ECONOMIC DEVELOPMENT GRANT PROGRAM AGREEMENT BETWEEN ANGELINA COUNTY AND SOLAR STAR NORTH HERTY STORAGE, LLC

This Economic Development Grant Program Agreement ("Agreement") is made and entered into between Angelina County, a Texas political subdivision (the "County"), and Solar Star North Herty Storage, LLC, a Foreign Limited Liability Company authorized to do business in the State of Texas and a subsidiary of Total Energies Renewables USA ("Owner/Grantee").

RECITALS

WHEREAS, the County, by approval of this Agreement, hereby finds the terms of this Agreement will establish a business or commercial development project which will: (1) Enhance the economic vitality of the County; (2) Add to the tax base of the County; (3) Increase jobs (temporary construction jobs) in the County; and (4) Generate revenues to the County which will outweigh costs associated with the financial incentives. The County further finds that the planned use of the subject property will not constitute a hazard to public safety, health, or morals; and

WHEREAS, the Owner/Grantee desires to construct a battery based, energy storage facility (the "Project"), within the County and to participate in the Economic Development Grant Program established in this Agreement; and

WHEREAS, the County desires to establish the Program outlined herein and offer an Economic Development Grant (the "Grant") to Owner/Grantee to construct and operate its facilities and to thereby create temporary and permanent jobs in the County; and

WHEREAS, the County is authorized, by Section 381.004 of the Texas Local Government Code, to promote state and local economic development and to stimulate, encourage and develop business location and commercial activity within the County.

WHEREAS, pursuant to Section 381.004(h) of the Texas Local Government Code, the County hereby establishes a Program to implement the Economic Development Grant to Owner/Grantee, as described and agreed to herein;

NOW THEREFORE, in consideration of the foregoing and the covenants, agreements, representations, and warranties hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Owner/Grantee agree as follows:

AGREEMENTS

Section 1. Recitals

The recitals set forth above are incorporated herein by reference, as if fully set forth.

Section 2. Property Subject to Economic Development Grant

a. The real property ("Real Property") subject to this Agreement is all that certain lot, tract, or parcel of land, containing ten (13.89) acres, more or less, along with the energy storage facility, structures, and other improvements to be constructed thereon (the "Facility"), situated on Davisville Road, in the County of Angelina, State of Texas, and being more particularly described by metes and bounds in the Exhibit "A" legal description, which is attached hereto and incorporated herein by reference.

b. The tangible personal property ("Personal Property") subject to this Agreement is the tangible personal property to be located at the Facility to be constructed and located on the above described Real Property (excluding inventory) and used by Owner/Grantee, its affiliates or contractors for the temporary storage of energy (electricity) via batteries.

c. Grant approved will be based on the appraisal rolls of the Angelina County Appraisal District for each year of the Grant Term, as that term is defined in Section 5(b).

Section 3. Owner/Grantee Representations

a. Owner/Grantee represents that the Real Property and Personal Property will be used as set forth in this Agreement.

b. Owner/Grantee represents that it has complied with the required application procedures as adopted by the Angelina County Commissioners Court.

c. Owner/Grantee represents that a minimum capital investment of Eighty Million Dollars ($80,000,000.00) shall be made in the Project subject to this Agreement no later than December 31, 2026 (in accordance with the Benchmarks schedule outlined in section 6).

d. Owner/Grantee represents that the investment set forth herein will serve to create a minimum of fifty (50) temporary, construction jobs with Owner/Grantee in Angelina County, Texas, directly supporting the construction of the Facility, no later than December 31, 2026 (in accordance with the Benchmarks schedule outlined in Section 6).

e. Owner/Grantee represents that, at all times, it will operate and maintain the Facility in accordance with prudent industry standards and all applicable federal, state and local laws, codes, ordinances and regulations.

f. Owner/Grantee represents that it is authorized to do business and is in good standing in the State of Texas during the term of this agreement. Further, Owner/Grantee has

taken all necessary corporate action to authorize Owner/Grantee's execution and delivery of this Agreement and Owner/Grantee's performance of the obligations hereunder.

g. Owner/Grantee represents that it will pay all ad valorem property taxes on the Real Property and Personal Property, in a timely manner, whether assessed by the County or any other taxing jurisdiction.

