

**AMENDMENT TO AGREEMENT FOR LIMITATION ON
APPRAISED VALUE
OF PROPERTY FOR SCHOOL DISTRICT
MAINTENANCE AND OPERATIONS TAXES**

by and between

CORRIGAN-CAMDEN INDEPENDENT SCHOOL DISTRICT

and

MARTCO LIMITED PARTNERSHIP, ROY O. MARTIN LMB MGT, LLC

(Texas Taxpayer ID #72-0920365)

and

CORRIGAN OSB, L.L.C.

(Texas Taxpayer ID #32056032579)

TEXAS COMPTROLLER APPLICATION NUMBER 1018

Dated

July 18, 2016

**AMENDMENT TO AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF
PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

STATE OF TEXAS §

COUNTY OF POLK §

THIS AMENDMENT TO THE AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, is executed and delivered by and between the **CORRIGAN-CAMDEN INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as “District,” a lawfully created independent school district within the State of Texas operating under and subject to the Texas Education Code, and **MARTCO LIMITED PARTNERSHIP, ROY O. MARTIN LMB MGT, LLC**, Texas Taxpayer Identification Number 72-0920365 hereinafter referred to as “Applicant.” Applicant and District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on, June 11, 2014, the Superintendent of Schools of the Corrigan-Camden Independent School District, acting as agent of the Board of Trustees of District, received from Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code;

WHEREAS, on, December 9, 2014, the Board of Trustees conducted a public hearing on the Application, at which it solicited input into its deliberations on the Application from all interested persons within the District; and,

WHEREAS, on December 9, 2014, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the Texas Tax Code, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) Applicant is eligible for the Limitation on Appraised Value of Applicant’s Qualified Property; (iii) the project proposed by Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset District’s maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in Applicant's decision to invest capital and construct the project in this state; and (v) this Agreement is in the best interest of District and the State of Texas; and,

WHEREAS, the Texas Comptroller’s Office (“Comptroller”) approved the form of an Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, which was adopted by the Board of Trustees of the District on December 9, 2014; and,

WHEREAS, as of the date of the approval of this Amendment, Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC has not relocated its business outside of the District; and,

WHEREAS, Section 10.4 of the Agreement for an Appraised Value Limitation on Qualified Property permits an Applicant to assign the Agreement, or a portion of this Agreement, to a new Applicant or lessee of the Qualified Property; and,

WHEREAS, pursuant to Section 10.2 of the Agreement for an Appraised Value Limitation on Qualified Property, the Applicant has submitted to the District and Comptroller, a written request to amend the Application and this Agreement which specifies the changes Applicant requests; any changes to the information that was provided in the Application that was approved by District and considered by Comptroller; and any additional information requested by District or Comptroller necessary to evaluate the amendment or modification; and,

WHEREAS, on April 28, 2016, the Comptroller's Office determined that the Application requesting an amendment to the Agreement for an Appraised Value Limitation on Qualified Property was complete; and,

WHEREAS, the District and the Comptroller's Office have determined that the Application is complete and April 28, 2016, is the Application Review Start Date as that term is defined by 34 Texas Administrative Code Section 9.1051;

WHEREAS, the Comptroller reviewed the Application requesting an amendment and any additional information; and, on April 28, 2016, the Comptroller provided a revised Certificate for a Limitation within 90 days of the Application Review Start Date; and,

WHEREAS, on May 18, 2016, the Comptroller's Office approved the form of this Amendment to the Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes; and;

WHEREAS, the Superintendent of Schools of the Corrigan-Camden Independent School District received written notice, via an Application requesting an amendment to the Agreement for an Appraised Value Limitation on Qualified Property, of the request for assignment from Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC of the Agreement for limitation on Appraised Value of Property for School District Maintenance and Operations Taxes to Corrigan OSB, L.L.C.; and,

WHEREAS, after examining Comptroller's State Franchise Tax records, the Board has determined that, at the time of the adoption of this Amendment, Corrigan OSB, L.L.C. is an active franchise tax paying entity; and,

Amendment to Agreement for Limitation on Appraised Value

Between Corrigan-Camden Independent School District and Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC and Corrigan OSB, L.L.C.

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WHEREAS, District's Board of Trustees approved the Application requesting an amendment before the expiration of 150 days after the Application Review Start Date; and,

WHEREAS, on July 18, 2016, the Board of Trustees approved the form of this Amendment to the Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary to execute and deliver such Agreement to the Applicant.

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. ACKNOWLEDGEMENT AND APPROVAL OF ASSIGNMENT.

- A. The Board and the Texas Comptroller's Office acknowledge the written notice and request for assignment from Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC, attached **Exhibit A**, and approves the assignment of the rights, duties and obligations under the agreement to Corrigan OSB, L.L.C.
- B. Pursuant to this Amendment, the original Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes executed on December 9, 2014, attached as **Exhibit B**, is now executed and delivered by and between the Corrigan-Camden Independent School District, a lawfully created independent school district within the State of Texas operating under and subject to the Texas Education Code, and Corrigan OSB, L.L.C., Texas Taxpayer Identification Number 32056032579. All references in the Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes to Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC will be replaced by Corrigan OSB, L.L.C.

SECTION 2. QUALIFIED INVESTMENT FOR TAX LIMITATION ELIGIBILITY.

Unless otherwise expressly provided in this Amended Agreement, Section 2.5(A) of the Original Agreement is amended and will hereafter read as follows:

- A. Have completed a Qualified Investment in the amount of Twenty Million Dollars (\$20,000,000.00) by the end of the Qualifying Time Period;

SECTION 3. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (e.g., by Federal Express) or by registered or certified United States

Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile transmission, with “answer back” or other “advice of receipt” obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to District shall be addressed to District’s Authorized Representative as follows:

	To the District	With copy to
Name:	Corrigan-Camden ISD	Powell & Leon. LLP
Attn:	Superintendent Sherry Hughes, Or her successor	Attn: Sara Hardner Leon
Address:	504 S Home Street	115 Wild Basin Road #106
City/Zip:	Corrigan, Texas 75939	West Lake Hills TX 78746
Phone #:	(936) 398-4040	Phone #: (512) 494-1177
Fax #:	(936) 398-4616	Fax #: (512) 494-1188
Email:	shughes@ccisdtx.com	sleon@powell-leon.com

C. Notices to Applicant shall be addressed to its Authorized Representative as follows:

Name: Martco Limited Partnership, Roy O. Martin Lmb Mgt, LL
Attn: Jennifer Zundel
Address: P.O. Box 1110
City/Zip: Alexandria, LA 71309-1110
Phone: (318) 483-3893
Fax #: (318) 448-1524
Email: Jennifer.Zundel@royomartin.com

SECTION 4. EFFECT OF ASSIGNMENT.

Corrigan OSB, L.L.C. will be wholly responsible for the Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and the obligations and responsibilities created by the Agreement. This Amendment to the Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes shall be and become effective upon approval of the Texas Comptroller’s office and on July 18, 2016 the date on which District’s Board of Trustees took official action. The Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes and the Amendment to the Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and the obligation and responsibilities created by both, terminate on the Final Termination Date identified in Subsection 2.3E of the Agreement for a

Amendment to Agreement for Limitation on Appraised Value

Between Corrigan-Camden Independent School District and Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC and Corrigan OSB, L.L.C.

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Appraised Value of Property for School District Maintenance and Operations Taxes or any subsequent approved Amendments.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 18th day of July, 2016.

MARTCO LIMITED PARTNERSHIP,
ROY O. MARTIN LMB MGT, LLC



Authorized Representative

Name: Roy O. Martin

Title: President

CORRIGAN-CAMDEN INDEPENDENT
SCHOOL DISTRICT

By: Sean Burks

SEAN BURKS

President

Board of Trustees

Attest:

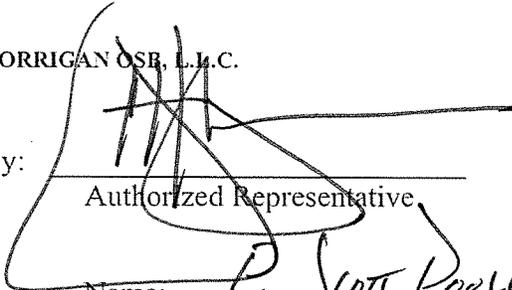
By: Seth Handley

SETH HANDLEY

Secretary

Board of Trustees

CORRIGAN OSB, L.L.C.

