

EXHIBIT I

FORM OF ESCROW AGREEMENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “**Agreement**”) is made and entered into as of the day of _____, 20__ (the “**Effective Date**”), by and between the CITY OF CORPUS CHRISTI, TEXAS, a Texas home rule municipality (the “**City**”), FLINT HILLS RESOURCES CORPUS CHRISTI, LLC, a Delaware limited liability company (“**FHR**”) and SAN JACINTO TITLE SERVICES OF TEXAS, LLC (“**Title Company**”). The City, FHR and Title Company are sometimes hereinafter jointly referred to as “Parties” or individually as a “Party”.

RECITALS

A. Reference is hereby made to the following agreements: (i) that certain Special Warranty Deed (the “**Deed**”) dated effective as of _____, by and between FHR, as grantor, and City, as grantee, pursuant to which FHR conveyed to City certain property more particularly described on Exhibit A attached to said Deed and made a part hereof for all purposes (such property, the “**Project Property**”); (ii) that certain Easement Agreement (the “**Easement Agreement**”) dated effective as of _____, by and between FHR, as grantor, and City, as grantee, pursuant to which FHR granted to City certain easements over and across a portion of property owned by Owner and more particularly described on Exhibit A attached to said Easement Agreement and made a part hereof for all purposes (such property, the “**Easement Property**”, and together with the Project Property, collectively, the “**Properties**”); (iii) that certain Purchase and Sale Agreement dated effective as of _____, 20__, by and between FHR, as seller, and City, as buyer (as amended from time to time, the “**Purchase Agreement**”);

B. This Agreement is being executed pursuant to that certain Development Agreement dated effective as of _____, by and between FHR and City, recorded on _____ as Document No. _____ (the “**Development Agreement**”); and

C. This Agreement is being executed contemporaneously with the Deed and Easement Agreement. Pursuant to the terms and conditions of the Deed, Purchase Agreement and Development Agreement, FHR has the right, but not the obligation, to repurchase all of the Project Property from City (the “**Repurchase Right**”) upon the occurrence of a Repurchase Right Trigger Event which is defined as either (i) City has not satisfied the Project Progress Conditions (as determined by Section 4(b)(iii) of the Purchase Agreement) as of the fifth anniversary of [_____] ¹ or (ii) on or prior to the fifth anniversary of [_____] ², City notifies FHR that City does not plan to proceed with the Project (the “**Repurchase Right Trigger Event**”). In connection with the consummation of the original transaction contemplated by the Purchase Agreement, the Parties desire to enter into this Agreement to facilitate the potential closing of the Repurchase Right in the event such closing occurs and to appoint Title Company as escrow agent in connection with such potential closing of the Repurchase Right (the “**Repurchase Right Closing**”).

AGREEMENT

NOW THEREFORE, for and in consideration of \$10.00, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged and confessed, the Parties agree as follows:

1. Escrow. Title Company acknowledges that, pursuant to the Purchase Agreement, FHR and City have delivered their respective original signature pages to the undated documents described on Exhibit C attached hereto and incorporated herein by reference (collectively, the “**Escrowed Documents**”) in escrow with Title Company, to be released in accordance with the provisions of this Agreement. Title Company further acknowledges that the Escrowed Documents are complete (except for the date of such Escrowed Documents and recording information references therein), are missing no exhibits and the signature pages are executed and notarized as appropriate.
2. Repurchase Right Closing. If the Title Company receives notice from FHR or City that a Repurchase Right Trigger Event has occurred and neither party has sent notification to the Title Company that such notice was sent in error or is disputed, FHR shall have a period of one year from the date of such Repurchase Right Trigger Event to exercise its Repurchase Right (the “**Repurchase Right Term**”). If FHR desires to exercise its Repurchase Right, then on or prior to the expiration of the Repurchase Right Term, FHR will notify City and Title Company as to such election (such notice, a “**Repurchase Right Notice**”). In such event, FHR shall deposit the Purchase Price in cash or other immediately available funds with the Title Company within 90 days after the date of the Repurchase Right Notice, but in no event later than the last day of the Repurchase Right Term (the “**Purchase Price Deadline**”). In the event that the City is unable to satisfy the Repurchase Right Restoration Obligation (as defined in the Purchase Agreement) by the last day of the Repurchase Right Term, then the Repurchase Right Closing shall be delayed by a period of up to 90 days after the date of the Repurchase Right Notice in order to allow City to complete the Repurchase Right Restoration Obligation, and the Purchase Price Deadline shall be automatically extended until the Repurchase Right Restoration Obligation is satisfied by City (as determined pursuant to the Purchase Agreement) or waived by FHR in writing. The Repurchase Right Closing shall occur on the date that is five Business Days after the earlier to occur of (a) FHR’s deposit of the Purchase Price with the Title Company or (b) if the Title Company has received written notification that the City did not satisfy the Repurchase Right Restoration Obligation by the Purchase Price Deadline, written notice that the City has satisfied the Repurchase Right Restoration Obligation (as determined pursuant to the Purchase Agreement) or upon written notification to the Title Company that such Repurchase Right Restoration Obligation is waived by FHR in writing.