h. Owner/Grantee represents that there are no bankruptcy proceeding or other proceedings currently pending or contemplated and that Owner/Grantee has not been informed of any potential involuntary bankruptcy proceedings.

i. Owner/Grantee represents that there is no litigation or governmental proceeding pending or threatened against or affecting Owner/Grantee that may result in any material adverse change in Owner/Grantee's business, properties or operations. Further, no consent, approval or authorization of, or registration or declaration with, any governmental authority is required in connection with the execution of this Agreement or the transactions contemplated herein.

j. Owner/Grantee represents that it has acquired and maintains or that, prior to commencement of construction of the Facility under the terms hereof, it will acquire and maintain all necessary rights, licenses, permits and authority to carry on its business in Angelina County, Texas.

k. Owner/Grantee represents that it will fully and timely comply with all of the terms and conditions of this Agreement,

Section 4. Owner/Grantee Requirements

a. Owner/Grantee agrees to invest a minimum of Eighty Million Dollars ($80,000,000.00) in the Project, to add, improve, modernize, upgrade or renovate the Real and tangible Personal Property at its Facility, and to begin operation of the Facility for the temporary storage and sale of electrical energy no later than December 31, 2026 (in accordance with the Benchmark schedule outlined in Section 6).

b. Owner/Grantee agrees to continuously operate the Facility for the temporary storage and sale of energy (electricity) for the duration of the Grant Term;

c. Owner/Grantee agrees that construction of the Facility in Angelina County will create a minimum of fifty (50) temporary construction jobs by December 31, 2026 (in accordance with the Benchmarks Schedule outlined in Section 6);

d. Owner/Grantee agrees to remain current in its payment of ad valorem taxes to all local taxing entities. Nothing in this Agreement waives the Owner/Grantee's rights to

protest valuation or other legal challenges to taxes assessed by any or all taxing jurisdictions;

e. Owner/Grantee agrees to furnish the Chief Appraiser of the Angelina County Appraisal District with such information as may be necessary for appraisal purposes;

f. Owner/Grantee agrees to provide access to the Facility for inspection during regular business hours or at a mutually agreeable time to representatives of the County and/or the Angelina County Appraisal District to ensure that improvements (upgrades) are made in accordance with the requirements and conditions of this Agreement. The County and/or Appraisal District shall give Owner/Grantee reasonable advance notice of the inspections conducted pursuant to this Agreement and they shall be conducted in accordance with standard safety precautions and so as not to interfere with or interrupt the operation of the Facility;

g. Owner/Grantee agrees to annually certify in writing its compliance with the terms of this Agreement as set forth in Section 8 below.

h. Owner/Grantee agrees to keep the Real Property and Facility clean and free of trash and debris created by Owner/Grantee, its contractors or others brought onto the Real Property by Owner/Grantee, excluding construction equipment, materials and parts. Owner/Grantee shall not alter the drainage on the Real Property to or from any adjacent property in a manner that will cause flooding on or damage to other property or lands. Owner/Grantee further agrees, after completion of construction of the Facility, or after any maintenance, repair or removal of the Facility, to restore all surfaces utilized to a condition reasonably similar to its condition as of the effective date of this agreement, with such restoration efforts to include the reseeding of all surfaces reasonably necessary to prevent soil erosion.

i. Owner/Grantee agrees that, when the Project is decommissioned and no longer utilized for the temporary storage of electrical power, it will remove, raze or demolish all improvements on the Real Property to such depth as may be required by applicable law and will restore all surfaces utilized to a condition reasonably similar to their condition prior to the commencement of construction of the Project.

Section 5. <u>County Requirements</u>

a. Provided that Owner/Grantee complies with the terms of this Agreement, the County agrees to provide Owner/Grantee an Economic Development Grant, based on the County portion of ad valorem taxes. The Grant shall be awarded within thirty (30) calendar days of Owner/Grantee paying all ad valorem taxes to local taxing entities and filing the Certificate of Compliance with the office of the County Judge in accordance with the requirements of Section 8. The Grant Award will be based on the additional value of the Real and Personal Property improvements reported on the appraisal rolls of Angelina County Appraisal District (excluding current value of buildings, improvements, and land of $94,610.00) for the tax years listed below,

resulting from investment at the Facility made subsequent to this Agreement, as follows:

Year One (2026)	70%	Year Six (2031)	70%
Year Two (2027)	70%	Year Seven (2032)	70%
Year Three (2028)	70%	Year Eight (2033)	70%
Year Four (2029)	70%	Year Nine (2034)	70%
Year Five (2030)	70%	Year Ten (2035)	70%

b. The period of the abatement will be ten (10) years, commencing on January 1, 2026 (the "Commencement Date"), and expiring on December 31, 2035 (the "Grant Term");

Section 6. Benchmarks

Date	**Performance Benchmarks**
First Year of Grant Term	Commence & complete construction of the Facility, making a minimum capital investment of Eighty Million Dollars ($80,000,000.00) in Real and/or Tangible Personal Property and creating at least 50 temporary construction jobs. Occupy and begin full, commercial operations at Facility no later than December 31, 2026.
Second Year of Grant Term	Complete full year of operations at Facility.
Third Year of Grant Term	Complete full year of operations at Facility.
Fourth Year of Grant Term	Complete full year of operations at Facility.
Fifth Year of Grant Term	Complete full year of operations at Facility.
Sixth Year of Grant Term	Complete full year of operations at Facility.
Seventh Year of Grant Term	Complete full year of operations at Facility.
Eighth Year of Grant Term	Complete full year of operations at Facility.
Ninth Year of Grant Term	Complete full year of operations at Facility.
Tenth Year of Grant Term	Complete full year of operations at Facility.

Failure to meet the performance benchmarks above or failure to materially comply with any term of this Agreement may result in the early termination of this Agreement as provided herein.

Section 7. Default and Recapture

a. If Owner/Grantee refuses or fails to materially comply with any of the terms of this Agreement, or if any representation made by Owner/Grantee in the Economic Development Program Application is false in any material respect, the County may declare Owner/Grantee in default. In the event of default, and after the expiration of the Cure Period below, the County may terminate this Agreement and all awarded Grant Funds, shall be recaptured under the provisions of this Section.

b. In the event that the County determines Owner/Grantee to be in default of this Agreement, the County will notify Owner/Grantee in writing at the Owner/Grantee's business headquarters address set forth in this Agreement. If the default is not cured within thirty (30) days, or as soon as practicable in the event default is of a nature that cure is not possible within thirty (30) days, from the date such notice is received (the "Cure Period"), this Agreement will be deemed terminated. A total bill for recaptured Grant Funds calculated in accordance with this Section will be sent to the Owner/Grantee at the Owner/Grantee's business headquarters address set forth in this Agreement, and Owner/Grantee agrees to pay the total amount within thirty (30) days of receipt. Interest at the rate of twelve percent (12%) per annum on unpaid amounts will begin to accrue on all amounts that remain unpaid following sixty (60) days after receipt of the bill. If Owner/Grantee cures the default following notice by the County, Owner/Grantee shall not be liable to repay the recaptured Grant Funds, and it shall be entitled to the benefits under this Agreement for the current and any future years in which it is not in default. Should the default be cured by Owner/Grantee within the thirty (30) day notice period, Owner/Grantee shall be responsible for so advising the County and obtaining a release from the notice of default from the County, failing in which, the Agreement shall be terminated.

c. If during the Grant Term the Owner/Grantee permanently ceases operation in Angelina County, Texas, then the County shall be entitled to recapture ONE HUNDRED PERCENT (100%) of the Grant Funds awarded in prior years and the year in which such discontinuance occurs.

d. During the period commencing January 1, 2026 and continuing through the end of the Grant Term, if in a given year the average number of full-time primary jobs (as certified to the County in accordance with Section 8(a)) drop more than ten percent (10%) below the minimum required number as set forth in Section 6, then the Grant percentage set forth in Section 5(a) shall be forfeited for that tax year. In the event Owner/Grantee fails to retain the minimum number of required jobs for a period of three (3) consecutive years, then County may declare Owner/Grantee in default and shall be entitled to recapture one hundred percent (100%) of the Grant Funds awarded in prior years.

e. Neither party shall be required under this Agreement or be liable or responsible for any loss or damage resulting from its failure to perform so long as performance is actually, materially and reasonably delayed or prevented by acts of God, fire, explosion or other casualty or accident or natural disaster, or other event beyond the reasonable control of the parties.

