ECONOMIC DEVELOPMENT AGREEMENT BETWEEN THE BRAZOS COUNTY AND CS SCIENCE PARK, L.L.C.

This Economic Development Agreement (this "Agreement") is entered into by and between BRAZOS COUNTY, TEXAS, a political subdivision of the State of Texas (hereinafter referred to as "COUNTY"), and CS SCIENCE PARK, L.L.C., a Texas Limited Liability Company (hereinafter referred to as "DEVELOPER").

PREAMBLE

WHEREAS, COUNTY is authorized and empowered under applicable Texas laws pertaining to economic development to aid in the development of commercial enterprises and redevelopment projects within the geographic boundaries of COUNTY by offering economic and other incentives to prospective new, developing, and expanding businesses pursuant to TEXAS LOCAL GOVERNMENT CODE, Chapter 381; and

WHEREAS, COUNTY actively seeks economic development prospects in Brazos County through participation in and establishment of an economic development program; and

WHEREAS, COUNTY desires to stimulate business, increase the County's tax base and create new jobs for its citizens; and

WHEREAS, DEVELOPER owns the existing facility known as the "Science Park" located on approximately 53.80 acres along the State Highway 6 Corridor, 2501 Earl Rudder Freeway South, in College Station, Texas; and

WHEREAS, DEVELOPER owns the existing facility known as the "Science Park" that is an existing light industrial property that is underperforming, not utilized to its fullest potential and could provide much needed research and development space within Brazos County; and

WHEREAS, COUNTY considers the "Science Park" as a high priority location for new industrial and advanced manufacturing opportunities including the commercialization efforts of Texas A&M University to keep technology, research and development efforts local; and

WHEREAS, COUNTY considers DEVELOPER to be a qualified economic development prospect that will, itself or by attracting desired end-users and tenants, add capital investment, and create new jobs in the community; and

WHEREAS, DEVELOPER intends to construct or attract tenants and end-users to construct improvements and renovations on the Property primarily for office, research, industrial, and manufacturing uses including, without limitation, limited commercial and retail land uses along the Earl Rudder Freeway frontage; and

WHEREAS, in consideration of the construction of the improvements and renovations and in accordance with the performance measures set forth herein, COUNTY agrees to grant to DEVELOPER Cash Incentives as set out herein; and

WHEREAS, to ensure that the benefits COUNTY provides under this Agreement are utilized in a manner consistent with TEXAS LOCAL GOVERNMENT CODE, Chapter 381 and other law, DEVELOPER agrees to comply with certain conditions for receiving those benefits, including conditions relating to property development; and

WHEREAS, as of January 1, 2015, the assessed values of the real property and tangible personal property were $8,763,870 and $97,470, respectively; and

NOW, THEREFORE, for and in consideration of the premises and mutual covenants and promises hereinafter set forth, COUNTY and DEVELOPER (each a "Party," collectively, the "Parties") represent and agree as follows:

Article I
Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

"Affiliate" means any person or entity which directly or indirectly controls, is controlled by or is under common control with Developer, during the term of such control. A person or entity will be deemed to be "controlled" by any other person or entity if such other person or entity (a) possesses, directly or indirectly, power to direct or cause the direction of the management of such person or entity whether by contract or otherwise, (b) has direct or indirect ownership of at least fifty percent (50%) of the voting power of all outstanding shares entitled to vote at a general election of directors of the person or entity or (c) has direct or indirect ownership of at least fifty percent (50%) of the equity interests in the entity.

"Base Year Taxable Value" shall mean the Taxable Value for the Property as of January 1, 2016.

"Cash Incentive(s)" shall mean that amount paid each year by COUNTY to DEVELOPER as a grant under TEXAS LOCAL GOVERNMENT CODE, Chapter 381. Such amount shall be calculated based upon the Incremental Taxable Value for each year of the Agreement, unless otherwise provided herein.

"Developer" shall mean CS SCIENCE PARK, L.L.C.

"End-User" shall mean any person or entity to whom all or a portion of the Property is sold or transferred in accordance with Section 4.4 below.

"Effective Date" shall mean the date upon which this Agreement is fully executed by all Parties, unless the context indicates otherwise.

