

TEXAS LOCAL GOVERNMENT CODE SECTION 212.172

EXTRATERRITORIAL JURISDICTION NON-ANNEXATION AGREEMENT

BETWEEN

CITY OF CORPUS CHRISTI, TEXAS

AND

GULF COAST GROWTH VENTURES LLC

EXTRATERRITORIAL JURISDICTION NON-ANNEXATION AGREEMENT

This Extraterritorial Jurisdiction Non-Annexation Agreement (this “Agreement”) is entered into in accordance with and under the authority of Section 212.172 of the Texas Local Government Code (“Section 212.172”) effective as of _____, 2018 (the “Effective Date”), by and between THE CITY OF CORPUS CHRISTI, TEXAS (“City”), and GULF COAST GROWTH VENTURES LLC, a Delaware limited liability company (“Company”).

RECITALS

WHEREAS, Company has acquired the land more particularly described in Exhibit A (the “Project Site”), a portion of which is located within City’s extraterritorial jurisdiction (such portion, the “ETJ Land”); and

WHEREAS, Company plans to design, develop and construct facilities and related improvements to conduct petrochemical and associated operations on the Project Site (the “Facilities”); and

WHEREAS, City recognizes the positive economic impact that Company's facilities, improvements and operations, if constructed and commenced, are anticipated to bring to City and its extraterritorial jurisdiction through development and diversification of the economy, reduction of unemployment and underemployment through the creation of new jobs, and the attraction of new businesses; and

WHEREAS, Section 212.172 authorizes City to make a written contract with an owner of land that is located in City's extraterritorial jurisdiction to guarantee the continuation of the extraterritorial status of such land and its immunity from annexation by City for a period of up to forty-five (45) years, and to agree to other terms regarding land usage, development, and regulation; and

WHEREAS, Company has sought certainty from City as to future annexation of the ETJ Land, and in consideration of the positive economic impact that Company's facilities, improvements and operations, if constructed and commenced, are anticipated to bring to City and its extraterritorial jurisdiction, City intends that the ETJ Land not be annexed during the term of this Agreement; and

WHEREAS, in consideration of the positive economic impact that the Facilities will bring to City and its extraterritorial jurisdiction, City intends that the extraterritorial status of the ETJ Land be continued during the term of this Agreement; and

WHEREAS, in consideration of the benefits provided to Company pursuant to this Agreement, Company has agreed to comply with the terms and conditions of this Agreement, and to make payments in lieu of taxes to City as provided in this Agreement.

NOW, THEREFORE, in consideration of the mutual benefits described in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Company agree as follows:

ARTICLE I
DEFINITIONS

The recitals to this Agreement are hereby incorporated for all purposes. The terms “Agreement,” “City,” “Company,” “Effective Date,” “ETJ Land,” “Facilities,” “Project Site,” and “Section 212.172” shall have the above meanings, and the following words or phrases shall have the following meanings:

1.1 “Act of Default” or “Default” means a failure to timely, fully, and completely comply in any material respect with one or more requirements, obligations, performance criteria, duties, terms, conditions or warranties in this Agreement.

1.2 “Base Payment” has the meaning assigned to such term in Section 5.5 of this Agreement.

1.3 “Commencement of Construction” means the first date to occur on which Company has received all of the following: (i) the Prevention of Significant Deterioration (“PSD”) permit(s) with respect to the primary National Ambient Air Quality Standards (“NAAQS”) pollutants (including, but not limited to, NO_x, CO and VOC) relating to the Facilities, and (ii) the PSD permit(s) with respect to greenhouse-gas (“GHG”) emissions relating to the Facilities. City and Company acknowledge and agree that the foregoing permits must be received by Company before construction of the Facilities may commence.

1.4 “Completion of the Facilities” means the date that Company has made, and evidenced the fulfillment of, at least 85% of each of (i) the Investment Requirement, and (ii) the Job Requirement.

1.5 “Corpus Christi MSA” means the Corpus Christi Metropolitan Statistical Area (which includes San Patricio County, Nueces County, and Aransas County).

1.6 “Extraterritorial Jurisdiction Services Agreement” has the meaning assigned to such term in Section 2.5 of this Agreement.