By: 

Authorized Representative

Name: E. SCOTT POOLE

Title: MANAGER

Amendment to Agreement for Limitation on Appraised Value

Between Corrigan-Camden Independent School District and Martco Limited Partnership, Roy O. Martin Lmb Mgt, LLC and Corrigan OSB, L.L.C.

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Exhibit A to Amendment

Written Notice and Request for
Assignment

Chapter 313 Agreement Assignment Information Sheet

Section 1: Assignor Information

1. Authorized Company Representative (Assignor)	
a. First Name	Roy
b. Last Name	Martin, III
c. Title	President
d. Organization	Martco Limited Partnership, Roy O. Martin LMB MGT, LLC
e. Street Address	2189 Memorial Drive, Alexandria, LA 71301
f. Mailing Address	PO Box 1110
g. City State ZIP	Alexandria, LA 71309-1110
h. Phone Number	318-448-0405
i. Fax Number	318-473-2624
j. Mobile Number (optional)	318-542-0373
k. Business Email Address	Roy.Martin@royomartin.com

2. Agreement associated with this Request for Assignment	
a. School District	Corrigan-Camden ISD
b. Legal Name of Original Applicant/ Counterparty	Sherry Hughes
c. Application #	1018
d. Agreement Execution Date	December 9, 2014
e. Business Email Address	shughes@ccisdtx.com

a. Attach the agreement to be assigned as Tab 1.

3. Is the Assignor eligible to assign the Agreement.	Yes
4. Does the Assignor represent that this assignment is being made free of encumbrances or additional PILOT payments not covered in the Agreement?	Yes

Section 2: Assignee Information

5. Authorized Company Representative (Assignee)	
a. First Name	Edmond
b. Last Name	Poole
c. Title	Manager
d. Organization	Corrigan OSB, L.L.C.
e. Street Address	1923 W. Hwy 287, Corrigan, TX 75939
f. Mailing Address	PO Box 1110
g. City State ZIP	Alexandria, LA 71309-1110
h. Phone Number	318-448-0405
i. Fax Number	318-473-2624
j. Mobile Number (optional)	
k. Business Email Address	Scott.Poole@royomartin.com

6. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes or No	Yes
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If yes, please provide contact information for that person.

a. First Name	Jennifer
b. Last Name	Zundel
c. Title	Internal Auditor
d. Organization	Martco, LLC
e. Street Address	2189 Memorial Drive, Alexandria, LA 71301
f. Mailing Address	PO Box 1110
g. City State ZIP	Alexandria, LA 71309-1110
h. Phone Number	318-483-3893
i. Fax Number	318-448-1524
j. Mobile Number (optional)	
k. Business Email Address	Jennifer.Zundel@royomartin.com

7. Does the assignee authorize the consultant to provide and obtain information related to this application? Yes or No	Yes
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8. Authorized Company Consultant (If Applicable)	
a. First Name	Mike
b. Last Name	Fry
c. Title	Director – Energy Services
d. Organization	K E Andrews
e. Street Address	1900 Dalrock Rd.
f. Mailing Address	
g. City State ZIP	Rowlett, TX 75088
h. Phone Number	469-298-1594
i. Fax Number	469-298-1619
j. Mobile Number (optional)	
k. Business Email Address	mfry@keatax.com

Section 3: Business Applicant Information

1. What is the legal name of the assignee under which this assignment is made?	Corrigan OSB, L.L.C.
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits)	32056032579
3. List the NAICS code	333243
4. Is the assignee a party to any other pending or active Chapter 313 agreements?	No

a. If yes, please list application number, name of school district and year of agreement:

Section 4: Assignee Business Structure

1. Identify Business Organization of Assignee (corporation, limited liability corporation, etc)	Limited Liability Corporation
2. Is assignee a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? (Yes or No?)	No

- a. If yes, attach a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the assignee's combined group membership and contact information. Please make sure to list the reporting number for the entities. All entities have attested to compliance with the agreement to date.

3. Is the assignee current on all tax payments due to the State of Texas?	Yes
4. Are all members of the assignee's combined group current on all tax payments due to the State of Texas?	N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas.	N/A

Section 5: Assignee Eligibility Under Tax Code Chapter 313.024

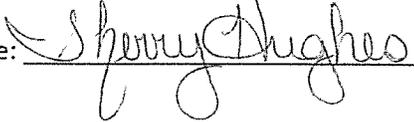
1. Is the assignee an entity subject to the tax under Tax Code, Chapter 171? Yes or No	Yes
2. The property will be used for which one of the following activities	
a. Manufacturing	X
b. research and development	
c. a clean coal project, as defined by Section 5.001, Water Code	
d. an advanced clean energy project, as defined by Section 382.003, Health and Safety Code	
e. renewable energy electric generation	
f. electric power generation using integrated gasification combined cycle technology	
g. nuclear electric power generation	
h. a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (a) through (h)	
i. a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051	

<Signature Page Follows>

Authorized Signatures:

1) Authorized School District Representative

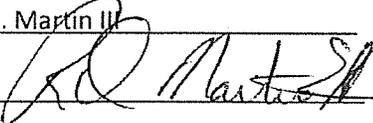
Name: Sherry Hughes Title: Superintendent

Signature:  Date: 12/11/15

2) Assignor:

The information contained in this application is true and correct to the best of my knowledge and belief:

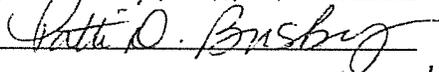
Name: Roy O. Martin III Title: President

Signature:  Date: 11/16/2015

Notary:

Given under my hand and seal of office this, the

16th day of November, 2015



Notary Public in and for the State of Louisiana

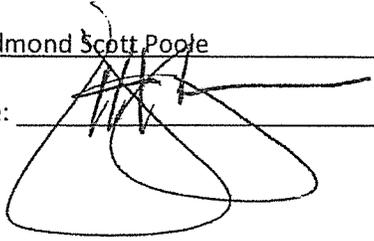
My Commission Expires: with life

(Notary Seal)

3) Assignee:

The information contained in this application is true and correct to the best of my knowledge and belief:

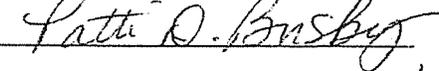
Name: Edmond Scott Poole Title: Manager

Signature:  Date: 11-16-15

Notary:

Given under my hand and seal of office this, the

16th day of November, 2015



Notary Public in and for the State of Louisiana

My Commission Expires: with life

(Notary Seal)

TAB 1

(Tab 1 [Copy of Original Agreement] was omitted to avoid duplication. A copy of the Original Agreement can be found in Exhibit B of this Amended Agreement).

Exhibit B to Amendment

Original Agreement for a
Limitation on Appraised Value
of Property for School District
Maintenance and Operations
Taxes

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

by and between

CORRIGAN-CAMDEN INDEPENDENT SCHOOL DISTRICT

and

MARTCO LIMITED PARTNERSHIP, ROY O. MARTIN LMB MGT, LLC

(Tax ID 72-0920365)

Dated

December 9, 2014

Office pursuant to Section 313.026 of the TEXAS TAX CODE;

WHEREAS, on December 9, 2014, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

WHEREAS, on December 9, 2014, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) Applicant is eligible for the Limitation on Appraised Value of Applicant's Qualified Property; (iii) the project proposed by Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset District's maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in Applicant's decision to invest capital and construct the project in this state; and (v) this Agreement is in the best interest of District and the State of Texas; and

WHEREAS, on _____, 2014, the Texas Comptroller's Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes; and

WHEREAS, on December 9, 2014 the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary to execute and deliver such Agreement to the Applicant; and

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

ARTICLE I DEFINITIONS

Section 1.1 DEFINITIONS. Wherever used herein, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words or terms defined in 34 Texas Administrative Code Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 Texas Administrative Code Section 9.1051.

"Act" means the Texas Economic Development Act set forth in Chapter 313 of the Texas Tax Code, as amended.

"Agreement" means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Section 10.2.

