action against TI for the payment of such refund.

4. **Term of this Agreement**. The term of this Agreement will commence on the Effective Date and will continue until the earlier to occur of the date that the County and TI mutually agree to terminate this Agreement or the date the County's obligation to pay the Grants set forth in Section 2(a) above expires (the "Term").

5. **Default**.

a. Each of the following will constitute an "Event of Default" under this Agreement:

(i) the County's failure to process any portion of the Grants owing to TI in accordance with this Agreement;

(ii) TI's failure to satisfy any of the conditions set forth in Section 3 above;

(iii) TI's failure to pay any real or business personal ad valorem taxes or other material fees or charges owed by TI to the County prior to delinquency (provided, however, TI retains the right to timely and properly protest and contest any such taxes or fees, and so long as TI is timely and properly protesting or contesting the same, it will not constitute an Event of Default);

(iv) a breach of any representation or covenant made in this Agreement by TI; or

(v) an attempted assignment of this Agreement by TI in violation of the terms set forth in Section 7 hereof.

b. Notice and Cure Periods. In the event of the occurrence of an Event of Default described under Section 5(a)(i), (ii), (iii), or (v), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default.

In the event of the occurrence of an Event of Default described under Section 5(a)(iv), the non-defaulting party must provide written notice in accordance with Section 8(h) hereof to the defaulting party of such default, and the defaulting party will have ninety (90) days thereafter (as may be extended by Force Majeure) to cure said default; provided, however, if the defaulting party is diligently pursuing the cure of such default, but such default is not reasonably curable within thirty (30) days, then the defaulting party will have such additional amount of time as is reasonably necessary to cure such default.

c. Remedies. Upon the occurrence and during the continuance of an Event of Default, the non-defaulting party shall have all remedies available to it at law or in equity, except as may be specifically limited in this Section 5.

Without terminating this Agreement, upon an Event of Default, TI and the County have the right hereunder to enforce specific performance of amounts owed to the County or bring an action to collect such amounts. Either party will further have the right to seek a judicial declaration of the total amount of Grants owed, whether an Event of Default has occurred, or whether any attempt to cure has been sufficient. Periods described above for curing a delinquency or violation shall toll, and shall not be considered for any purpose as having run, beginning upon the day the Company files a petition in district court in Grayson County, Texas to determine whether a delinquency or violation has in fact occurred under this Agreement and/or to determine whether any attempt to cure has been sufficient, and ending upon the issuance of a final court decision or other final resolution of such court proceeding. No action will lie for damages by either party (beyond the foregoing amounts owed by the County upon an Event of Default by the County or the

repayment obligations of TI under Section 3.e), including punitive damages, and no special or consequential damages will be recovered by either party.

Upon the occurrence of an Event of Default described in Section 5(a)(ii) (i.e., the conditions set forth in Section 3 are not satisfied during any period of time during the term of this Agreement), and without terminating this Agreement, the County will be relieved of its obligation to pay the portions of the Grants related to such year until such default is cured within the cure period described in Section 5(b) hereof. If such default is cured by TI within the cure period set forth in Section 5(b) hereof, the County will be obligated to pay to TI the portions of the Grants withheld during TI's failure to comply with Section 3 hereof.

d. Termination. This Agreement will terminate upon the occurrence of any one of the following:

(i) the execution by both parties of a written agreement terminating this Agreement;

(ii) the expiration of the Term of this Agreement; or

(iii) at the option of the non-defaulting party, upon the occurrence and continuation of an Event of Default (subject to the notice and cure provisions of Section 5(b) above).

e. Attorney's Fees. Attorney's fees may be awarded by a court of competent jurisdiction in any legal proceeding to enforce this Agreement, in which case the attorney's fees will be paid by the party so ordered to pay.

6. **Force Majeure**. For purposes of this Agreement, the term "Force Majeure" will mean and include any delay caused by reason of war, civil commotion, acts of God, strike, inclement weather, shortages or unavailability of labor, supplies or materials (including but not limited to circumstances related to declared national emergencies such as but not limited to COVID-19) or other circumstances which are beyond the reasonable control and are without the fault or negligence of the obligated party, regardless of whether any such circumstance is similar to any of those enumerated or not, the obligated party shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such requirement and any applicable completion deadline shall be extended for a period of time equal to the period the obligated party was delayed. Force Majeure will not mean nor include delays caused by TI's lack of, or inability to obtain, funding.