"First Year of Cash Incentive(s)" shall mean the 2017 calendar year.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such Party), fires, explosions or floods, strikes, slowdowns or work stoppages.

"Improvements" shall mean the construction of new or the rehabilitation of existing facilities on the Real Property and other ancillary facilities such as reasonably required parking and landscaping more fully described in the submittals filed with County of College Station, from time to time, in order to obtain a building permit(s). Improvements may include future retail and general commercial uses as determined by the County of College Station County Council through the rezoning process.

"Incremental Taxable Value" means the Taxable Value for the Property as of January 1st of a given year less the Base Year Taxable Value.

"Maintenance and Operations Rate" means the component of the adopted tax rate of the County that will impose the amount of taxes needed to fund maintenance and operation expenditures of the County for the following year.

"Recoupment Date" means the date upon which the ad valorem taxes collected by the COUNTY on Incremental Taxable Value for which COUNTY has not had to pay a Cash Incentive exceed the aggregate of all of the Cash Incentives paid by COUNTY to DEVELOPER under this Agreement.

"Unrecouped Cash Incentives" means an amount equal to the total Cash Incentives paid by COUNTY under this Agreement, less ad valorem taxes received by the COUNTY on Incremental Taxable Value for which COUNTY has not had to pay a Cash Incentive to DEVELOPER under this Agreement.

"Payment Request" means a written request from DEVELOPER to the COUNTY for payment of the Cash Incentive accompanied by evidence of the payment of the ad valorem taxes assessed against the Property whether paid by the full or by the split payment option.

"Property" means the Real Property and Tangible Personal Property.

"Real Property" means the real property depicted and described in **Exhibit "A"**, including all Improvements constructed thereon.

"Tangible Personal Property" shall mean all tangible personal property, equipment and fixtures, excluding inventory and supplies, owned or leased by DEVELOPER, End-Users or by tenants in the Real Property that is added to the Improvements subsequent to the execution of this Agreement.

"Target Uses" shall mean office, research, industrial and manufacturing uses, as well as limited commercial and retail land uses along the Earl Rudder Freeway frontage;

"Taxable Value" means the appraised value as certified by the Brazos Central Appraisal District as of January 1st of a given year.

Article II
General Provisions

2.1 The Preamble is hereby found to be true and is hereby approved and copied into the body of this Agreement as if copied in its entirety.

2.2 DEVELOPER owns the Real Property, which Real Property is located within Brazos County and the College Station city limits. DEVELOPER intends to construct or rehabilitate and operate and/or attract tenants and End-Users to construct or rehabilitate and operate the Improvements on the Real Property.

2.3 DEVELOPER shall, before August 25th of each calendar year that the Agreement is in effect, certify in writing to COUNTY that it is in compliance with each term of the Agreement.

2.4 The Real Property and the Improvements constructed thereon at all times owned by DEVELOPER shall be used in the manner (i) that is consistent with City of College Station's Comprehensive Zoning Ordinance, as amended, and (ii) that, during the period Cash Incentives are provided hereunder, is consistent with the general purposes of encouraging development or redevelopment. COUNTY will promptly notify DEVELOPER if COUNTY believes DEVELOPER is not complying with this Section 2.4.

2.5 The term of this Agreement shall extend from the Effective Date until the end of, calendar year 2026, plus the period following December 31, 2026, required for the COUNTY to receive the taxes based on the Incremental Taxable Value (if any) for 2026 and to pay any Cash Incentive due to DEVELOPER for 2026.

Article III
Cash Incentives Authorized

3.1 Subject to the terms and conditions of this Agreement, the COUNTY agrees to annually reimburse the DEVELOPER an amount equal to Eighty Percent (80%) of the Maintenance and Operations Portion of the Incremental Taxable Value for such year during the life of the Agreement, provided that the total amount of Cash Incentives paid under this Agreement will not exceed $800,000.00 In no event will the Cash Incentive paid in connection with a tax year exceed the amount of ad valorem taxes actually paid on the Property for such tax year. The COUNTY's obligation under this Section is subject to annual appropriation by the Brazos County Commissioners Court.

3.2 The total amount of Cash Incentives paid under this Agreement will in no event exceed $800,000.00, at which time COUNTY's obligation to grant Cash Incentives to DEVELOPER ends.