"Applicable School Finance Law" means Chapters 41 and 42 of the Texas Education Code, the Texas Economic Development Act, Chapter 403, Subchapter M, of the Texas Government Code applicable to District, and the Constitution and general laws of the State applicable to the school

districts of the State, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term also includes any amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant's ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement.

"Applicant" means MARTCO LIMITED PARTNERSHIP, ROY O. MARTIN LMB MGT, LLC, Taxpayer Identification Number 72-0920365, the company listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term "Applicant" shall also include Applicant's assigns and successors-in-interest as approved according to Section 10.2 of this Agreement.

"Applicant's Qualified Investment" means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in Section 3.3 of this Agreement.

"Application" means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C, of the Texas Tax Code) filed with District by Applicant on July 17, 2014. The term includes all forms required by Comptroller, the schedules attached thereto, and all other documentation submitted by Applicant for the purpose of obtaining an Agreement with District. The term also includes all amendments and supplements thereto submitted by Applicant.

"Application Approval Date" means the date that the Application is approved by the Board of Trustees of District and as further identified in Section 2.3.B of this Agreement.

"Application Review Start Date" means the later date of either the date on which District issues its written notice that Applicant has submitted a completed application or the date on which Comptroller issues its written notice that Applicant has submitted a completed application and as further identified in Section 2.3.A of this Agreement.

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

"Appraisal District" means the Polk County Appraisal District.

"Board of Trustees" means the Board of Trustees of the Corrigan-Camden Independent School District.

"Comptroller" means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of Comptroller.

"Comptroller's Rules" means the applicable rules and regulations of Comptroller set forth in Chapter 34 Texas Administrative Code, Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

"County" means Polk County, Texas.

"District" or "School District" means the Corrigan-Camden Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which Subchapter C of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on Applicant's Qualified Property or the Applicant's Qualified Investment.

"Final Termination Date" means the last date of the final year in which Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

"Force Majeure" means those causes generally recognized under Texas law as constituting impossible conditions. Each party must inform the other in writing with proof of receipt within three business days of the existence of such force majeure or otherwise waive this right as a defense.

"Land" means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

"Maintain Viable Presence" means (i) the development, construction and operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted, as the same may from time to time be expanded, upgraded, improved, modified, changed, remodeled, repaired, restored, reconstructed, reconfigured, and/or reengineered; (ii) the retention during the term of this Agreement of the number of New Qualifying Jobs set forth in its Application by Applicant; (iii) and continue the average weekly wage paid by Applicant for all Non-Qualifying Jobs created by Applicant that exceeds the county average weekly wage for all jobs in the county where the administrative office of District is maintained.

"M&O Amount" shall have the meaning assigned to such term in Section 3.2 of the Agreement.

"Maintenance and Operations Revenue" or "M&O Revenue" means (i) those revenues which District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII §3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace District M&O Revenue lost as a result of such similar agreements, less any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEXAS EDUCATION CODE.

"Market Value" shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

"New Qualifying Jobs" means the total number of jobs to be created and maintained by Applicant after the Application Approval Date in connection with the project which is the subject of its Application that meet the criteria of Qualifying Job as defined in Section 313.021(4) of the TEXAS TAX CODE.

"Qualified Investment" has the meaning set forth in Chapter 313 of the TEXAS TAX CODE, as interpreted by Comptroller's Rules, as these provisions existed on the Application Review Start Date.

"Non-Qualifying Jobs" means the number of New Non-Qualifying Jobs, as defined in 34 TAC §9.0151, to be created and maintained by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

"Qualified Property" has the meaning set forth in Chapter 313 of the Texas Tax Code and as interpreted by Comptroller's Rules and the Texas Attorney General, as these provisions existed on the date of the Application is approved by District,

"Qualifying Time Period" means the period that begins on the date of approval of this Agreement by District's Board of Trustees and ends on December 31st of the second Tax Year that begins after such date of approval as is defined in Section 313.021(4)(A) of the Texas Tax Code and during which Applicant shall make investment on the land where the qualified property in the amount required by the Act, the Comptroller's rules, and this Agreement and as further identified in Section 2.3.C of this Agreement.

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

"State" means the State of Texas.

"Substantive Document" means a document or other information or data in electronic media determined by the Comptroller to substantially involve or include information or data significant to an application, the evaluation or consideration of an application, or the agreement or implementation of an agreement for limitation of appraised value pursuant to Chapter 313 of the Texas Tax Code. The term includes, but is not limited to, any application requesting a limitation on appraised value and any amendments or supplements, any economic impact evaluation made in connection with an application, any agreement between applicant and the school district and any subsequent amendments or assignments, and any school district written finding or report filed with the comptroller as required under this subchapter.

"Supplemental Payment" has the meaning as set forth in Article VI of this Agreement.

"Tax Limitation Amount" means the maximum amount which may be placed as the Appraised Value on Applicant's Qualified Property for each tax year of the Tax Limitation Period of this Agreement pursuant to Section 313.054 of the TEXAS TAX CODE.

"Tax Limitation Period" means the Tax Years for which the Applicant's Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

"Tax Year" shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

"Taxable Value" shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

"Texas Education Agency Rules" means the applicable rules and regulations adopted by the Texas Commissioner of Education in relation to the administration of Chapter 313 of the TEXAS TAX CODE, which are set forth at 19 TEX. ADMIN. CODE, Part 2, together with any court or administrative decisions interpreting same.

ARTICLE II

AUTHORITY, PURPOSE AND LIMITATION AMOUNTS

Section 2.1. AUTHORITY. This Agreement is executed by District as its written agreement with Applicant pursuant to the provisions and authority granted to District in Section 313.027 of the TEXAS TAX CODE.

Section 2.2. PURPOSE. In consideration of the execution of and subsequent performance of the terms and obligations by Applicant pursuant to this Agreement, identified in Section 2.5 and 2.6 and as more fully specified in this Agreement, the value of Applicant's Qualified Property listed and assessed by the County Appraiser for District's operation and maintenance ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

Section 2.3. TERM OF THE AGREEMENT.

A. The Application Review Start Date for this Agreement is September 10, 2014, which will determine Applicant's Qualified Property and applicable wage standard.

B. The Application Approval Date for this Agreement is December 9, 2014, which will determine the qualifying time period.

C. The Qualifying Time Period for this agreement:

1. Starts on December 9, 2014, the Application Approval Date; and
2. Ends on December 31, 2016 being the second complete tax year after the effective date of this agreement

D. The Tax Limitation Period for this Agreement:

1. Starts on January 1, 2017.
2. Ends on December 31, 2026.

E. The Final Termination Date for this Agreement is December 31, 2031.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and

become effective on the Application Approval Date identified in Subsection B. This Agreement, and the obligation and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Subsection E, unless extended by the express terms of this Agreement.

2.4. TAX LIMITATION. So long as Applicant makes the Qualified Investment as defined by Section 2.5 below, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- A. the Market Value of the Applicant's Qualified Property; or
- B. Twenty Million Dollars (\$20,000,000.00).

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the effective date of this Agreement, as set out by Section 313.052 of the TEXAS TAX CODE.

2.5. QUALIFIED INVESTMENT FOR TAX LIMITATION ELIGIBILITY. In order to be eligible and entitled to receive the value limitation identified in 2.4 for the Qualified Property identified in Article III, Applicant shall:

- A. have completed a Qualified Investment in the amount of \$262,000,000.00 by the end of the Qualifying Time Period;
- B. have created the number of Qualifying Jobs specified in, and in the time period specified on, Schedule C of the Application; and
- C. be paying the average weekly wage of all jobs in the county in which District's administrative office is located for all non-qualifying jobs created by Applicant.

2.6. TAX LIMITATION OBLIGATIONS. In order to receive and maintain the limitation authorized by 2.4, Applicant shall:

- A. provide payments to District sufficient to protect the future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect District from the payment of extraordinary education related expenses related to the project, as more fully specified in Article V;
- C. provide such supplemental payments as more fully specified in Article VI; and
- D. create and Maintain Viable Presence on and/or with the qualified property and perform additional obligations as more fully specified in Article VII of this Agreement.