1.7 “Force Majeure” means any failure by Company to comply with any requirement of this Agreement that is caused by (i) provisions of law, or the operation or effect of rules, regulations or orders promulgated by any governmental authority having jurisdiction over Company, the ETJ Land or any improvements or operations thereon or any upstream, intermediate or downstream equipment or support facilities as are necessary to such operations; (ii) any demand or requisition, arrest, order, request, directive, restraint or requirement of any government or governmental agency whether federal, state, military, local or otherwise; (iii) the action, judgment or decree of any court; (iv) floods, tornadoes, hailstorms, hurricanes, evacuation due to threats of hurricanes, lightning, earthquakes, washouts, high water, fires, acts of God or public enemies, wars (declared or undeclared), blockades, epidemics, riots or civil disturbances, insurrections, terrorism, sabotage, threats of terrorism or sabotage, strikes, labor disputes (it being understood that nothing contained in this Agreement shall require Owner to settle any such strike or labor dispute), explosions, breakdown or failure of plant, machinery, equipment, lines of pipe or electric power lines (or unplanned or forced outages or shutdowns of the foregoing for inspections, repairs or maintenance), inability to obtain, renew or extend franchises, licenses or permits, loss, interruption, curtailment or failure to obtain electricity, gas, steam, water, wastewater disposal, waste disposal or other

utilities or utility services, inability to obtain or failure of suppliers to deliver feedstock, raw materials, equipment, parts or materials (including, but not limited to, specially-manufactured tangible personal property that is manufactured by Company or its affiliates or purchased by Company from an unrelated party for installation and operation of the improvements on the ETJ Land), or inability of Owner to ship, or failure of carriers to transport to or from Company's facilities, products (finished or otherwise), feedstock, raw materials, equipment, parts or material; or (v) any other cause (except financial), whether similar or dissimilar, over which Company has no reasonable control and which forbids or prevents performance and cannot be overcome by reasonable diligence or without unusual expense.

1.8 "Full Time Jobs" means a position of employment at the Facilities which involves a minimum of 1,820 hours per year or thirty-five (35) hours of work per week on an annualized basis, which term shall include any such positions with any member of the Owner Group and any third-party operator or contractor.

1.9 "Industrial District Agreement" means an agreement made and entered into under the authority of Section 42.044 of the Texas Local Government Code, or successor provisions thereto.

1.10 "Investment Requirement" means an investment in the Facilities by Company and/or one or more other members of the Owner Group of not less than \$5,422,500,000 no later than Completion of the Facilities.

1.11 "Job Requirement" means the creation of not less than 400 Full Time Jobs no later than Completion of the Facilities. Any member of the Owner Group or third-party operator or contractor fulfilling all or a portion of the Job Requirement shall be subject to the requirements of Section 5.6(a) and Section 6.6. To the extent required in Section 8.6, Company must provide documents from any member of the Owner Group or third-party operator or contractor fulfilling any part of the Job Requirement.

1.12 "Notice" has the meaning assigned to such term in Section 8.7 of this Agreement.

1.13 "Owner Group" means Company and its affiliates and subsidiaries, including, but not limited to, Exxon Mobil Corporation, ExxonMobil Chemical Gulf Coast Investments LLC, Saudi Basic Industries Corporation and SABIC US Projects LLC, and their respective affiliates, successors and assigns.

1.14 "Term" has the meaning assigned to such term in Article III of this Agreement.

ARTICLE II

ETJ LAND ANNEXATION AND USAGE

2.1 Extraterritorial Status of ETJ Land. Pursuant to its authority under Section 212.172, City agrees that, beginning on the Effective Date, and subject to Section 2.2 and Company's compliance with the applicable terms of this Agreement, the ETJ Land shall remain in City's extraterritorial jurisdiction and shall not be annexed by City during the Term.

2.2 Industrial District Agreement or Other Agreement.

(A) At any time during the Term, Company may give City written notification of a request to have all or any portion of the ETJ Land placed in an industrial district and bound by the terms of an Industrial District Agreement with City effective on the earlier of (i) the termination of this Agreement, and (ii) January 1, 2034. City will not withhold approval of any such request.

(B) Upon expiration of the Term or earlier termination of this Agreement, if City and Company have not previously entered into an Industrial District Agreement pursuant to Section 2.2(A) with respect to any portion of the ETJ Land then owned by Company, Company shall, prior to the effective date of the expiration or earlier termination of this Agreement, enter into an Industrial District Agreement with City to include all of the ETJ Land then owned by Company and not covered by an Industrial District Agreement entered into pursuant to Section 2.2(A). Any Industrial District Agreement entered into pursuant to this Section 2.2(B) shall contain terms and provisions comparable in all material respects to the most favorable terms and provisions contained in any Industrial District Agreement then in effect to which City is a party, and will be effective on the earlier of (i) the termination of this Agreement, and (ii) January 1, 2034.

(C) Notwithstanding the foregoing provisions of this Section 2.2, City and Company may, in lieu of entering into an Industrial District Agreement under such provisions, enter into another type of agreement (including, but not limited to, an agreement under Section 212.172 or an agreement under Chapter 380 of the Texas Local Government Code) containing such terms and provisions as are mutually agreed upon by City and Company, so long as such agreement is approved and executed prior to the effective date of the expiration or earlier termination of this Agreement.