7. **Assignment**. Except as may otherwise be provided under this Section 7, this Agreement may not be assigned without the County's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed). Any purported assignment in violation of this Agreement is void. Notwithstanding the foregoing, so long as no TI Event of Default under this Agreement exists and remains uncured, TI may, without the prior written consent of the County (i) assign its rights and obligations under this Agreement to affiliates or subsidiaries of TI, so long as such affiliate or subsidiary continues to be wholly-owned, directly or indirectly, by TI or one of its constituent parties and TI notifies the County in advance of such assignment and

provides evidence reasonably satisfactory to the County that such assignee is an affiliate or subsidiary, or (ii) make a collateral assignment of the Agreement solely for the benefit of a creditor providing financing for the Phase IV Improvements or the Phase IV Tangible Personal Property. In the event the County consents to an assignment of this Agreement by TI, no further assignment shall be made without the express consent in writing of the County, unless such assignment may otherwise be made without such consent pursuant to the terms of this Agreement. Except as otherwise set forth herein, an assignment by TI of its interest in this Agreement shall not relieve TI from its obligations under this Agreement unless approved by the County.

8. **Miscellaneous**.

a. All construction will be in accordance with applicable rules, regulations, and ordinances of the City, subject to any variances granted in writing by the City.

b. It is acknowledged and agreed by the parties that the terms hereof are not intended to and will not be deemed to create a partnership or joint venture among the parties. It is further understood and agreed by the parties that TI and the County, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibility or liability to third parties in connection with these actions.

c. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may not be modified or terminated except in accordance with the provisions hereof or by the mutual written agreement of the parties hereto.

d. This Agreement will be construed in accordance with the laws of the State of Texas and will be performable in Grayson County, Texas.

e. This Agreement will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

f. The individuals executing this Agreement on behalf of the respective parties below represent to each other and to others (i) that all appropriate and necessary action has been taken to authorize the individual who is executing this Agreement to do so for and on behalf of the party for which his or her signature appears, (ii) that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement on the party for whom the individual is signing this Agreement, and (iii) that each individual affixing his or her signature hereto is authorized to do so and such authorization is valid and effective on the date hereof. This Agreement was approved by the Commissioners Court of the County at its meeting on October 19, 2021.

g. This Agreement is executed by the parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

h. Any notice and/or statement required and permitted to be delivered will be deemed delivered by depositing same in the United States mail, certified with return

receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

If to the County:	Grayson County, Texas 100 W. Houston Street Sherman, Texas 75090 Attn: County Judge
With required copy to:	Grayson County Criminal District Attorney200 S. Crockett St., Suite 116 Sherman, Texas 75090 Attn: Commissioners Court Counsel
If to TI:	Texas Instruments Incorporated 12500 TI Blvd, MS B4000 Dallas, Texas 75243 Attn: Virginia Schaefer
With required copy to:	Texas Instruments Incorporated 13588 N. Central Expressway, MS 3999 Dallas, TX 75243 Attn: Law Department, TMG Counsel

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

i. This Agreement may be executed in any number of identical counterparts, each of which will be deemed an original for all purposes.

j. In case any one or more of the provisions contained in this Agreement will for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision hereof, and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. If any subsequent federal or state legislation or any decision of a court of competent jurisdiction declares or renders this Agreement or any part hereof invalid or illegal, the parties agree to terminate (or if feasible, modify) this Agreement and to negotiate in good faith a remedy that preserves the intent of the parties hereunder as much as reasonably possible.

k. Each signatory represents this Agreement has been read by the party for which this Agreement is executed and that such party has had an opportunity to confer with its counsel.

l. Time is of the essence in this Agreement.

m. The recitals to this Agreement are incorporated herein for all purposes. The following exhibits are attached to this Agreement and incorporated by reference herein for all purposes:

Exhibit "A" — Property

Exhibit "B" — Phase IV Project Improvements

n. The parties agree this Agreement has been drafted jointly by the parties and their legal representatives.

o. Nothing in this Agreement will be implied to vest any rights in the parties. In addition, nothing contained in this Agreement will constitute a "permit" as defined in Chapter 245, Texas Local Government Code. **TI WAIVES ANY STATUTORY CLAIM THAT THIS AGREEMENT ESTABLISHES VESTED RIGHTS UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE. THIS SECTION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.**

p. It is expressly understood that this Agreement will be binding upon and benefit the parties hereto only upon execution by both parties.