On the date of the Repurchase Right Closing (as determined by this Section 2), Title Company will be irrevocably authorized to:

- i. Insert the applicable recording information into the Escrowed Documents and date the Escrowed Documents effective as of the date of the Repurchase Right Closing;
- ii. Record the Repurchase Right Recordable Closing Documents (as hereinafter defined) at City’s sole cost and expense, which cost shall be deducted from the Purchase Price, and release the remainder of the Escrowed Documents to FHR;
- iii. Issue an owner’s policy of title insurance covering the Project Property in favor of FHR at City’s sole cost and expense (and which cost shall be deducted from the Purchase Price), and which shall be on the same terms as the owner’s policy of title insurance obtained by City upon recordation of the Deed and subject only to the permitted exceptions described in the Deed (provided, that any endorsements to the basic owner policy of title insurance shall be at FHR’s cost);
- iv. Release the Repurchase Right Termination Document to FHR; and
- v. Release the balance of the Purchase Price to City.

Notwithstanding anything herein to the contrary, in the event that the City has either (i) constructed an electrical power substation on the Purchase Property as of the first day of the Repurchase Right Term, or (ii) entered into a binding construction contract that provides for the completion of an electrical power substation on the Purchase Property and commenced construction of same as of first day of the Repurchase Right Term, then the City may send written notice to FHR and the Title Company of the City's intention to retain that portion of the Purchase Property upon which such electrical power substation is, or will be, located (such property, the "**Substation Property**"). Such notice shall be provided to FHR and the Title Company no later than the date that is 60 days after the commencement of the Repurchase Right Term and shall include the following documents: (i) an as-built survey of Substation Property or, if construction of the electrical power substation is incomplete as of such date, a boundary line survey of the Substation Property, in each case in form and substance reasonably satisfactory to FHR, (ii) a copy of the construction contract for such electrical power substation (if construction of such electrical power substation is incomplete), (iii) an as-surveyed metes and bounds legal description of with the Substation Property, (iv) a duplicate of such metes and bounds legal description with the preface "SAVE AND EXCEPT the following property:" prior to such metes and bounds description, and (v) a "**Recalculation of Purchase Price Worksheet**" prepared by the City providing the following information:

1. Original Purchase Price: \$5,455,000
2. Area of Excluded Land Area in Square Feet: [Insert figure from survey]
3. Value of Excluded Land Area: [Item #2 *multiplied by* \$4.3968]
4. Adjusted Purchase Price: [Item #1 *minus* Item #3]