ARTICLE III QUALIFIED PROPERTY

Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE. At the time of making the Qualified Investment and during the period starting with the Application Approval Date and ending on the Final Termination Date, the Land is and shall be within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description of such zone is

attached to this Agreement as **EXHIBIT 1** and is incorporated herein by reference for all purposes.

Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described on **EXHIBIT 2** which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY. The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 3**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 3** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's rules, and Section 10.2 of this Agreement.

Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY. If at any time after the Application Approval Date there is a material change in the Qualified Property located on the land described in **EXHIBIT 2**; or, upon a reasonable request of District, Comptroller, the Appraisal District, or the State Auditor's Office, Applicant shall provide to District, Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, or permanent, non-removable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

Section 3.5. QUALIFYING USE. Applicant's Qualified Property described above in Section 2.3 qualifies for a tax limitation agreement under Section 313.024(b)(1) of the TEXAS TAX CODE as a manufacturing facility.

ARTICLE IV

PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES

Section 4.1. INTENT OF THE PARTIES. Subject to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue as a result of, or on account of, entering into this Agreement, after taking into account any payments to be made under this Agreement. Such payments shall be independent of, and in addition to such other payments as set forth in Article V in this Agreement. Subject to the limitations contained in this Agreement (including Section 7.1), it is the intent of the Parties that the risk of any negative financial consequence to District in making the decision to enter into this Agreement will be borne solely by Applicant and not by District.

Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT.

Subject to the provisions of Sections 5.1 and 5.2, the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on the Final Termination Date, the "M&O Amount" shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

A. The M&O Amount owed by Applicant to District means the Original M&O Revenue *minus* the New M&O Revenue; based on the following definitions:

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

B. In making the calculations required by this Section 4.2 of this Agreement:

- i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law.
- ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
- iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue as calculated under this Section 4.2 of this Agreement results in a negative number, the negative number will be considered to be zero.
- iv. For all calculations made for years during the Tax Limitation Period under Section 4.2 of this Agreement, Subsection *ii* of this subsection will reflect the Tax Limitation Amount for such year.
- v. All calculations made under this Section 4.2 of this Agreement shall be made by a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse District for other revenue losses created by other agreements or any other factors.

Section 4.3. STATUTORY CHANGES AFFECTING O&M REVENUE. Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, Applicant shall make payments to District, up to the revenue protection amount limit set forth in Section 6.1, that are necessary to offset any negative impact on District as a result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

ARTICLE V

PAYMENT OF EXTRAORDINARY EDUCATION RELATED EXPENSES

Section 5.1. EXTRAORDINARY EXPENSES. In addition to the amounts determined pursuant to Section 3.2 of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following:

A. all non-reimbursed costs, certified by District's external auditor to have been incurred by District for extraordinary education-related expenses related to the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project; and

B. any other loss of District revenues which are, or may be attributable to the payment by Applicant to or on behalf any other third party beneficiary.

ARTICLE VI SUPPLEMENTAL PAYMENTS

Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.

A. Notwithstanding the foregoing, the total annual supplement payment made pursuant to this article shall:

i. not exceed in any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year; and

ii. only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.

B. This limitation does not apply to amounts described by Section 313.027(f)(1)-(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

C. For purposes of this Agreement, the amount of the Annual Limit shall be \$92,000 based upon the District's 2014-215 Average Daily Attendance of 920 rounded to the whole number.

ARTICLE VII ANNUAL LIMITATION OF PAYMENTS BY APPLICANT

SECTION 7.1 ANNUAL LIMITATION. Notwithstanding anything contained in this Agreement to the contrary, and with respect to each Tax Year of the Tax Limitation Period, in no event shall (i) the sum of the maintenance and operations ad valorem taxes paid by Applicant to District for such Tax Year, plus the sum of all payments otherwise due from Applicant to District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed (ii) the amount of the maintenance and operations ad valorem taxes that Applicant would have paid to District for such Tax Year (determined by using District's actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The calculation and comparison of the amounts described in clauses (i) and (ii) of the preceding sentence shall be included in all calculations made pursuant to Section 4.2 of this Agreement, and in the event the sum of the amounts described in said clause (i) exceeds the amount described in said clause (ii), then the payments otherwise due from Applicant to District under Articles IV, V, and VI shall be reduced until such excess is eliminated.

Section 7.2. OPTION TO TERMINATE AGREEMENT. In the event that any payment otherwise due from Applicant to District under Article IV, Article V, and/or Article VI of this Agreement with respect to a Tax Year is subject to reduction in accordance with the provisions of Section 7.1 above, then the Applicant shall have the option to terminate this Agreement. Applicant may exercise such option to terminate this Agreement by notifying District of its election in writing not later than the July 31 of the year next following the Tax Year with respect to which a reduction under Section 7.1 is applicable. Any termination of this Agreement under the foregoing provisions of this Section 7.2 shall be effective immediately prior to the second Tax Year next following the Tax Year in which the reduction giving rise to the option occurred.

Section 7.3. EFFECT OF OPTIONAL TERMINATION. Upon the exercise of the option to terminate pursuant to Section 7.2, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments, records and dispute resolution shall survive the termination or expiration dates of this Agreement.

ARTICLE VIII

ADDITIONAL OBLIGATIONS OF APPLICANT

Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE. In order to receive and maintain the limitation authorized by 2.4 in addition to the other obligations required by this Agreement, Applicant shall Maintain Viable Presence in District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure. The Final Termination Date will only be extended for the mutually agreed length of the Force Majeure.

Section 8.2. REPORTS. In order to receive and maintain the limitation authorized by 2.4 in addition to the other obligations required by this Agreement, Applicant shall submit the following reports completed by Applicant to the satisfaction of Comptroller on the dates indicated on the form and starting on the first such due date after the Application Approval Date:

A. The Annual Eligibility Report, Form 50-772 located at Comptroller website <http://www.window.state.tx.us/taxinfo/taxforms/50-772.pdf>;

B. The Biennial Progress Report, Form 50-773, located at Comptroller website <http://www.window.state.tx.us/taxinfo/taxforms/50-773.pdf>; and

C. The Job Creation Compliance Report, Form 50-825, located at the Comptroller website http://www.texasahead.org/tax_programs/chapter313/forms.php.

Section 8.3. COMPTROLLER'S ANNUAL REPORT ON CHAPTER 313 AGREEMENTS.

During the term of this Agreement, both Parties shall provide Comptroller with all information reasonably necessary for Comptroller to assess performance under this Agreement for the purpose of issuing Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

Section 8.4. DATA REQUESTS. During the term of this Agreement, and upon the written request of District, the State Auditor's Office, or Comptroller, the Applicant shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement.

Section 8.5. SITE VISITS AND RECORD REVIEW. Applicant shall allow authorized employees of District, the Comptroller, the Appraisal District, and/or the State Auditor's Office to have access to Applicant's Qualified Property and/or business records, in accordance with Section 22.07 of the TEXAS TAX CODE, from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than forty-eight (48) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of Applicant, and shall be conducted in accordance with Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide District, Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret or is subject to a confidentiality agreement with any third party.

Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; INDEPENDENT AUDITS. This Agreement is subject to review and audit by the State Auditor pursuant to Section 2262.003 of the TEXAS GOVERNMENT CODE and Section 331.010(a) of the TEXAS TAX CODE, and the following requirements:

A. District and Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. Applicant and District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the later of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

B. District and Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to the Applicant's Qualified Property, Qualified Investment, Qualifying Jobs, and wages paid for Non-Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by Comptroller, State Auditor's Office, State of Texas or their authorized representatives. Applicant and District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, Applicant's failure to comply with this Section shall constitute a material breach of this Agreement.

C. Comptroller may require, at Applicant's or District's sole cost and expense, as applicable, independent audits by a qualified certified public accounting firm of Applicant's, District's or the Comptroller's books, records, or property. The independent auditor shall provide Comptroller with a copy of such audit at the same time it is provided to Applicant and/or District.

D. In addition to and without limitation on the other audit provisions of this Agreement, pursuant to Section 2262.003 of the TEXAS GOVERNMENT CODE, the state auditor may conduct an audit or investigation of Applicant or District or any other entity or person receiving funds from the state directly under this Agreement or indirectly through a subcontract under this Agreement. The acceptance of funds by Applicant or District or any other entity or person directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, Applicant or District or other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit. This Agreement may be amended unilaterally by Comptroller to comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.003 of the TEXAS GOVERNMENT CODE.

Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS. The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which Comptroller would not have approved this Agreement and District would not executed this Agreement. By signature to this Agreement, Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct; and

B. acknowledges that if Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that Applicant has violated any of the representations, warranties, guarantees, certifications or affirmations included in the Application or this Agreement, Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by 34 Tex. Admin. Code § 9.1053(f)(2)(L).

ARTICLE IX

MATERIAL BREACH OR EARLY TERMINATION

Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT. Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions:

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to an material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. Applicant failed to have complete Qualified Investment as required by Section 2.5 of this Agreement;

C. Applicant failed to create the number of Qualifying Jobs specified in Schedule C of the Application;

D. Applicant failed to pay the average weekly wage of all jobs in the county in which District's administrative office is located for all Non-Qualifying Jobs created by Applicant;

E. Applicant failed to provide payments to District sufficient to protect the future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

F. Applicant failed to provide payments to the District that protect District from the payment of extraordinary education related expenses related to the project, as more fully specified in Article V of this Agreement;

G. Applicant failed to provide such supplemental payments as more fully specified in Article VI of this Agreement;

H. Applicant failed to create and Maintain Viable Presence on and/or with the qualified property as more fully specified in Article VIII of this Agreement;

I. Applicant failed to submit the reports required to be submitted by section 8.2 to the satisfaction of Comptroller on the dates indicated on the form;

J. Applicant failed to provide the District or Comptroller with all information reasonably necessary for District or Comptroller determine whether Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

K. Applicant failed to allow authorized employees of District, Comptroller, the Appraisal District, and/or the State Auditor's Office to have access to Applicant's Qualified Property and/or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of Applicant's Qualified Property;

L. Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with the Agreement.

M. Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on appraised value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles III and IV, of this Agreement; or

N. Applicant fails either to:

i. Implement a plan to remedy non-compliance as required by Comptroller pursuant to 34 TAC Section 9.1059; or

ii. Pay a penalty assessed by Comptroller pursuant to 34 TAC Section 9.1059.

Section 9.2. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT.

A. In the event that Applicant terminates this Agreement without the consent of District, except as provided in Section 7.2 of this Agreement, or in the event that Applicant fails to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, after the notice and cure period provided by Section 9.3, then District shall be entitled to the recapture of all ad valorem tax revenue lost as a result of this Agreement together with the payment of penalty and interest, as calculated in accordance with Section 9.3.C on that recaptured ad valorem tax revenue. For purposes of this recapture calculation, Applicant shall be entitled to a credit for all payments made to District pursuant to Article IV, V, and VI of this Agreement.

B. Notwithstanding Section 9.2.A, in the event that District determines that Applicant has failed to Maintain Viable Presence and provides written notice of termination of the Agreement, then

Applicant shall pay to District liquidated damages for such failure within thirty (30) days after receipt of such termination notice. The sum of liquidated damages due and payable shall be the sum total of District ad valorem taxes for all of the Tax Years for which a Tax Limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by Applicant to District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 7.5. For purposes of this liquidated damages calculation, Applicant shall be entitled to a credit for all payments made to District pursuant to Article IV, V, and VI. Upon payment of such liquidated damages, Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

C. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, District shall first determine the base amount of recaptured taxes less all credits under Section 9.2.A owed for each Tax Year during the Tax Limitation Period. District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.2.A had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

Section 9.3. LIMITED STATUTORY CURE OF MATERIAL BREACH. In accordance with the provisions of Section 313.0275 of the Texas Tax Code, for any full tax year which commences after the project has become operational, Applicant may cure the Material Breaches of this Agreement, defined in Sections 9.1.C. or 9.1.D, above, without the termination of the remaining term of this Agreement. In order to cure its non-compliance with Sections 9.1.C. or 9.1.D for the particular Tax Year of non-compliance only, Applicant may make the liquidated damages payment required by Section 313.0275(b) of the Texas Tax Code, in accordance with the provisions of Section 313.0275(c) of the Texas Tax Code.

Section 9.3. DETERMINATION OF MATERIAL BREACH AND TERMINATION OF AGREEMENT.

A. Prior to making a determination that the Applicant has committed a material breach of this Agreement, such as making a misrepresentation in the Application, failing to Maintain Viable Presence in District as required by Section 8.1 of this Agreement, failing to make any payment required under this Agreement when due, or has otherwise committed a material breach of this Agreement, District shall provide Applicant with a written notice of the facts which it believes have caused the material breach of this Agreement, and if cure is possible, the cure proposed by District. After receipt of the notice, Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in material breach of its obligations under the Agreement, or that it has cured or undertaken to cure any such material breach.

B. If the Board of Trustees is not satisfied with such response and/or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to whether or not a material breach of this Agreement has occurred, the date such breach occurred, if any, and whether or not any such breach has been cured. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall also terminate the Agreement and determine the amount of recaptured taxes under Section 9.2.A and B (net of all credits under Section 9.2.A and B), and the amount of any penalty and/or interest under Section 9.2.C that are owed to District.

C. After making its determination regarding any alleged breach, the Board of Trustees shall cause Applicant to be notified in writing of its determination (a "Determination of Breach and Notice of Contract Termination.").

Section 9.4. DISPUTE RESOLUTION.

A. After receipt of notice of the Board of Trustee's Determination of Breach and Notice of Contract Termination under Section 9.3, Applicant shall have ninety (90) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within ninety (90) days after the Applicant's receipt of notice of the Board of Trustee's determination of breach under Section 9.3, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then residing in Polk County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the Texas Civil Practice and Remedies Code and such other rules as the mediator shall prescribe. With respect to such mediation, (i) District shall bear one-half of such mediator's fees and expenses and Applicant shall bear one-half of such mediator's fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys' fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received before the expiration of such ninety (90) days, District shall have the remedies for the collection of the amounts determined under Section 7.8 as are set forth in Chapter 33, Subchapters B and C, of the Texas Tax Code for the collection of delinquent taxes. In the event that

District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney's fees and a tax lien on Applicant's Qualified Property and Applicant's Qualified Investment pursuant to Section 33.07 of the Texas Tax Code to the attorneys representing District pursuant to Section 6.30 of the Texas Tax Code.

C. In any event where a dispute between District and Applicant under this Agreement cannot be resolved by the Parties, after completing the procedures required above in this Section, either District or Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in any judicial proceeding, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any covenant, agreement or undertaking made by a Party pursuant to this Agreement.

Section 9.5. LIMITATION OF OTHER DAMAGES. Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, District's damages for such a default shall under no circumstances exceed the greater of either any amounts calculated under Sections 9.2 above, or the monetary sum of the difference between the payments and credits due and owing to Applicant at the time of such default and District taxes that would have been lawfully payable to District had this Agreement not been executed. In addition, District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

Section 9.6. BINDING ON SUCCESSORS. In the event of a merger or consolidation of District with another school district or other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

ARTICLE X. **MISCELLANEOUS PROVISIONS**

Section 10.1. INFORMATION AND NOTICES.

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (e.g., by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile transmission, with "answer back" or other "advice of receipt" obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

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

	To the District	With copy to
Name:	Corrigan-Camden ISD	Powell & Leon, LLP
Attn:	Superintendent Sherry Hughes, Or her successor	Attn: Sara Hardner Leon
Address:	504 S Home Street	115 Wild Basin Road #106
City/Zip:	Corrigan, Texas 75939	West Lake Hills TX 78746
Phone #:	(936) 398-4040	Phone #: (512) 494-1177
Fax #:	(936) 398-4616	Fax #: (512) 494-1188
Email:	shughes@ccisdtx.com	sleon@powell-leon.com

C. Notices to Applicant shall be addressed to its Authorized Representative as follows:

Name: Martco Limited Partnership, Roy O. Martin Lmb Mgt, LL
Attn: Roy O. Martin
Address: PO Box 1110
City/Zip: Alexandria, LA 71309-1110
Phone: (318) 542-0373
Fax #: (318) 473-2624
Email: roy.martin@royomartin.com

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

Section 10.2. AMENDMENTS TO AGREEMENT; WAIVERS.