q. Pursuant to Section 2270.002, Texas Govt. Code, TI hereby represents that neither TI, nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of TI "boycotts Israel", and subject to or as otherwise required by applicable federal law, including without limitation 50 U.S.C. Section 4607, agrees it will not boycott Israel during the term of this Agreement. As used in the immediately preceding sentence, "boycott Israel" shall have the meaning given such term in Section 2271.001, Texas Govt. Code.

r. Pursuant to Subchapter F, Chapter 2252, Texas Govt. Code, TI certifies that it is not engaged in business with Iran, Sudan or a foreign terrorist organization.

s. Pursuant to Chapter 2274, Texas Govt. Code, TI verifies that (i) it does not boycott energy companies and will not boycott energy companies during the term of this Agreement and (ii) it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement.

t. Pursuant to Chapter 2264, Texas Govt. Code, TI represents and certifies that is does not and will not knowingly employ any undocumented worker at the Facility or on the Property who is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in the United States. If, after receiving any public subsidy from the County under this Agreement, TI is convicted of a violation under 8 U.S.C. § 1342a(f), TI shall repay to the County an amount equal to all Grant payments tendered to TI under this Agreement plus interest at the annual rate of four percent (4%) not later than the 120th day after the date the public agency, state or local taxing jurisdiction notifies TI of such violation.

u. TI shall utilize, or cause its contractors to utilize, Separated Building Materials and Labor Contracts as defined in Comptroller Rule 3.291(a)(13) for all taxable building material contracts related to the construction of the Facility or the acquisition and installation of the Tangible Personal Property which equal or exceed the amount of $100,000.00 and require that the situs of any sales tax paid and related thereto will be Sherman, Texas.

v. Any controversy or claim arising from or relating to this Agreement, or a breach thereof, shall be subject to non-binding mediation, as a condition precedent to the institution of legal or equitable proceedings by any party, unless the institution of such legal or equitable proceeding is necessary to avoid the running of an applicable statute of limitation. The parties shall endeavor to resolve their claims by mediation. County and TI shall share the costs of mediation equally. The mediation shall be held in Sherman, Texas, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement and caused this Agreement to be effective on the Effective Date as described herein.

COUNTY:

GRAYSON COUNTY, TEXAS,
a political subdivision of the State of Texas

By: _____
Name: William L. Magers
Title: County Judge

TI:

TEXAS INSTRUMENTS INCORPORATED,
a Delaware corporation

By: _____
Name: Rafael Lizardi
Title: Chief Financial Officer

Exhibit "A"
Property — Metes and Bounds Description

SITUATED in the City of Sherman, Texas, in the William Martin Survey, Abstract No. 765, the James A. Foster Survey, Abstract No. 418, the M.G. Felers Survey, Abstract No. 427, the C.S. Dale Survey, Abstract No. 356, the Heirs of Sherrod Dunman Survey, Abstract No. 329 and the John Chronister Survey, Abstract No. 248 of Grayson County, Texas and being: all of that certain called 136.869 acre tract of land described in a deed to Texas Instruments Incorporated, dated June 29, 2011, recorded in Volume 4981, Page 253, Deed Records, Grayson County, Texas (D.R.G.C.T.); part of that certain called 470.340 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 247, D.R.G.C.T.; Part of that certain called 66.912 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 242, D.R.G.C.T.; all of that certain called 71.578 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1036, Page 239, D.R.G.C.T.; all of that certain called 3.250 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 40, D.R.G.C.T. and all of that certain called 5.450 acre tract of land described in a deed to Texas Instruments Incorporated, dated September 1, 1965 and recorded in Volume 1038, Page 49, D.R.G.C.T. and all of that certain called 21.006 acre tract of land described in a deed to Texas Instruments Incorporated (hereinafter referred to as "TI"), dated September 23, 2002 and recorded in Volume 3317, Page 177, D.R.G.C.T. and being more particularly described by metes & bounds as follows:

BEGINNING at 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found on the west right-of-way line of U.S. Highway No. 75 (variable width right-of-way) and the east line of the above described 470.340 acre TI tract and same being the southeast corner of the above described 136.869 acre TI tract;

THENCE: South 10 deg. 13 min. 46 sec. West, along the east line of said 470.340 acre TI tract and the west right-of-way line of said U.S. Highway No. 75, at a distance of 615.10 feet, passing the northeast corner of the above described 66.912 acre tract and continuing on for a total distance of 1,231.50 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northeast corner of MEMC Southwest Addition, an addition to the City of Sherman, according to the plat thereof, recorded in Volume 11, Page 1, Plat Records, Grayson County, Texas;