3.3 COUNTY will remit the first Cash Incentive to DEVELOPER no later than sixty (60) days after a Payment Request from the DEVELOPER provided DEVELOPER is in compliance with

the Agreement. Beginning with the First Year of Cash Incentives, DEVELOPER may submit a Payment Request after the full or split option payment of the ad valorem taxes.

3.4 During the term of this Agreement, DEVELOPER shall be subject to all taxation, including but not limited to, sales tax and ad valorem taxation; provided, this Agreement does not prohibit DEVELOPER from claiming any exemptions from tax provided by applicable law.

Article IV
Performance Requirements

4.1 DEVELOPER and/or its tenants and End-Users will make Improvements to the Real Property and DEVELOPER and/or its tenants and End-Users will place Tangible Personal Property on the Real Property valued at no less than a total of $1,500,000.00 over the term of the Agreement ("DEVELOPER Investment").

4.2 DEVELOPER agrees to aggressively pursue new commercial and industrial tenants and End-Users to add value to the Property and create new jobs.

4.3 DEVELOPER agrees to aggressively pursue opportunities with Texas A&M University including, but not limited to, other affiliated organizations such as the Texas A&M Engineering Experiment Station, the Texas Engineering Extension Service and the Texas A&M Transportation Institute to enhance commercialization efforts concentrated on research, development and advanced manufacturing efforts locally.

4.4 DEVELOPER agrees to continuously own the Real Property for the term of this Agreement; provided, (i) DEVELOPER, without COUNTY consent, may engage in a sale-leaseback or similar transfer of ownership of the Real Property as long as DEVELOPER continues to operate the Real Property, (ii) DEVELOPER, without COUNTY consent, may transfer ownership of the Real Property to an Affiliate, (iii) DEVELOPER may transfer ownership of the Real Property to a person that COUNTY approves as an assignee of this Agreement pursuant to Section 9.8 of this Agreement, (iv) DEVELOPER may sell up to fifteen percent (15%) of the Property located adjacent to Highway 6 ("Outparcels") without COUNTY consent, and (v) with the consent of the COUNTY, which consent shall not be unreasonably withheld, conditioned or delayed, DEVELOPER may sell all of the Property or portions of the Property to a proposed buyer that is not a tax exempt entity and such proposed buyer will use or develop the Property or portions thereof for one or more of the Target Uses. For purposes of this Agreement, the value of the Improvements made and Tangible Personal Property placed on the Outparcels and on the portions of the Property sold pursuant to Section 4.4(v) above during the term of this Agreement shall be counted toward the DEVELOPER Investment and included in the calculation of Incremental Taxable Value.

4.5 If the DEVELOPER sells or otherwise conveys the Real Property or any portion of the Real Property to a tax exempt entity prior to the Recoupment Date (as defined above), (a) this Agreement shall terminate as of the conveyance date, (b) the COUNTY shall have no further obligation to pay any Cash Incentive to DEVELOPER as of the conveyance date, and (c) DEVELOPER shall promptly repay to COUNTY any Unrecouped Cash Incentives (as defined above) as of the conveyance date.

The determination of "Recoupment Date" and "Unrecouped Cash Incentives" are demonstrated by the following examples:

1. Example 1. DEVELOPER conveys Real Property to tax exempt entity on July 1, 2020. Assuming that between the Effective Date and the date of conveyance, taxes of $27,000.00 on Incremental Taxable Value have been paid to COUNTY and COUNTY has paid to Developer Cash Incentives of $27,000.00, the Recoupment Date will not have occurred and the Unrecouped Cash Incentives would be $27,000.00.
2. Example 2. DEVELOPER conveys Real Property to tax exempt entity on July 1, 2028. Assuming that between the Effective Date and the date of conveyance, taxes of $500,000.00 on Incremental Taxable Value have been paid to COUNTY and COUNTY has paid to Developer Cash Incentives of $300,000.00, the Recoupment Date will not have occurred and the Unrecouped Cash Incentives would be $100,000.00.
3. Example 3. DEVELOPER conveys Real Property to tax exempt entity on July 1, 2031. Assuming that between the Effective Date and the date of conveyance, taxes of $600,000.00 on Incremental Taxable Value have been paid to COUNTY and COUNTY has paid to Developer Cash Incentives of $300,000.00, the Recoupment Date will have occurred and the Unrecouped Cash Incentives would be $00.00.