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of subsection B hereof. Waiver of any term, condition or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this Agreement.

B. By official action of the District's Board of Trustees, this Agreement may only be amended according to the following:

- i. Applicant shall submit to District and Comptroller:
 - a. a written request to amend the Application and this Agreement which shall specify the changes Applicant requests;
 - b. any changes to the information that was provided in the Application that was approved by District and considered by Comptroller;
 - c. and any additional information requested by District or Comptroller necessary to evaluate the amendment or modification; and
- ii. Comptroller shall review the request and any additional information and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by Comptroller by the end of the 90 day period, the request is denied;
- iii. If Comptroller has not denied the request, District's Board of Trustees shall

approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Agreement adding additional or replacement Qualified Property pursuant to this Section 10.3 of this Agreement shall:

- i. require that all property added by amendment be eligible property as defined by Section 313.024 of the Texas Tax Code;
- ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and
- iii. define minimum eligibility requirements for the recipient of limited value.

D. This Agreement may not be amended to extend the value limitation time period beyond its ten year statutory term.

Section 10.4. ASSIGNMENT. Any assignment of the interests of Applicant in this Agreement is considered an amendment to the Agreement and Applicant may only assign this Agreement, or a portion of this Agreement, after complying with the provisions of Section 10.3 regarding amendments to the Agreement.

Section 10.5. MERGER. This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

Section 10.6. MAINTENANCE OF COUNTY APPRAISAL DISTRICT RECORDS. When appraising the Applicant's Qualified Property and the Applicant's Qualified Investment subject to a limitation on Appraised Value under this Agreement, the Chief Appraiser of the Appraisal District shall determine the Market Value thereof and include both such Market Value and the appropriate value thereof under this Agreement in its appraisal records.

Section 10.7. GOVERNING LAW. This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in the County.

Section 10.8. AUTHORITY TO EXECUTE AGREEMENT. Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

Section 10.9. SEVERABILITY. If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision or condition cannot be so reformed, then such term, provision or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality and enforceability of the remaining terms, provisions and conditions

contained herein (and any other application such term, provision or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible to the end that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.9, the term "Law" shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

Section 10.10. PAYMENT OF EXPENSES. Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this Agreement.

Section 10.11. INTERPRETATION. When a reference is made in this Agreement to a Section, Article or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words "include," "includes" and "including" when used in this Agreement shall be deemed in such case to be followed by the phrase "but not limited to." Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require. This Agreement is the joint product of the Parties and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of each Party and shall not be construed for or against any Party.

Section 10.12. EXECUTION OF COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

Section 10.13. PUBLICATION OF DOCUMENTS. The Parties acknowledge that District is required to publish Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of such document, the school district shall submit a copy to Comptroller for Publication on Comptroller's Internet website;

B. District shall provide on its website a link to the location of those documents posted on Comptroller's website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the Texas Tax Code.

Section 10.14. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS. Applicant shall immediately notify District in writing of any actual or anticipated change in the control or ownership of Applicant and of any legal or administrative investigations or proceedings initiated against Applicant regardless of

the jurisdiction from which such proceedings originate.

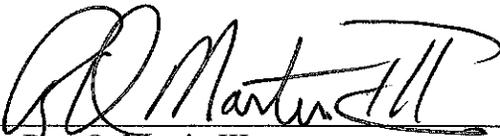
Section 10.15. DUTY TO DISCLOSE. If circumstances change or additional information is obtained regarding any of the representations and warranties made by Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, Applicant's duty to disclose continues throughout the term of this Contract.

IN WITNESS WHEREOF, this Agreement has been executed by the Parties in multiple originals on this 9th day of December, 2014.

CORRIGAN-CAMDEN
INDEPENDENT SCHOOL DISTRICT

MARTCO LIMITED PARTNERSHIP,
ROY O. MARTIN LMB MGT, LL


By: Sean Burks, President,
Board of Trustees


By: Roy O. Martin III
President

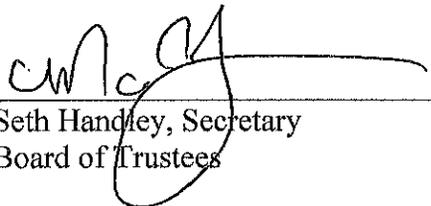
Attest: 
Seth Handley, Secretary
Board of Trustees

EXHIBIT 1

**DESCRIPTION AND MAP OF REINVESTMENT
ZONE and/or ENTERPRISE ZONE**

The reinvestment zone shall be that adopted by the Polk County Commissioners Court on December 9, 2014, and as attached hereto.



ORDER

OF THE COMMISSIONERS COURT OF POLK COUNTY, TEXAS

DESIGNATING A REINVESTMENT ZONE FOR THE PURPOSES OF TAX ABATEMENT IN POLK COUNTY, TEXAS TO BE KNOWN AS REINVESTMENT ZONE #2014-01; ESTABLISHING THE BOUNDARIES THEREOF; PROVIDING FOR SEVERABILITY; PROVIDING FOR THE CUMULATIVE EFFECT THEREOF; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Commissioners Court of Polk County, Texas, hereinafter referred to as the Commissioners Court, desires to promote the development of a certain contiguous geographic area within its jurisdiction described by metes and bounds on Exhibit "A" attached hereto and by plat on Exhibit "B" attached hereto, by the creation of a reinvestment zone for commercial/industrial tax abatement, as authorized by the Property Redevelopment and Tax Abatement Act, as amended; and

WHEREAS, public notice of a public hearing to consider the establishment of the reinvestment zone was published in the Polk County Enterprise, a newspaper of general circulation within Polk County, Texas, on November 30, 2014, such date being at least seven (7) days prior to the public hearing; and

WHEREAS, on the 9th day of December, 2014 at 9:30 a.m. in the Commissioners Courtroom of the Polk County Courthouse, at 101 West Church Street, Livingston, Texas, a hearing before the Commissioners Court was held, such date being at least seven (7) days after publication of the notice of such public hearing; and

WHEREAS, written notices of such public hearing were given to the presiding officer of the governing body of each taxing entity which includes within its boundaries real property that is to be included in the proposed reinvestment zone, such notices having been given by certified mail, return receipt requested, properly addressed to each such presiding officer, not later than seven (7) days prior to such public hearing; and

WHEREAS, the Commissioners Court at such public hearing invited any interested persons to appear and speak for or against the creation of the reinvestment zone and whether all or part of the territory described should be included in the proposed reinvestment zone, and to express their concerns regarding the offering of tax abatement incentives; and

WHEREAS, the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of all of the foregoing matters relating to the creation of the reinvestment zone, and the Commissioners Court called for any and all comments and evidence against the creation of the reinvestment zone with none being presented,

NOWHEREFORE, BE IT ORDERED BY THE COMMISSIONERS COURT OF POLK COUNTY, TEXAS:

SECTION 1. That the facts and recitations contained in the preamble of this Order are hereby found and declared to be true and correct.

SECTION 2. That Polk County, Texas, after conducting such public hearing and having heard the evidence and testimony presented therein, has made the following findings and determinations based thereon:

- A. That the public hearing on the designation of the reinvestment zone has been properly called, held and conducted, and that notices of such hearing have been published as required by law and mailed to all taxing units that include within their boundaries the territory inside the proposed reinvestment zone; and
- B. That the boundaries of the reinvestment zone should be those described by metes and bounds on Exhibit "A" attached hereto and by plat on Exhibit "B" attached hereto; and
- C. That the improvements sought to be made within the area to be designated and for which the incentive of tax abatement shall be offered appear to be feasible and practical and that creation of the proposed reinvestment zone within the boundaries described above will benefit the property located within said zone and Polk County, Texas after expiration of any tax abatement agreement entered into as provided by law; and
- D. That the area so designated meets the criteria for creation of a reinvestment zone as set forth in the Property Redevelopment and Tax Abatement Act, as amended, in that it appears that the area described will be reasonably likely, as a result of its designation as a reinvestment zone to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be of benefit to the property and that would contribute to the economic development of Polk County, Texas and
- E. That the reinvestment zone as described and the proposed improvements to be constructed therein meet the Guidelines and Criteria of Polk County, Texas for the creation of the reinvestment zone.