f. The burden shall be upon Owner/Grantee to prove to the satisfaction of the County that the discontinuance, whether temporary or permanent, of the operation of the Facility was as a result of a fire, explosion, or other casualty or accident or natural disaster or other event beyond the control of Owner/Grantee. In the event Owner/Grantee meets this burden and the County is satisfied that the discontinuance of the operations of the Facility was the result of events beyond the control of Owner/Grantee, then Owner/Grantee shall have a period of one (1) year in which to resume operations of the Facility, or as soon as practicable within the one (1) year period. In the event that Owner/Grantee fails to resume such operation within one (1) year, then this Agreement shall terminate. The one (1) year time period, hereinabove mentioned, shall commence upon written notification from the County to Owner/Grantee.

g. In the event that Owner/Grantee allows ad valorem taxes on real property or business personal property taxes owed to the local taxing authorities to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, then in such event this Agreement shall terminate.

h. In accordance with Chapter 2264, Texas Government Code, Owner/Grantee certifies that Owner/Grantee, or a branch, division, or department of Owner/Grantee does not and will not knowingly employ an undocumented worker. Owner/Grantee further certifies that in the event that Owner/Grantee, or a branch, division, or department of Owner/Grantee, is convicted of a violation under 8 U.S.C. Section 1324a(f), Owner/Grantee shall repay the Grant Funds previously awarded pursuant to this Agreement. Such a conviction shall be cause for this Agreement to terminate.

i. In every case of termination set forth above: (1) the County shall determine whether default has occurred by Owner/Grantee in the terms and conditions of this Agreement, which determination shall not be unreasonably withheld or delayed; and (2) Owner/Grantee shall be responsible for repayment to the County any Grant Funds awarded pursuant to this Agreement. Repayment shall be made to the County as set forth in 7(b) above.

Section 8. Certification of Compliance by Owner/Grantee

a. On or before January 1st of each year that this Agreement is in effect, Owner/Grantee shall certify in writing to the County its compliance with all provisions of this Agreement. Such certification shall include any and all documentation establishing that Owner/Grantee has met the annual employment requirement, if any, for the

previous year and that all taxes related to the Property have been paid in full as required by law. The certification shall be filed with the County Judge.

Section 9. Term

a. From its effective date, this Agreement shall be effective for a period extending through the Grant Term in Section 5(b) above, unless otherwise terminated in accordance with another section of this Agreement.

Section 10. Entire Agreement

a. This Agreement contains the entire agreement between the County and Owner/Grantee with respect to the transactions contemplated herein. This Agreement may be amended, altered, or revoked only by written instrument signed by the County and Owner/Grantee.

Section 11. Successors and Assigns

a. This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns. Owner/Grantee may assign all or part of its rights and obligations hereunder only upon prior written approval of the County.

Section 12. Notices

a. Any notice and/or statement required and permitted to be delivered shall 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 or at such addresses provided by the parties in writing hereafter:

Owner/Grantee: Solar Star North Herty Storage, LLC
1201 Louisiana Street, Suite 1800
Houston, Texas 77002
Attention: _____
_____

County: County Judge
Angelina County, Texas
P. O. Box 908
Lufkin, TX 75902

Section 13. Interpretation

a. Regardless of the actual drafter of this Agreement, this Agreement shall in the event of dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

Section 14. Applicable Law

a. This Agreement is made and shall be construed and interpreted under the laws of the State of Texas and exclusive venue for any cause of action, claim, dispute, or legal proceeding arising out of this Agreement shall lie in the state district courts of Angelina County, Texas.

Section 15. Indemnification

a. Owner/Grantee shall indemnify, defend and hold harmless the County, its elected officials, officers, employees and agents from and against any and all claims, losses, damages, causes of actions, suits, liabilities, judgments, liens and expenses (including without limitation, court costs, attorney fees, investigation costs, removal and remediation costs, and governmental oversight costs) of any nature, kind or description, arising out of, resulting from, or related to (in whole or in part) Owner/Grantee's performance of its obligations pursuant to this Agreement.

b. The County shall promptly notify Owner/Grantee of any indemnified losses or claims for indemnified losses in respect to which the County may be entitled to indemnification under this section. Such notice shall be given as soon as reasonably practicable after the County becomes aware of the loss or claim.