This Section 4.5 shall survive termination or expiration of this Agreement.

Article V
Improvements

5.1 DEVELOPER owns the Real Property.

5.2 As a condition precedent to the DEVELOPER's entitlement to Cash Incentives pursuant to this Agreement, DEVELOPER agrees as good and valuable consideration for this Agreement, that all construction of the Improvements by DEVELOPER will be in accordance with all applicable state and local laws, codes, and regulations (or valid waiver thereof).

5.3 Intentionally deleted.

5.4 DEVELOPER agrees to maintain the Improvements owned by it during the term of this Agreement in accordance with all applicable state and local laws, codes, and regulations.

5.5 Intentionally Deleted.

5.6 Intentionally Deleted.

5.7 Intentionally Deleted.

5.8 If DEVELOPER sells any portion of the Real Property during the term of this Agreement, DEVELOPER will enter an agreement with End-User that requires End-User to comply with the obligations of DEVELOPER under this Article V.

Article VI
Limitations on Reimbursement

6.1 DEVELOPER will not be entitled to that portion of the Cash Incentive attributed to a "commercial" (as defined under the City of College Station's Unified Development Ordinance) business that relocates to the Real Property from within the County. For the purposes of this Agreement, relocation means the closure of one location in the County and the opening of another on the Real Property; provided, however, if the relocation includes an expansion of the operation, DEVELOPER will be entitled to that portion of the Cash Incentive attributable to the expansion. The term "relocation" does not include the opening of a new location without a corresponding closure. The COUNTY will not recapture Cash Incentives already paid to DEVELOPER prior to such relocation. The County is authorized to grant an exception to this provision, upon determination that there is sufficient new tax revenue attributable to the relocation to justify the Cash Incentive.

6.2 Intentionally Deleted

6.3 DEVELOPER is obligated to make timely payment of ad valorem taxes during the term of this Agreement.

Article VII

Intentionally Deleted.

Article VI
Default

8.1 Except as provided in 4.4. above, if DEVELOPER defaults in any term or condition of this Agreement, then COUNTY shall not be obligated to approve disbursement of the Cash Incentives for that year in which the default occurred.

8.2 Except as provided in 4.4 above, COUNTY shall give to DEVELOPER written notice of any default. To the extent a default may be cured, DEVELOPER shall have the right, but not the obligation, to cure the default within thirty (30) days of receiving written notice from COUNTY. If the default cannot reasonably be cured within a thirty (30) day period, and DEVELOPER has diligently pursued such remedies as shall be reasonably necessary to cure such default, then COUNTY shall extend for a reasonable additional length of time the period in which the default must be cured. If DEVELOPER fails to cure the default within the time provided as specified above or, as such time period may be extended, then COUNTY at its sole option shall have the right to terminate this Agreement with respect to DEVELOPER, by written notice to DEVELOPER.

8.3 In the event a party defaults, then the other party shall have available to it all remedies at law and equity, provided, however, that no party shall be liable to any other party for incidental or consequential damages.

Article IX
Miscellaneous

9.1 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received as sent by courier or otherwise hand delivered:

If intended for COUNTY, to:

Attn: County Judge
200 S. Texas Ave
Suite 332
Bryan, Texas 77803

With a copy to:

Attn: County Attorney
300 E. 26th Street
Suite 1300
Bryan, Texas 77803

If intended for DEVELOPER, to:

Attn: John W. Clanton, Chief Executive Officer
CS SCIENCE PARK, L.L.C.
2501 Earl Rudder Freeway South
College Station, Texas 77845

9.2 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

9.3 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Brazos County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

9.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

9.5 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

9.6 Recitals. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

9.7 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

9.8 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by DEVELOPER without the prior written consent of the County which consent shall not be unreasonably withheld, conditioned or delayed.

