

**FIRST AMENDMENT TO THE BUSINESS INCENTIVE AGREEMENT BETWEEN
THE CORPUS CHRISTI BUSINESS AND JOB DEVELOPMENT CORPORATION AND SAM
KANE BEEF PROCESSORS, INC
FOR CREATION AND RETENTION OF JOBS**

This First Amendment to the Business Incentive Agreement (“Amendment”) is entered into between the Corpus Christi Business and Job Development Corporation (“Corporation”) and Sam Kane Beef Processors, LLC (“Sam Kane”), a Texas Limited Liability Company.

WHEREAS, the Corporation and Sam Kane entered into a certain Business Incentive Agreement between the Corpus Christi Business and Job Development Corporation (“Corporation”) and Sam Kane Beef Processors, LLC (“Sam Kane”), a Texas Limited Liability Company for the creation of jobs at their beef processing facility located in Corpus Christi, Texas, dated July 15, 2013 (“Agreement”);

WHEREAS, Sam Kane has requested to accelerate the remaining incentive payments to be paid this fiscal year;

WHEREAS, on January 19, 2015 the Board determined that it is in the best interests of the citizens of Corpus Christi, Texas to amend the Agreement;

NOW, THEREFORE, in consideration of the covenants, promises, and conditions stated in the Amendment, the Corporation and Sam Kane agree as follows:

1. The effective date of this Amendment is the latest date that either party executes this Amendment.
2. Exhibit A of the Agreement is hereby amended such that Sections 1 and 2 thereof are deleted and replaced with the following:
 1. Sam Kane shall retain 739 full-time jobs during the term of this Agreement, with an average annual salary of \$27,700 per year. Sam Kane shall create at least 70 full-time jobs over the term of this Agreement.
 - a. Sam Kane has been paid \$600,000 for the first year and will be paid \$2,400,000 in the second year.
 - b. Should the Company fall below the Performance Standards at the end of the term of the Agreement, Sam Kane shall pay back the reduced percentage of the Remaining Cash Incentive (as illustrated below). Such reduction will be in that percentage equal to the percentage Sam Kane's performance falls below the Performance Standards. However, if Sam Kane's performance falls below 70% at the end of the term of the Agreement, then Sam Kane shall pay back the Remaining Cash Incentive.

As an illustration, the reduced Remaining Cash Incentive shall be calculated as follows: if at the end of the term of the Agreement Sam Kane only has 750 full-time employees, which represents 92.7% of 809 full-time employees, Sam Kane would be required to pay back 7.3% of the Remaining Cash Incentive (i.e., \$175,200). As a further illustration, if at the end of the term of the Agreement Sam Kane only has 550 full-time employees, which represents 68% of 809 full-time employees, Sam Kane would be required to pay back the full amount of the Remaining Cash Incentive.

- c. Prior to receiving the above-described payment for the second year, Sam Kane must provide to the Corporation a schedule that sets forth for Sam Kane the capital invested to-date in Sam Kane by its current and prior members;
- d. During the term of this Agreement, Sam Kane's capital distributions will be limited to "Tax Distributions," which are distributions to Sam Kane's members that are limited to amounts intended to facilitate the members' payment of their respective tax obligations relating to any calendar year. If, however, during the term of this Agreement Sam Kane makes capital distributions other than Tax Distributions, Sam Kane will be obligated to return the \$2,400,000 second year grant payment to the Corporation, and the original performance standards, and associated \$600,000 per year incentive payments, will be restored as they currently appear on Exhibit A of the Agreement.

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Corpus Christi Business & Job Development Corporation

By: _____
Bart Braselton
President

Date: _____

Attest:

By: _____
Rebecca Huerta
Assistant Secretary

Sam Kane Beef Processors, LLC

By: _____
Louis A. Waters, Jr.
President

Date: _____

THE STATE OF TEXAS

COUNTY OF NUECES

This instrument was acknowledged before me on _____, 2015, by Louis A. Waters, Jr., President, for Sam Kane Beef Processors, LLC a Texas Limited Liability Company, on behalf of the Sam Kane Beef Processors, LLC.

Notary Public
State of Texas