Such notice from the City, together with the items described in the forgoing clauses (i) through (iv) are hereinafter referred to collectively as the "**Substation Property Documents**". For any Substation Property to be eligible to be excluded from the Repurchase Right of the Purchase Property as provided herein and in the Purchase Agreement, such Substation Property shall be located at the perimeter of the Purchase Property adjacent to a public street, and shall be limited to that area actually occupied by the electrical power substation with an appropriate buffer or access area around the improvements. Upon the receipt by FHR and the Title Company of such Substation Property Documents, FHR shall have 30 days to review such Substation Property Documents and to object to or request additional information from the City by providing written notice to Buyer and the Title Company. If FHR does not timely object to the Substation Property Documents in accordance with the forgoing sentence, then (i) the description of the Project Property subject to the Repurchase Right shall be modified to exclude the Substation Property, (ii) the Title Company is instructed to insert at the end of Exhibit A in the special warranty deed previously signed by the City, as grantor, in favor of FHR, as grantee, the form of which is attached as item 2 of Exhibit A, the page provided in (iv) above beginning "SAVE AND EXCEPT" including the as-surveyed metes and bounds legal description of the Substation Property, and (iii) the amount of the Purchase Price for the purposes of the Repurchase Right shall be reduced to the Adjusted Purchase Price stated in the Recalculation of Purchase Price Worksheet included with the Substation Property Documents. If FHR does timely object to the Substation Property Documents, then the City shall have 30 days to respond to FHR's objection in writing with a copy to the Title Company, and FHR shall have an additional 30 days to review the supplemental information provided by Buyer and to object by written notice to the City and the Title Company. In the event of FHR's repeated objection, the parties shall attempt to resolve such dispute through mediation within 60 days, and if such is not successfully resolved by such mediation, then by litigation in the county in which the Purchase Property is located. The Title Company shall defer satisfaction of the procedures above regarding the Repurchase Right until receipt of a written agreement of the parties concerning satisfaction of the Substation Property or a final judgment concerning same. If the City fails to timely deliver all of the Substation Property Documents to FHR and the Title Company

as provided in this Section and the Purchase Agreement, then Buyer's right to exclude the Substation Property from FHR's exercise of its Repurchase Right shall be deemed forfeited and of no further force and effect.

In the event the circumstances described in this Section occur, all other terms and conditions governing the Repurchase Right shall remain in full force and effect.

As used herein, the “**Repurchase Right Recordable Closing Documents**” mean the documents described as items 2-3 on Exhibit A. As used herein, “**Business Day**” means any day that is not a Saturday, Sunday or federal or state holiday.

3. Forfeiture/Expiration of Repurchase Right. If (i) the Title Company receives notice from FHR or the City that a Repurchase Right Trigger Event has occurred and neither party has sent notification to the Title Company that such notice was sent in error or is disputed, after the expiration of the Repurchase Right Term without any notification by FHR of its exercise of such Repurchase Right or, in the event such notification was made by FHR, the failure by FHR to deliver the Purchase Price to Title Company within the Repurchase Right Term, then the Repurchase Right will be deemed forfeited or expired, as applicable, and of no further force and effect. If any of the forgoing circumstances occur, then the Repurchase Right Termination Documents (as hereinafter defined) shall be deemed automatically released from escrow on the date that is 10 days after the deemed forfeiture or expiration of the Repurchase Right. In such event, the Title Company will be irrevocably authorized to record the Repurchase Right Termination Document (at City's sole cost and expense) and release the Repurchase Right Closing Documents to City. As used herein, the “**Repurchase Right Termination Document**” means the document described as item 4 on Exhibit A.
4. Conflicting Notices From the Parties. In the event that the Title Company receives contradicting notices from the Parties or receives a notice within four Business Days from the delivery of a notice from the other party disputing a notice, the Title Company is directed to suspend further action under this Escrow Agreement until FHR and the City resolve such conflicting notices and provide joint written instructions to the Title Company.
5. Notices. Any notice required or permitted to be given hereunder shall be either (i) in writing, sent to the recipient by nationally-recognized overnight delivery service or U.S. registered or certified mail, postage prepaid, return receipt requested or (ii) by electronic mail to the intended addressee at the electronic mail address set forth herein, return receipt requested, and accompanied with a hardcopy writing sent in accordance with clause (i) hereof, in each case, addressed as follows:

If to FHR:

Flint Hills Resources Corpus Christi, LLC
Attention: Roger TenNapel
4111 East 37th Street North
Wichita, Kansas 67220
Email: roger.tennapel@fhr.com

With a copy to:

Flint Hills Resources Corpus Christi, LLC
Attention: Kim Boatright
4111 East 37th Street North
Wichita, Kansas 67220
Email: kim.boatright@fhr.com