SECTION 3. That pursuant to the Property Redevelopment and Tax Abatement Act as amended, Polk County hereby creates a reinvestment zone for commercial/industrial tax abatement encompassing the area described by metes and bounds on Exhibit "A" attached hereto and by plat on Exhibit "B" attached hereto, and such reinvestment zone is hereby designated and shall hereafter be referred to as "Polk County, Texas Reinvestment Zone No. 2014-01".

SECTION 4. That the designation of the reinvestment zone shall take effect on January 1, 2015 and shall remain designated as a commercial/industrial reinvestment zone for a period of ten (10) years from such date of designation. Prior to or upon such date of expiration, the Commissioners Court may renew such designation for one or more additional, successive periods not exceeding five (5) years each.

SECTION 5. That to be considered for execution, an agreement for tax abatement for any commercial/industrial project located or proposed within Polk County, Texas Reinvestment Zone No. 2014-01 shall meet all requirements of the Property Redevelopment and Tax Abatement Act and meet the criteria and guidelines for tax abatement established from time to time by the Commissioners Court of Polk County, Texas.

SECTION 6. That written agreements providing for tax abatement with any property owner located within Polk County, Texas Reinvestment Zone No. 2014-01 shall provide the following:

- A. the size of investment involved for the period of abatement, the estimated value to be abated and the base year value;
- B. the percent of value to be abated each year as provided by these guidelines;
- C. the commencement date and termination date of the abatement;
- D. the proposed use of the property; nature of construction, time schedule, map, property description and a list of the kind, number and location of all proposed improvements of the property as required by Application and as provided in these guidelines;
- E. provision of access to and authorized inspection of the property by employees of Polk County, Texas upon twenty-four (24) hours notice, to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement and that there are no violations of the agreement during the period of abatement;
- F. limitation on the uses of the property consistent with the general purpose of encouraging development or redevelopment of the designated area;

- G. each term agreed to by the owner of the property;
- H. contractual obligations in the event of default, violations of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in these guidelines, including provision that the Commissioners Court of Polk County, Texas may cancel or modify the agreement if the property owner fails to comply with the agreement;
- I. in compliance with Section 2264.001, et seq of the Texas Government Code "Restrictions on Use of Certain Public Subsidies", as it may be amended, if a business is operated on the property, a statement certifying that the business, or a branch, division, or department of the business, does not and will not knowingly employ an undocumented worker, and that if, after receiving the benefit of any abatement of tax on the property, the business, or a branch, division, or department of the business, is convicted of a violation under 8 U.S.C. 1324a(f), the business shall repay the amount of the tax abatement received, with interest, at the highest rate then allowed by law, not later than the 120th day after the date Polk County, Texas notifies the business of the violation;
- J. requirement that the owner of the property certify annually to the governing body of each taxing unit that the owner is in compliance with each applicable term of the agreement; and
- K. any other provision, not prohibited by law, that the Commissioners Court may deem desirable or necessary to carry out the purposes of the agreement and tax abatement.

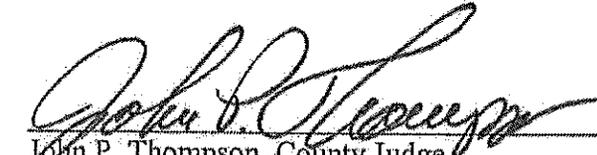
SECTION 7. That if any section, paragraph, clause or provision of this Order shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Order.

SECTION 8. That this Order shall be and is hereby declared to be cumulative of all other Orders of Polk County, Texas, and this Order shall not operate to repeal or affect any such other Orders except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this Order, in which event such conflicting provisions, if any, in such Order or Orders are hereby repealed.

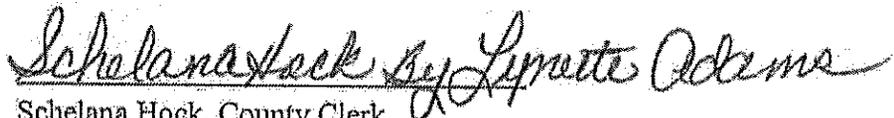
SECTION 9. That it is hereby found, determined and declared that sufficient notice of the date, hour, place and subject of the meeting of the Commissioners Court at which this Order was adopted was posted at as required by Chapter 551 of the Texas Government Code (Open Meetings Act).

SECTION 10. That this Order shall take effect immediately from and after its passage by the Commissioner Court on the date started herein.

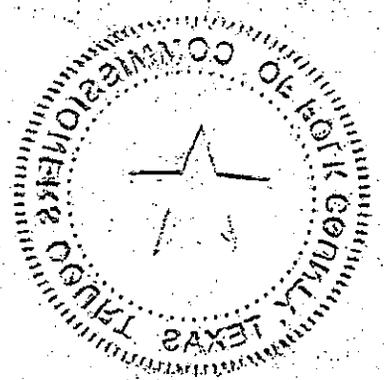
PASSED, APPROVED AND ORDERED this 9th day of December, 2014 by a majority vote of the Polk County Commissioners Court.


John P. Thompson, County Judge
Polk County Texas

Attest:


Schelana Hock, County Clerk
Polk County, Texas





POLK COUNTY / CORRIGAN ENTERPRISE ZONE

BOUNDARY DESCRIPTION

The Polk County / Corrigan Enterprise Zone is being established to promote job creation and capital investment by the private sector. The proposed Polk County / Corrigan Enterprise Zone is located in an estimated nine (9) square mile area of Census Tract 2104, an economically distressed area. The zone is located in an unincorporated portion of Census Tract 2104 Block Group 4 outside the city limits of Corrigan, Texas. The approximately nine (9) square mile Enterprise Zone bounds are approximately one mile west of the city limits of Corrigan on U.S. Highway 287 on the west, the southern city limits of the City of Corrigan to U.S. Highway 59 to the north and east, and approximately 2.7 miles south from the intersection of Dry Creek and U.S. Highway 59 on the south. The Enterprise Zone is more particularly described by bounds to wit:

COMMENCING FOR REFERENCE at a 1" iron pipe found for a northwest corner of said Tract 282 and northeast corner of a tract which was called 1.766 acres, Tract One, and conveyed from Billy Sam Locke to Erasmo Soto, by an instrument of record in Volume 1220, Page 726, PCOPR, lying in the south right of way (R-O-W) of U. S. Highway 287 (U.S. 287);

THENCE east along the south R-O-W line of U.S. 287 to the city limits of the City of Corrigan, Texas;

THENCE east and south along the city limits of the City of Corrigan to the center line of Dry Creek;

THENCE east along the center line of Dry Creek to the west R-O-W of U.S. 59;

THENCE south along the west R-O-W line of U.S. 59 approximately 14,420 feet to a ½" rod in a 4" x 4" concrete monument found bear S18°33' 37"W 0.71';

THENCE west to the west R-O-W line of the Union Pacific Railroad (formerly T & N. O. Railroad) at Tract 363 in J. W. Angell Survey A-878;

THENCE S86°35'43"E, 25.00 feet along the east line of said Tract 484 and west R-O-W line to a 5/8" rod set for corner, being 50.00 feet from and perpendicular to the center of said railroad;

THENCE S 03°24'17"W, 776.86 feet continuing along said line to a 5/8" iron rod set for angle point and beginning of a curve;

THENCE 1,133.35 feet along the arc of a curve to the left in said common line to a 5/8" rod set for angle point and beginning of a curve;

THENCE $19^{\circ}22'39''$ E, 603.74 feet continuing along said common line to a $5/8''$ rod set for angle point and beginning of a curve;

THENCE 292.01 feet continuing along the arc of a curve to the right in said common line to a $5/8''$ iron rod set for southeast corner;

THENCE departing said Union Pacific Railroad, $S89^{\circ}24'19''$ W, 9,850.45 feet crossing said Tract 484 to a $5/8''$ iron rod set for southwest corner;

THENCE $N03^{\circ}13'25''$ W, 4,228.07 feet continuing across said Tract 484 to a $5/8''$ iron rod set for interior corner, lying in the south line of said Tract 412;

THENCE $S86^{\circ}46'35''$ W, 584.15 feet along the common line of said Tract 484 and said Tract 412 to a 3" cap in 4" X 4" concrete monument found (C.P. & F. P-403), generally lying in the centerline of Bear Creek;