c. In the event any action or proceeding shall be brought against the County by reason of any matter for which the County is indemnified by Owner/Grantee hereunder, Owner/Grantee shall, upon notice from County or its authorized agent or representative, at Owner/Grantee's sole cost and expense, resist and defend the same with legal counsel selected by Owner/Grantee. Provided, however, Owner/Grantee shall not admit liability in such matter on behalf of the County. Owner/Grantee's obligation to defend shall apply regardless of whether the County is concurrently negligent. Owner/Grantee's obligation to defend shall not apply to the extent the County is solely negligent. Nothing herein shall be deemed to prevent the County at its election and at its own expense from cooperating with Owner/Grantee and participating in the defense of any litigation by its own counsel. If Owner/Grantee fails to retain defense counsel within seven (7) business days after receipt of County's written notice that the County is invoking its right to indemnification under this Agreement, the County shall have the right to retain defense counsel on their own behalf and Owner/Grantee shall be liable for all usual and customary defense costs incurred by the County.

Section 16. Attorney's Fees

a. The parties hereto agree that the prevailing party in any dispute between the parties arising out of this Agreement shall be entitled to recover its attorney's fees and costs.

Section 17. Severability

a. In the event that any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then and in that event it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates stated below:

Executed by the County on the 24th day of September 2024.

COMMISSIONERS COURT ★ ANGELINA COUNTY TEXAS

ANGELINA COUNTY, TEXAS

Keith Wright
County Judge

ATTEST:

Amy Fincher
County Clerk

Executed by the Owner/Grantee on the 23rd day of September 2024.

SOLAR STAR NORTH HERTY STORAGE, LLC

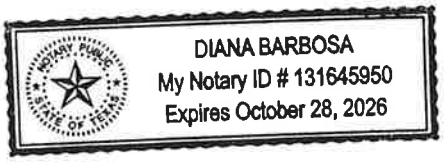
By: Jeffrey Newcombe
Its: Vice President, Technical

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
COUNTY OF Harris §

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared Jeffrey Newcombe, Vice President, Technical of Solar Star North Herty Storage, LLC, a foreign limited liability company registered to do business in the State of Texas, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me he executed the same as a duly authorized officer of such corporation, and as the act and deed of such corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 23rd day of September, A.D., 2024.



Diana Barbosa
Notary Public in and for the State of Texas

Diana Barbosa
(Typed/Printed Name of Notary)

My Commission Expires:

October 28, 2026

EXHIBIT "A"