THENCE: South 89 deg. 03 min. 25 sec. West, departing from said U.S. Highway 75, along the north line of said MEMC Southwest Addition, a distance of 1,943.83 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", found for the northwest corner of said addition;

THENCE: South 00 deg. 47 min. 01 sec. East, along the west line of said MEMC Southwest Addition, at a distance of 1,943.52 feet, passing the southwest corner of said addition at the northwest corner of the dedicated right-of-way and continuing for a total distance of 1,993.52

feet to a point for corner in the center of Shepherd Drive, on the south line of said 66.912 acre tract;

THENCE: South 88 deg. 31 min. 40 sec. West. Along the south line of the above described 470.340 acre tract and along the center of said Shepherd Drive, a distance of 882.62 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: South 89 deg. 10 min. 27 sec. West, continuing along the south line of said 470.340 acre tract and the center of said Shepherd Drive, a distance of 28.25 feet to the southeast corner of that certain called 0.922 acre tract described in a deed to City of Sherman, Texas, recorded in Volume 2450, Page 274, D.R.G.C.T.;

THENCE: North 00 deg. 49 min. 33 sec. West, departing from said Shepherd Drive, along the east line of said City of Sherman tract, a distance of 251.00 feet to a 1/2 inch iron rod found for the northeast corner of said City of Sherman tract;

THENCE: South 89 deg. 10 min. 27 sec. West, along the north line of said City of Sherman tract, a distance of 160.00 feet to a 1/2 inch iron rod found for the northwest corner of said City of Sherman tract;

THENCE: South 00 deg. 49 min. 33 sec. East, along the west line of said City of Sherman tract, a distance of 251.00 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for the southwest corner of said City of Sherman tract, in the center of Shepherd Drive and same being on the south line of said 470.340 acre TI tract;

THENCE: South 89 deg. 04 min. 26 sec. West, along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 1,058.91 feet to a mag nail with a steel washer, stamped "J.E. SMITH 3700", found for an angle corner;

THENCE: North 73 deg. 45 min. 44 sec. West, continuing along the south line of said 470.340 acre TI tract and the center of said Shepherd Drive, a distance of 280.48 feet to a point for the southwest corner of said 470.340 acre TI tract, on the easterly line of that certain called 117.20 acre tract described in a deed to Sherman 179 Shepard Partnership, recorded in Volume 3933, Page 844, D.R.G.C.T. and same being the easterly right-of-way line of the old Texas Traction Company's Interurban Railway;

THENCE: North 01 deg. 55 min. 56 sec. West, departing from said Shepherd Drive, along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract, a distance of 998.90 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract;

THENCE: North 88 deg. 20 min. 15 sec. East, continuing along said common line, a distance of 14.48 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said 470.340 acre TI tract;

THENCE: North 01 deg. 06 min. 57 sec. West, continuing along said common line, a distance of 504.19 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for an inside ell corner of said railway and 117.20 acre Sherman 179 tract, on the south line of the above described 71.578 acre TI tract and said William Martin Survey;

THENCE: South 75 deg. 52 min. 25 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said 117.20 acre Sherman 179 tract, a distance of 19.78 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the southwest corner of said 71.578 acre TI tract and an inside ell corner of said railway and Sherman 179 tract;

THENCE: North 01 deg. 51 min. 13 sec. West, along the common line of the old Interurban Railway, the 71.578 acre TI tract and said Sherman 179 tract, a distance of 95.70 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for the beginning of a curve to the right, having a radius of 2,292.00 feet, a central angle of 14 deg. 07 min. 55 sec. and a chord that bears North 05 deg. 12 min. 37 sec. East - 563.89 feet;

THENCE: Continuing along said common line and along said curve to the right, an arc distance of 565.32 feet to a 5/8 inch iron rod found at the end of said curve;

THENCE: North 12 deg. 16 min. 34 sec. East, continuing along said common line, at a distance of 920.86 feet, passing a 1/2 inch iron rod found for the northwest corner of said 71.578 acre TI tract and the northwesterly outside ell corner of said 470.340 acre TI tract and continuing along the common line of the old Interurban Railway, the 470.340 acre TI tract and said Sherman 179 tract for a total distance of 1,720.86 feet to a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "J.E. Smith RPLS 3700", found for corner at the beginning of a curve to the left, having a radius of 2,166.14 feet, a central angle of 23 deg. 07 min. 10 sec. and a chord that bears North 00 deg. 42 min. 59 sec. East - 868.15 feet;