THENCE generally along the centerline of Bear Creek to a point for northwest corner, being the northwest corner of said Tract 414 and southwest corner of a tract which was called 26.56 acres and conveyed from the District Court of Polk County to Boyd Lloyd, Sr., by an instrument of record in Volume 594, Page 608, Polk County Deed Records (PCDR);

THENCE $N87^{\circ}11'39''$ E, along the common line of said Tract 414 and said 26.56 acre tract, at 50.00 feet pass a 3" cap in 4" X 4" concrete monument found (C.P. & F. P-401 CIXXA) for reference and continuing for a distance in all of 2,390 feet to a 3" cap in 4" X 4" concrete monument found (C.P. & F. P-401 CIXX) for interior corner, being said Tract 414 and southeast corner of said 26.56 acre tract, lying in a west line of said Tract 484,

THENCE $N04^{\circ}37'16''$ W, 446.48 feet along the common line of said Tract 484 and said 26.56 acre tract to a 3" cap in 4" X 4" concrete monument found (C.P. & F. P-401 CIX) for interior corner, being the southeast corner of said Tract 415 and northeast corner of said 26.56 acre tract;

THENCE $S87^{\circ}14'26''$ W, along the common line of said Tract 415 and said 26.56 acre tract, at 2690.38 feet pass a $5/8''$ iron rod set for reference and continuing for a distance in all of 2,740.38 feet to a point for corner in said Bear Creek;

THENCE $N44^{\circ}30'17''$ W, 1,957.57 feet crossing said Tract 484 and Tract 282 to a $5/8''$ iron rod set for angle point;

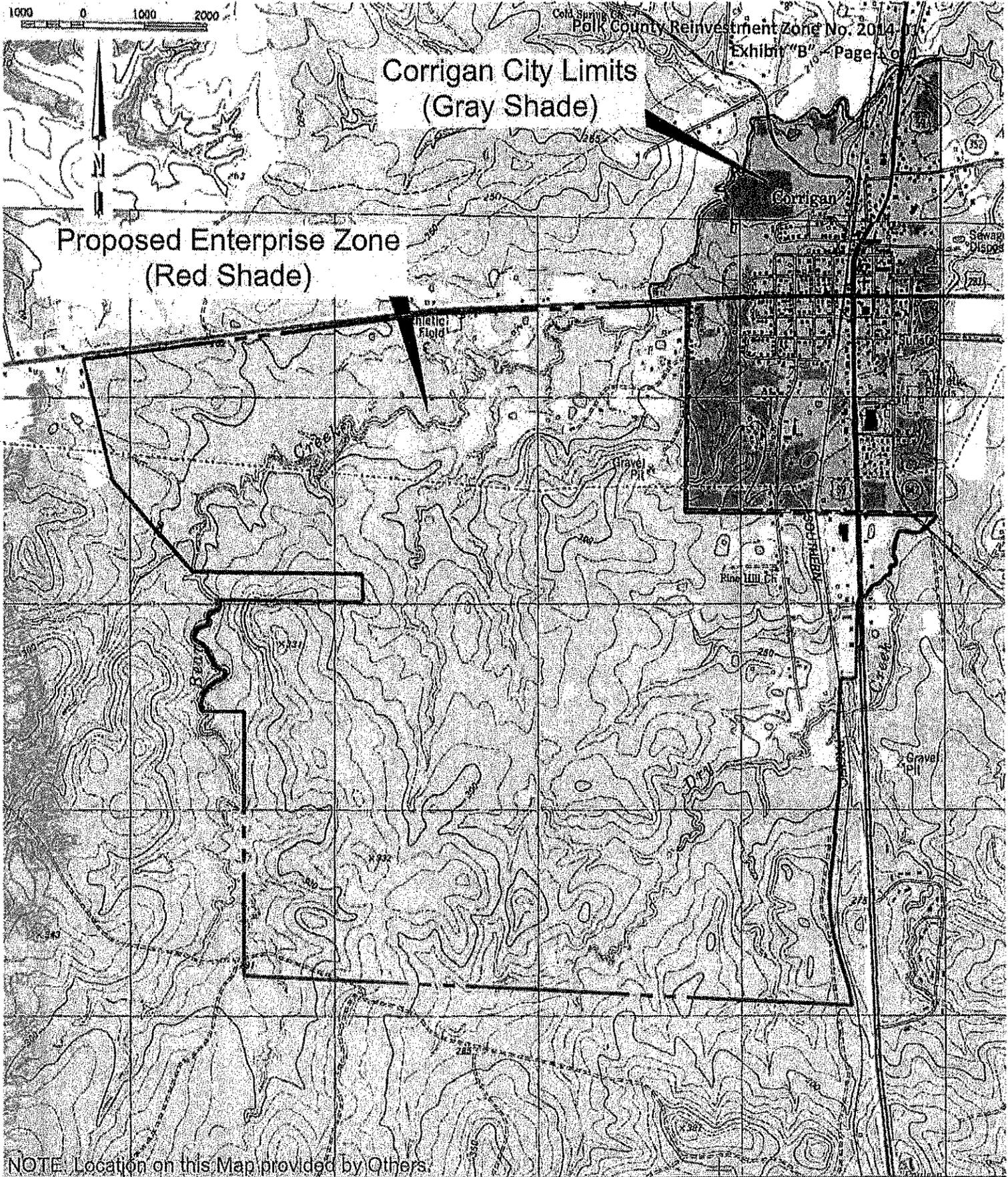
THENCE $N17^{\circ}22'58''$ W, 2,003.55 feet continuing across said Tract 282 to the PLACE OF BEGINNING.

(end of Description)

1000 0 1000 2000

Corrigan City Limits
(Gray Shade)

Proposed Enterprise Zone
(Red Shade)



NOTE: Location on this Map provided by Others.



GOODWIN-LASITER-STRONG
ENGINEERING • ARCHITECTURE • INTERIOR DESIGN • SURVEYING

HOME OFFICE
1609 S. CHESTNUT SUITE 202
LUFKIN, TEXAS 75901
(936) 837-4800 / T&E FIRM 0413
poates@gilstexas.com

DATE	BY	APPR.	JOB NO.	SHEET NO.
12-4-14	KLH	PGO	298045	C1
SCALE: NOTED				

Polk Co. / City of Corrigan
Corrigan, Texas
Polk County, Texas
Enterprise Zone Map

EXHIBIT 2

DESCRIPTION AND LOCATION OF THE APPLICANT'S QUALIFIED INVESTMENT

The Qualified Investment will be located West of Highway 59 and South of Highway 287 in Polk County, Texas, and is found within the area described as "...a 1,700 acre tract of land, more or less, situated in the Samuel L. Crissman Survey, Abstract Number 22, the George Jamison Survey, Abstract Number 41, the J.W. Angeli Survey, Abstract Number 878, the J. Poitevent Survey #9, Abstract Number 493 and the J. Poitevent Survey #40 (a/k/a the Charles Bender Survey), Abstract Number 893, all in Polk County Texas

Agreement for Limitation on Appraised Value
Between Between Corrigan-Camden ISD and
Martco Limited Partnership, Roy O. Martin LMB
MGT, LLC

Texas Economic Development Act Agreement
Comptroller Form 50-286
(January 2014)

December 9, 2014

EXHIBIT 3

**DESCRIPTION AND LOCATION OF QUALIFIED
PROPERTY**

This Agreement covers all qualified property within the reinvestment zone described at Exhibit 1 hereto and necessary for the commercial operations of the proposed manufacturing facility described in Tab 4 of the Application. Qualified property includes, but is not limited to:

Oriented Strand Board Plant:
Compressors
Forklifts-inside
Forklifts-outside
Machine Shop M&E
Office Electronic Machines
Office F&F
OSB M&E
Pollution Control M&E
Water Systems
Other Real Property
Land and Improvements
Land

Agreement for Limitation on Appraised Value
Between Between Corrigan-Camden ISD and
Martco Limited Partnership, Roy O. Martin LMB
MGT, LLC

Texas Economic Development Act Agreement
Comptroller Form 50-286 (January
2014)

December 9, 2014