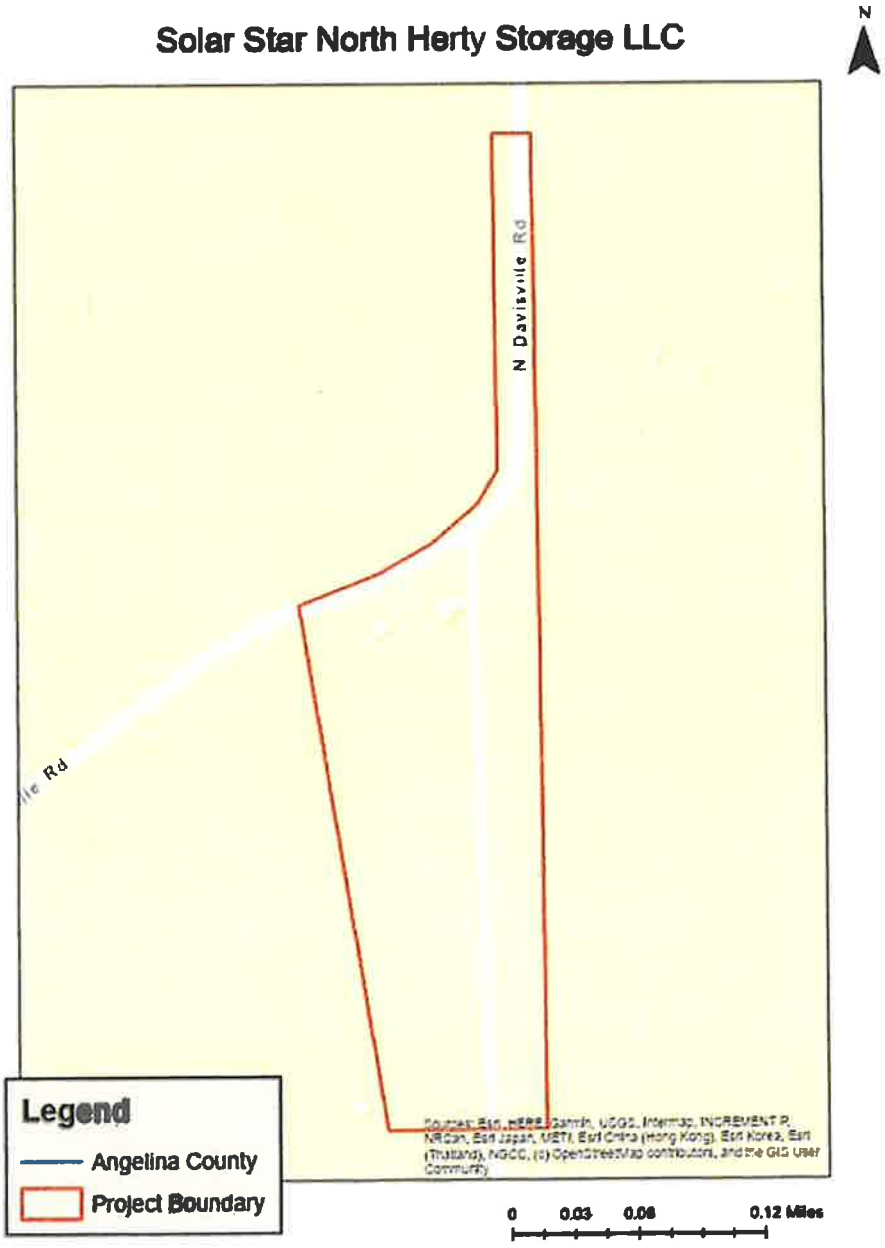
Legal Description & Plat of Real Property

A tract or parcel of land containing 13.89 acres, more or less, and lying and situated in the V. Michelli Survey, Abstract No. 29, in Angelina County, Texas, and being all that certain 13.89 acre tract of land conveyed by Dominy-Rose, LLC, a Texas limited liability company, to James Earl Taylor, Jr. and Jo Anne Taylor in that one certain Warranty Deed with Vendor's Lien dated September 26, 2014 and filed of record as Instrument #2014-00321570 in the Official Public Records of Angelina County, Texas, to which deed reference is here made for further descriptive purposes.

KEANDREWS
VALUATION•TAX•SOLUTIONS

Reinvestment Zone (1 of 2)