With a copy to (which shall not constitute notice): Holland & Knight LLP
Attn: Eugene Segrest, Esq.
One Arts Plaza
1722 Routh Street, Suite 1500
Dallas, Texas 75201
Email: gene.segrest@hklaw.com

If to City: City of Corpus Christi, Texas
Attn: City Manager
1201 Leopard Street
Corpus Christi, Texas 78401
Email: peterz@cctexas.com

With a copy to: City of Corpus Christi, Texas
Attn: City Attorney
1201 Leopard Street
Corpus Christi, Texas 78401
Email: milesr@cctexas.com

With a copy to: City of Corpus Christi, Texas
Attn: Water Department
2726 Holly Road
Corpus Christi, Texas 78415
Email: estebanr2@cctexas.com

If to Title Company: San Jacinto Title Services of Texas, LLC
Attn: Shelly Grahmann
520 Lawrence Street
Corpus Christi, Texas 78401
Email: shellygrahmann@sanjacintotitle.com

For all purposes hereunder, any such notice shall be deemed to have been properly given on the earliest of **(a)** actual receipt, **(b)** refusal to accept receipt, **(c)** the same day it is deposited with a nationally-recognized overnight delivery service with all charges prepaid in full, and **(d)** three business days after depositing the same with the U.S. Postal Service, with postage fully prepaid.

6. Other Provisions Regarding Title Company.

- a. Escrow Fees. Any and all reasonable escrow fees or other reasonable costs and expenses imposed or incurred by Title Company in connection with its duties or enforcement of its rights under this Agreement shall be paid by City.
- b. Removal of Title Company. FHR and City jointly may remove Title Company, with or without cause, and appoint a substitute escrow agent of the Escrowed Documents without other formality than giving written notice to Title Company, in which event Title Company shall deliver the Escrowed Documents to a substitute escrow agent in accordance with the joint written and signed instructions of FHR and City, and such Title Company shall thereupon be deemed to be removed as of the date designated in such notice, or if no date is designated, as of the date such delivery is made.

7. Title Company Remedies. In the event of any disagreement between City and FHR, resulting in adverse claims or demands being made in connection with the Escrowed Documents, Title Company, at its option, shall be entitled:
- a. To refuse to comply with any claim or demand on Title Company, as long as this disagreement shall continue, and Title Company shall not be, or become liable in any way, or to any person, for its failure or refusal to comply with such conflicting or adverse claim or demand;
 - b. To refrain from acting, and so to refuse to act, until (i) the right of any adverse claim shall have been finally adjudicated in a court assuming or having jurisdiction of the Escrowed Funds involved herein, or affected hereby, or (ii) all differences shall have been adjusted by agreement and Title Company shall have been notified in writing, signed by all persons interested;
 - c. To interplead the Escrowed Documents into a court of competent jurisdiction, and all reasonable costs and expenses, including reasonable attorney's fees, will be reimbursed to Title Company from the Escrowed Documents; or
 - d. To take any other action authorized herein.
8. FHR Remedies. Without limiting the forgoing, FHR's remedies under this Agreement shall include, without limitation, all remedies available under Texas Local Government Code Section 212.172(j), since this Agreement is being made pursuant to and as part of the Development Agreement made under Texas Local Government Code Section 212.171, et seq., including, without limitation, the right of specific performance and Grantor's reasonable and necessary attorney's fees.
9. Miscellaneous. The recitals are incorporated herein by this reference and made a part of this Agreement. Whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders. Section headings are inserted for convenience only and do not form a part of the substantive provisions of this Agreement. Each and every exhibit referred to or otherwise mentioned in this Agreement is attached to this Agreement and is and shall be construed to be made a part of this Agreement by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if each exhibit were set forth in full and at length every time it is referred to or otherwise mentioned. For avoidance of doubt and notwithstanding anything to the contrary contained in this Agreement (or any exhibits or addenda hereto), the parties agree that the term "shall" as used in this Agreement (or any exhibits or addenda hereto) will not be construed as permissive, but as absolute, imperative and/or mandatory. Capitalized terms used in this Agreement shall have the meanings ascribed to them at the point where first defined, irrespective of where their use occurs, with the same effect as if the definitions of such terms were set forth in full and at length every time such terms are used. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The provisions of this Agreement are not intended to benefit any third party who is not a party hereto. If any provision of this Agreement, or the application thereof to any person, entity, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void in any respect, the remainder of this Agreement and such provisions as applied to other persons, entities, places and circumstances shall remain in full force and effect. Notwithstanding any decisional law to the contrary, this Agreement may be executed by exchange of signed counterparts of this Agreement with all exhibits attached by facsimile or e-mailed PDF followed by delivery of the originals and shall be considered executed and binding upon receipt of the fax or e-mailed PDF of such signed counterpart of the last party to sign this Agreement. THIS AGREEMENT, AND ALL THE RIGHTS OF THE PARTIES SHALL BE GOVERNED AS TO THE VALIDITY, INTERPRETATION, CONSTRUCTION, ENFORCEMENT