THENCE: Continuing along said common line and said curve to the left, at an arc distance of 702.50 feet, passing a 5/8 inch iron rod found for the northeast corner of said Sherman 179 tract and the most westerly northwest corner of said 470.340 acre TI tract and said point also being the southwest corner of the above described 3.250 acre TI tract and the southeast corner of that certain called 27.928 acre tract of land described as "Tract 2" in a deed to Janet Anderson, recorded in Document No. 2015-22641, D.R.G.C.T. and continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban Railway and along said curve to the left for a total arc distance of 874.06 feet to a point for corner at the end of said curve;

THENCE: North 10 deg. 50 min. 22 sec. West, continuing along the common line of said 3.250 acre TI tract, said Anderson tract and said Interurban railway, a distance of 364.85 feet to a point in the centerline of Choctaw Creek for the northwest corner of said 3.250 acre TI tract and this tract;

THENCE: Departing from said Interurban Railway and continuing along the common line of said 3.250 acre TI tract and Anderson tract and the centerline of said Choctaw Creek as follows:

North 78 deg. 51 min. 48 sec. East, a distance of 124.33 feet to a point for corner;
North 36 deg. 12 min. 09 sec. East, a distance of 71.81 feet to a point for corner;
North 04 deg. 48 min. 13 sec. West, a distance of 136.66 feet to a point for corner;
North 13 deg. 20 min. 12 sec. East, a distance of 65.70 feet to a point for corner;
North 26 deg. 04 min. 57 sec. West, a distance of 113.79 feet to a point for corner;
North 32 deg. 53 min. 38 sec. East, at a distance of 62.36 feet, passing the northeast corner of said 3.250 acre TI tract, the most easterly southeast corner of said Anderson tract, the most northerly northwest corner of said 470.340 acre TI tract and the southwest corner of that certain called 14.270 acre tract of land described as "Tract 2" in a deed to Judy Moore, recorded in Volume 2669, Page 747 and Volume 2438, Page 278, D.R.G.C.T., and continuing along said creek for a total distance of 148.33 feet to a point for corner;

THENCE: Continuing along the centerline of said Choctaw Creek, with the common line of said 470.340 acre TI tract and said Moore tract as follows:

North 64 deg. 22 min. 54 sec. East, a distance of 99.64 feet to a point for corner;
South 66 deg. 40 min. 08 sec. East, a distance of 164.37 feet to a point for corner;
North 76 deg. 03 min. 41 sec. East, a distance of 174.19 feet to a point for corner;
North 63 deg. 01 min. 43 sec. East, a distance of 123.40 feet to a point for corner;
South 48 deg. 11 min. 20 sec. East, a distance of 61.20 feet to a point for corner;
South 00 deg. 07 min. 58 sec. East, a distance of 123.37 feet to a point for corner;
South 16 deg. 00 min. 31 sec. East, a distance of 100.28 feet to a point for corner;
South 66 deg. 49 min. 55 sec. East, a distance of 143.71 feet to a point for corner;
North 79 deg. 36 min. 56 sec. East, a distance of 95.84 feet to a point for corner;
North 10 deg. 55 min. 06 sec. West, a distance of 97.70 feet to a point for corner;
North 16 deg. 11 min. 47 sec. East, a distance of 120.11 feet to a point for corner;
North 82 deg. 33 min. 43 sec. East, a distance of 151.46 feet to a point for the southeast corner of said Moore tract and an inside ell corner of said 470.340 acre TI tract;

THENCE: North 16 deg. 06 min. 35 sec. West, departing from the centerline of said creek, along the common line of said TI and Moore tracts, a distance of 46.01 feet to a point on the north bank of said Choctaw Creek for the southwest corner of that certain called 60.85 acre tract of land described as "Tract II" in a deed to Panda Sherman Power, LLC, recorded in Volume 5132, Page 123, D.R.G.C.T.;

THENCE: Along the north bank of Choctaw Creek and the common line of said 470.340 acre TI tract and Panda Sherman tract as follows:

North 67 deg. 26 min. 14 sec. East, a distance of 67.60 feet to a point for corner;
North 35 deg. 12 min. 36 sec. East, a distance of 177.55 feet to a point for corner;
North 66 deg. 05 min. 55 sec. East, a distance of 76.50 feet to a point for corner;
South 51 deg. 47 min. 35 sec. East, a distance of 119.72 feet to a point for corner;
South 58 deg. 54 min. 31 sec. East, a distance of 75.25 feet to a point for corner;
North 57 deg. 10 min. 55 sec. East, a distance of 143.66 feet to a point for corner;
North 27 deg. 07 min. 41 sec. East, a distance of 74.40 feet to a point for corner;
North 41 deg. 18 min. 39 sec. East, a distance of 245.64 feet to a point for corner;

North 37 deg. 37 min. 13 sec. East, a distance of 134.41 feet to a point for corner;
North 84 deg. 41 min. 55 sec. East, a distance of 132.97 feet to a point for corner;
North 65 deg. 15 min. 19 sec. East, a distance of 69.31 feet to a point for corner;
North 84 deg. 58 min. 04 sec. East, a distance of 34.55 feet to a point for corner;
South 74 deg. 50 min. 25 sec. East, a distance of 94.21 feet to a point for corner;
South 64 deg. 53 min. 16 sec. East, a distance of 89.81 feet to a point for corner;
South 46 deg. 49 min. 23 sec. East, a distance of 71.47 feet to a point for corner;
South 84 deg. 10 min. 37 sec. East, a distance of 173.17 feet to a point for corner;
North 53 deg. 21 min. 32 sec. East, a distance of 279.39 feet to a point for corner;
North 78 deg. 02 min. 48 sec. East, a distance of 242.38 feet to a point for corner;
North 28 deg. 48 min. 50 sec. East, a distance of 60.92 feet to a point for corner;
North 07 deg. 31 min. 00 sec. East, a distance of 447.48 feet to a point for corner;
North 82 deg. 02 min. 55 sec. East, a distance of 199.24 feet to a point for corner;
South 76 deg. 32 min. 41 sec. East, a distance of 305.86 feet to a point for corner;
North 43 deg. 40 min. 40 sec. East, a distance of 143.38 feet to a point for corner;
South 65 deg. 28 min. 50 sec. East, a distance of 213.45 feet to a point for corner;
North 61 deg. 52 min. 37 sec. East, a distance of 129.18 feet to a point for corner;
South 89 deg. 05 min. 36 sec. East, a distance of 69.52 feet to a point for the southeast corner of said 60.85 acre Panda Sherman tract and the most northerly northeast corner of said 470.340 acre TI tract, on the west line of the above described 21.006 acre TI tract;

THENCE: North 15 deg. 25 min. 15 sec. West, departing from the bank of Choctaw Creek, along the common line of said 21.006 acre TI tract and said 60.85 acre Panda Sherman tract, a distance of 1,041.64 feet to the northwest corner of said 21.006 acre TI tract on the southerly right-of-way line of the St. Louis, San Francisco & Texas Railroad (100' wide right-of-way);

THENCE: North 63 deg. 22 min. 03 sec. East, along the north line of said 21.006 acre TI tract and said railroad, a distance of 944.50 feet to a point for the northeast corner of said 21.006 acre TI tract at the intersection of the southerly right-of-way line of said railroad and the westerly right-of-way line of the above described U.S. Highway No. 75 (variable width right-of-way);

THENCE: South 07 deg. 38 min. 59 sec. East, along the common line of said 21.006 acre TI tract and U.S. Highway No. 75, a distance of 653.71 feet to a point for corner at the beginning of a non-tangent curve to the right, having a radius of 5,529.58 feet, a central angle of 17 deg. 14 min. 57 sec. and a chord that bears South 01 deg. 36 min. 18 sec. West – 1,658.44 feet;

THENCE: Along the west right-of-way line of said U.S. Highway No. 75 and with said curve to the right, at an arc distance of 571.89 feet, passing the southeast corner of said 21.006 acre TI tract, the northeast corner of the above described 5.450 acre TI tract, continuing along the west right-of-way line of said U. S. Highway No. 75, at an arc distance of 879.37 feet, passing a 1/2 inch iron rod, topped with a yellow plastic cap, stamped "January Consultants", found for the northeast corner of the above described 136.869 acre TI tract and continuing for a total arc distance of 1664.71 feet to a 1/2 inch iron rod, found for corner at the end of said curve;

THENCE: South 10 deg. 13 min. 44 sec. West, continuing along the west right-of-way line of said U.S. Highway 75, a distance of 2,772.22 feet to the POINT OF BEGINNING and containing 559.77 acres of land, more or less.

Exhibit "B"
Phase IV Project Improvements

[To be provided upon Completion of Construction]