Solar Star North Herty Storage LLC

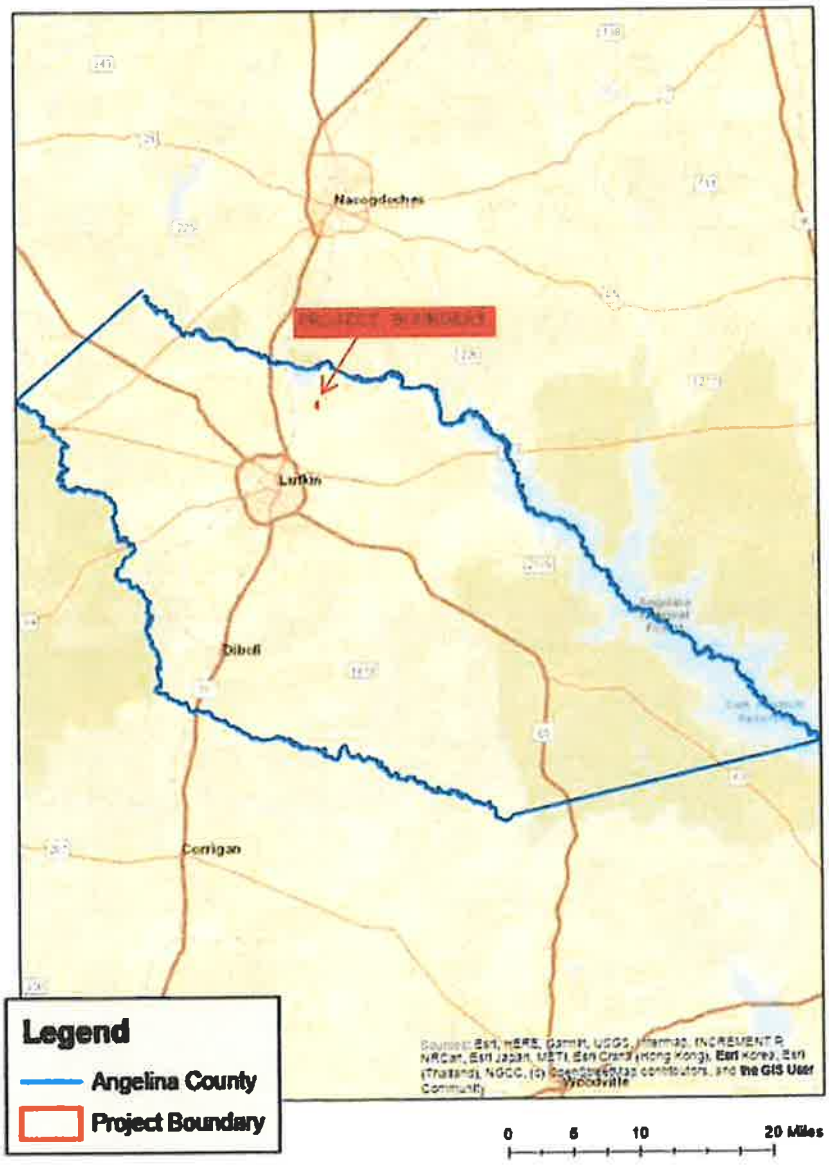


2424 Ridge Road
Rockwall, TX 75087
469.298.1594
www.keatax.com

KEANDREWS
VALUATION•TAX•SOLUTIONS

Reinvestment Zone (2 of 2)

Solar Star North Herty Storage LLC



2424 Ridge Road
Rockwall, TX 75087
469.298.1594
www.keatax.com


Rivercrest Rd
N Darsville Rd
16139
251 ft
16136
16201
129636
127793
16200
129780
16198
+ Show Search Results
100m
300ft

DocuSign Envelope ID: 6FD6FCBD-9CA4-42D2-B78C-ADD14DAB4207

WRITTEN CONSENT OF THE SOLE MEMBER OF SOLAR STAR NORTH HERTY STORAGE, LLC

January 5, 2024

In conformity with Section 18-302(d) of the Delaware Limited Liability Company Act of the State of Delaware, the undersigned, being the sole member (the "Member") of SOLAR STAR NORTH HERTY STORAGE, LLC, a Delaware limited liability company (the "Company"), hereby adopts the following resolutions and takes the following actions with the same force and effect as if such resolutions had been duly adopted and such actions duly taken at a meeting of the Member duly called and convened for such purpose as of the date first set forth above, with a full quorum present and acting throughout:

Good Standing

The Member resolves to affirm that the Company is in good standing in Delaware, the state of its formation.

Qualification to do Business in the State of Texas

The Member resolves to affirm that the Company is qualified to do business in the State of Texas.

Affirmation of officers authorized to bind the Company

Without modifying any other written consent of the Member, the Member resolves to affirm that the following persons are authorized to execute the Economic Development Grant Program Agreement between Angelina County and Solar Star North Herty Storage, LLC:

Marc-Antoine Pignon

Jeffrey Newcombe

DocuSign Envelope ID: 6FD6FCBD-9CA4-42D2-B78C-ADD14DAB4207

The undersigned, being the sole member of the Company, has executed this written consent as of the date first set forth above.

MEMBER:

SOLAR STAR STORAGE TEXAS, LLC

By: TotalEnergies Distributed Generation Assets USA, LLC

By: TotalEnergies Distributed Generation USA, LLC

By: TotalEnergies Renewables USA, LLC

DocuSigned by:

By: Marc-Antoine Pignon
A0759B889063450

Name: Marc-Antoine Pignon
Title: Chief Executive Officer

FILED
AT 11 O'CLOCK A M
SEP 24 2024
AMY FINCHER
County Clerk, County Court at Law
Angelina County, Texas
By

STATE OF TEXAS
COUNTY OF ANGELINA
I hereby certify that this instrument was FILED on the date and at the time stamped hereon by me and was duly RECORDED in the RECORDS of Angelina County, Texas
Amy Fincher
COUNTY CLERK
ANGELINA COUNTY TEXAS