AND IN ALL OTHER RESPECTS BY THE LAW OF THE STATE OF TEXAS, WITHOUT REGARD TO ITS RULES AND PRINCIPLES REGARDING CONFLICTS OF LAWS OR ANY RULE OR CANON OF CONSTRUCTION WHICH INTERPRETS AGREEMENTS AGAINST THE DRAFTSMAN.

10. Voluntary Waiver of Sovereign Immunity. NOTWITHSTANDING ANY LAW NOW OR HEREINAFTER IN EFFECT TO THE CONTRARY, PURSUANT TO TEXAS LOCAL GOVERNMENT CODE SECTION 212.172(i), CITY HEREBY IRREVOCABLY WAIVES ITS SOVEREIGN IMMUNITY FROM LIABILITY AND SUIT IN ANY LAWSUIT WITH RESPECT TO ANY ACTION IN ANY COURT OR TRIBUNAL OF COMPETENT JURISDICTION AS TO ALL DISPUTES AND ACTIONS BETWEEN FHR AND CITY WHICH MAY ARISE AS A RESULT OF THIS AGREEMENT. CITY ALSO HEREBY CONSENTS TO AND IRREVOCABLY WAIVES ANY AND ALL OBJECTIONS OR DEFENSES IT MAY HAVE TO SUCH JURISDICTION AND VENUE BASED UPON OR RELATED TO SOVEREIGN IMMUNITY. CITY HEREBY ACKNOWLEDGES AND AGREES THAT IT IS VOLUNTARILY ENTERING INTO THIS AGREEMENT AND BINDS ITSELF TO THE TERMS OF THIS AGREEMENT. To the extent permitted by applicable law, City further waives and stipulates to the inapplicability of any provision of the Corpus Christi City Charter that would bar, limit, or otherwise affect the ability of FHR and the Title company to enforce this Agreement.
11. Further Assurances. The Parties each agree that they will without further consideration execute and deliver such other documents and take such other action as may be reasonably requested by the other party to consummate more effectively the transactions and the waivers contemplated by this Agreement.
12. Venue. The Parties hereby irrevocably submit generally and unconditionally for themselves and in respect of their respective properties and any dispute regarding this Agreement to the jurisdiction of any Texas state court of appropriate jurisdiction or any United States federal court sitting in the county in which the Property is located. The Parties hereby irrevocably waive any objection that the Parties may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. The Parties consent to any methods of service of process provided for under applicable laws.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed effective as of the Effective Date.

FHR:

FLINT HILLS RESOURCES CORPUS CHRISTI, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

CITY:

CITY OF CORPUS CHRISTI, TEXAS,
a Texas home rule municipality

By: _____
Name: _____
Title: _____

APPROVED AS TO LEGAL FORM
This ____ day of _____, 2022

By: _____
Miles Risley, City Attorney

TITLE COMPANY:

SAN JACINTO TITLE SERVICES OF TEXAS, LLC

By: _____
Name: _____
Title: _____

EXHIBIT A to EXHIBIT I

Escrowed Documents

1. Reconveyance Reimbursement Agreement by and between City and FHR;
2. Special Warranty Deed by and between City, as grantor, and FHR, as grantee;
3. Easement Termination Agreement by and between City and FHR; and
4. Termination and Release of Repurchase Right by and between City and FHR.