9.9 Right of Offset. COUNTY may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to COUNTY from DEVELOPER, regardless of whether the amount due arises pursuant to the terms of this Agreement or otherwise and regardless of whether or not the debt due COUNTY has been reduced to judgment by a court; provided, however (i) COUNTY shall provide DEVELOPER notice within thirty (30) days of determining that any debt is believed lawfully due to COUNTY from DEVELOPER; (ii) DEVELOPER shall have an opportunity to resolve or pay such debt to COUNTY within thirty (30) days after receipt of notice before any offset to amounts payable under this Agreement may occur; and (iii) DEVELOPER retains all rights to timely and properly contest whether or in what amount any debt is owed to COUNTY, and COUNTY may not offset any asserted amount of debt owed by DEVELOPER against amounts due and owing under this Agreement during any period during which DEVELOPER is timely and properly contesting whether such amount of debt is due and owing.

9.10 Amendment. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of COUNTY and DEVELOPER.

9.11 Place of Performance. Performance and all matters related thereto shall be in Brazos County, Texas, United States of America.

9.12 Authority to Contract. Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective corporations.

9.13 No Debt. Under no circumstances shall the obligations of COUNTY hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision; provided; however, COUNTY agrees during the term of this Agreement to make a good faith

effort to appropriate funds each year to pay amounts under this Agreement for the then ensuing fiscal year.

9.14 Waiver. Failure of any Party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of the Party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused unless the waiver shall be in writing and signed by the Party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other different or subsequent breach.

9.15 Confidentiality. COUNTY shall notify DEVELOPER within two (2) business days after receiving any Public Information Act request that seeks disclosure of information provided by or concerning DEVELOPER, and the Parties will reasonably cooperate to determine within four (4) business days after COUNTY's receipt of a Public Information Act Request whether or to what extent they agree that the requested information may be released without objection and without seeking a written opinion of the Texas Attorney General. If agreed by the Parties, COUNTY shall take the position that specified information responsive to a Public Information Act request relating to DEVELOPER is information not subject to release to the public pursuant to Section 552.110 of the TEXAS GOVERNMENT CODE, or other applicable law. If DEVELOPER requests that COUNTY take the position that specified information responsive to a Public Information Act request relating to DEVELOPER is information not subject to release to the public pursuant to Section 552.110 of the TEXAS GOVERNMENT CODE, or other applicable law, but COUNTY does not agree, COUNTY nonetheless shall take such position if DEVELOPER within eight (8) business days after COUNTY's receipt of a Public Information Act request delivers to the COUNTY an opinion of counsel reasonably acceptable to COUNTY concluding that COUNTY has a good faith basis to take such position. If pursuant to this Section 9.16 COUNTY takes the position that specified information responsive to a Public Information Act request relating to DEVELOPER is information not subject to release, COUNTY shall seek a written opinion from the Texas Attorney General raising any applicable exception to release of such information prior to any release to a third party under the Texas Public Information Act. If COUNTY seeks a written opinion from the Texas Attorney General pursuant to Section 552.305 of the Texas Government Code, COUNTY may require DEVELOPER to draft and submit to the Texas Attorney General the substantive comments or arguments in support of such opinion request. COUNTY shall provide DEVELOPER timely notice and an opportunity to review and comment on any opinion request submitted by COUNTY.

9.16 Employment of Undocumented Workers. During the term of this Agreement, DEVELOPER agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a (f), DEVELOPER shall repay to COUNTY all Cash Incentives received under this Agreement as of the date of such violation within 120 days after the date DEVELOPER is notified by COUNTY of such violation, plus interest at the rate of 5% simple interest from the date of DEVELOPER's receipt of the Cash Incentives until repaid.

9.17 Construction. The Parties acknowledge that each Party and its counsel have reviewed and revised this Contract and that the normal rule of construction to the effect that any

ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Contract or any amendments or exhibits hereto.

(signatures follow on the next page)

BRAZOS COUNTY COMMISSIONERS COURT

Duane Peters, County Judge

Lloyd Wassermann
Commissioner, Precinct 1

Sammy Catalena
Commissioner, Precinct 2

Kenny Mallard
Commissioner, Precinct 3

Irma Cauley
Commissioner, Precinct 4

ATTEST:

Karen McQueen, County Clerk

CS SCIENCE PARK, L.L.C.,

BY: _____

John W. Clanton, Chief Executive Officer

Date: 14Dec 15

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

The Science Park is located on approximately 53.80 acres along the State Highway 6 Corridor, 2501 Earl Rudder Freeway South in College Station, Texas.