

AMENDMENT NO. 1 TO INDUSTRIAL DISTRICT AGREEMENT NO. 110B

The **CITY OF CORPUS CHRISTI**, hereinafter referred to as the City and **BOOTSTRAP ENERGY, LLC**, as assigned to **1242 MCKINZIE OWNER LLC**, hereinafter referred to as COMPANY, do hereby make and enter into this amendment (the "Amendment") which, together with Industrial District Agreement No. 110B, which was approved by the City Council of the City on April 12, 2022 (the "Agreement") and all other duly executed amendments, constitutes the entire agreement between the City and Company on this matter.

I.

Section 3.08, Required Development, is hereby amended to add the underlined language as follows:

Section 3.08 Required Development. The COMPANY agrees that Improvements necessary to operate a cryptocurrency mining operation and/or lease server or rack space for the operation of a cryptocurrency mining operation must be Placed in Use on all Land on or before December 31, 2023. Company may, as an approved alternative, construct a battery energy storage system with a requirement that such a facility must be Placed In Use not later than December 31, 2025. If the alternative facility has not been Placed-In-Use by December 31, 2025 for reasons beyond Company's ability to control, including, for the avoidance of doubt, delays by AEP or ERCOT, then Company shall make payment in lieu of taxes from and after the end of calendar year 2025 at the greater of: (i) the applicable rate per Article 3.01 of appraised value of any improvements regardless if such appraised value is classified by NCAD as either Placed In Use or Construction Work In Progress (CWIP); or (ii) \$100,000.00 (one-hundred thousand dollars). In such event the Company shall be deemed to be in compliance with the Agreement. Failure to substantially comply with the foregoing requirement will constitute a breach of this Agreement. If following notice of such breach, COMPANY does not provide either (1) a completion schedule reasonably acceptable to CITY, or (2) a proposed alternative industrial use for undeveloped tract that is reasonably acceptable to the CITY within 90 days, the CITY may declare this agreement terminated and accept COMPANY's petition for annexation and begin annexation proceedings under Section 10.07 below. Additionally, if COMPANY does provide an acceptable alternative development within the 90 day period, but does not thereafter diligently pursue such alternative project and insure that necessary Improvements are Placed in Use within such reasonable time period as the Parties may agree to, not to exceed two years, following approval of the alternative development, then the CITY may declare this agreement terminated and accept COMPANY's petition for annexation and begin annexation proceedings under Section 10.07 below.

The City and the Company agree to and shall abide by all terms and conditions of the original Agreement and any amendments to that Agreement, to the extent they are not in conflict with the terms of this Amendment.

CITY OF CORPUS CHRISTI

APPROVED AS TO LEGAL FORM:

Heather Hurlbert Date
Assistant City Manager

Assistant City Attorney Date

1242 MCKINZIE OWNER LLC
By its managing member, 1242 McKinzie LLC
By its managing member, Bootstrap Energy LLC

Matthew J. Held Date
Managing Member