2.3 Limited to Industrial and/or Commercial Use. Company covenants and agrees that during the Term, Company will use or permit the use of the ETJ Land only for industrial and/or commercial purposes, which use may include buildings or other improvements used for the administration or support of such industrial and/or commercial purposes. Holding the ETJ Land for future industrial and/or commercial use, and/or industrial and/or commercial support use, without using it for non-industrial or non-commercial purposes, shall not be a violation of this Section 2.3.

2.4 Maintenance of ETJ Land and Improvements; Conduct of Operations. During the Term, Company shall maintain the ETJ Land and any of its improvements thereon, and conduct its operations thereon, in a commercially reasonable manner. City shall not be responsible for any costs and expenses incurred in connection with the construction of the Facilities. If requested by City, Company agrees to reasonably assist City in the preparation of any documentation necessary for the preparation and approval of any of the documents or actions required by City to perform any of its obligations under this Agreement.

2.5 City Services.

(A) During the Term, City shall have no obligation to extend to the ETJ Land, or any improvements or operations thereon, any utility, fire protection, or other City services, except for services that are being provided to and paid for by Company on the date hereof, or as City and

Company shall otherwise agree in writing (any such agreement, and any amendment or successor agreement thereto, an “Extraterritorial Jurisdiction Services Agreement”).

(B) Company agrees that during the Term, the provision of water service, wastewater service or any other services to Company and/or to the Project Site may be provided by any special district or city other than City.

2.6 Compliance with City Rules and Regulations. City and Company agree that during the Term, with respect to the ETJ Land and any improvements or operations thereon, City shall not require compliance with its rules or regulations: (1) governing zoning and platting of the ETJ Land; provided, however, Company further agrees that it will in no way divide the ETJ Land without complying with applicable state law and City ordinances governing subdivision of land; (2) prescribing any building, electrical, plumbing, inspection, or similar or related code or codes; or (3) otherwise governing the operation of Company's business on the ETJ Land; provided, however, that an Extraterritorial Jurisdiction Services Agreement between City and Company may require Company's compliance with certain rules or regulations directly relating to City's provision of services to Company thereunder.

2.7 Annexation by Another Entity. If (i) any attempt to annex any of the ETJ Land is made by another municipality, (ii) any attempt is made by another municipality to include any of the ETJ Land within the extraterritorial jurisdiction of such municipality, or (iii) any incorporation of any new municipality should attempt to include any of the ETJ Land within the boundaries or extraterritorial jurisdiction of such municipality, City may seek a temporary and permanent injunction against such annexation, inclusion or incorporation, with the cooperation of Company, or may take other legal action necessary or advisable under the circumstances to prevent such annexation, inclusion or incorporation. Company agrees to provide City with prompt notice of any such attempted annexation.

2.8 Annexation Corridor. Should Company sell a portion of the ETJ Land to any third party that is not an affiliate, subsidiary, related company, entity, partnership or joint venture that controls, is controlled by, or is under common control with Company, and should such sold portion of the ETJ Land no longer be covered by this Agreement pursuant to the assignment provisions of Section 5.1 (“Relinquished Land”), Company shall, after City provides Company with sixty (60) days prior written notice of intent to initiate annexation proceedings with respect to such Relinquished Land, but only to the extent necessary to allow City to annex such Relinquished Land, permit City to annex a suitable strip of ETJ Land from City’s boundary to such Relinquished Land (an “Annexation Corridor”). Any Annexation Corridor shall (i) except to the extent otherwise required by clause (ii) of this sentence be the minimum amount legally necessary to annex the Relinquished Land, and (ii) be located and configured in a manner that does not result in the annexation of any portion of the Facilities. The location and configuration of any Annexation Corridor shall be subject to the approval of Company, which approval shall not be unreasonably withheld. Company and any Annexation Corridor shall have no right to any City services as a result of such annexation, except as otherwise provided in any Extraterritorial Jurisdiction Services Agreement; nor shall City extend, by ordinance or otherwise, any rules or regulations to the Annexation Corridor, including, but not limited to, those (a) governing zoning, plats and subdivisions of land, (b) prescribing any building, electrical, plumbing, inspection, or similar or related code or codes, or (c) attempting to exercise in any manner whatsoever control over the conduct or operation of Company’s business

thereon. Any such Annexation Corridor shall remain subject to this Agreement and shall not be subject to City taxes. In the event that the need for any Annexation Corridor no longer exists, City agrees to immediately cease any annexation proceedings related to such Annexation Corridor or, if such Annexation Corridor has been annexed by City, within sixty (60) days after such need no longer exists, take the steps necessary to complete disannexation proceedings required to remove the Annexation Corridor from City limits.

ARTICLE III **TERM**

The term of this Agreement (the "Term") will begin on the Effective Date and shall continue until December 31, 2033, unless this Agreement is earlier terminated as provided elsewhere herein.

ARTICLE IV **REPRESENTATIONS**

4.1 Representations of City. City hereby represents to Company that as of the date hereof:

(A) City is a duly created and existing municipal corporation and home rule municipality of the State of Texas under the laws of the State of Texas and is duly qualified and authorized to carry on the governmental functions and operations as contemplated by this Agreement.

(B) City has the power, authority and legal right under the laws of the State of Texas to enter into and perform this Agreement and the execution, delivery and performance hereof (i) will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation, and (ii) does not constitute a default under, or result in the creation of any lien, charge, encumbrance or security interest upon any assets of City under, any agreement or instrument to which City is a party or by which City or its assets may be bound or affected.

(C) This Agreement has been duly authorized, executed and delivered by City and constitutes a legal, valid and binding obligation of City, enforceable in accordance with its terms except to the extent that (i) such enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies including specific performance may be unavailable.

(D) The execution, delivery and performance of this Agreement by City do not require the consent or approval of any person that has not been obtained.

4.2 Representations of Company. Company hereby represents to City that as of the date hereof:

(A) Company is duly organized and existing and in good standing as a limited liability company under the laws of Delaware, and shall remain in good standing in Delaware during the Term. Company is registered with the Texas Secretary of State and authorized to do business in Texas.

(B) Company has the power, authority and legal right to enter into and perform its obligations set forth in this Agreement, and the execution, delivery and performance hereof (i) have been duly authorized and will not, to the best of its knowledge, violate any applicable judgment, order, law or regulation applicable to Company, and (ii) does not constitute a default under, or result in the creation of any lien, charge, encumbrance or security interest upon any assets of Company under, any agreement or instrument to which Company is a party or by which Company or its assets may be bound or affected.

(C) This Agreement has been duly authorized, executed and delivered by Company and constitutes a legal, valid and binding obligation of Company, enforceable in accordance with its terms except to the extent that (i) such enforceability may be limited by bankruptcy, reorganization, insolvency, moratorium or other similar laws of general application in effect from time to time relating to or affecting the enforcement of creditors' rights and (ii) certain equitable remedies including specific performance may be unavailable.

(D) The execution, delivery and performance of this Agreement by Company do not require the consent or approval of any person that has not been obtained.

ARTICLE V

ADDITIONAL COMPANY REQUIREMENTS

5.1 Assignment. Except as provided below, Company may not assign all or part of its rights and obligations under this Agreement to a third party without prior written approval of City, which approval will not be unreasonably withheld, delayed or conditioned. City agrees, however, that Company may assign in whole or in part its rights and obligations under this Agreement or with respect to all or any part of the ETJ Land or improvements thereon to any affiliate, subsidiary, related company, entity, partnership or joint venture, as long as the assignee controls, is controlled by, or is under common control with Company; or to a third party lender advancing funds for the acquisition of all or any part of the ETJ Land or improvements thereon or for the construction or operation of such improvements. City expressly consents to any assignment described in the preceding sentence, and agrees that no further consent of City to such an assignment will be required. Company agrees to provide City with written notice of any such assignment within 20 days of the effective date of such assignment.

5.2 Prohibited Transfers. Company agrees that, without the express written approval of City, Company may not deed any part of the ETJ Land or improvements thereon to a tax-exempt entity or public entity; provided, however, that no such approval of City shall be required if any part of the ETJ Land or improvements thereon are (i) taken in condemnation proceedings or by any other exercise of any right or power of eminent domain, or (ii) conveyed or transferred under the threat of such condemnation proceedings or the exercise of any such right or power.

5.3 Commencement of Construction. Company is required to inform City in writing of the Commencement of Construction. If Commencement of Construction has not occurred by January 1, 2021, City has the option to terminate this Agreement.

5.4 Requirement to Complete Facilities. Company shall provide reasonable evidence to City that it has satisfied the Investment Requirement and the Job Requirement required for Completion

of the Facilities, which reasonable evidence may include, but not be limited to, state and federal employment reports and financial statements. Should Commencement of Construction occur but should Company fail to achieve Completion of the Facilities by July 1, 2024, City shall have the option to terminate this Agreement; provided, however, that to the extent any such failure is caused by Force Majeure, Company shall be allotted additional time to achieve Completion of the Facilities.

5.5 Payment In Lieu of Taxes.

(A) For purposes of this Agreement, the term “Base Payment” shall mean, with respect to any calendar tax year, an amount equal to the sum of (i) an amount equal to one hundred percent (100%) of the ad valorem taxes for the ETJ Land based upon its taxable value (as determined by the relevant appraisal district for such tax year) which would otherwise be payable to City by Company if the ETJ Land was situated within the city limits of City, plus (ii) sixty-two and one-half percent (62.5%) of the ad valorem taxes for that portion of the Facilities (excluding personal property and inventory) located on the ETJ Land based upon its taxable value (as determined by the relevant appraisal district for such tax year) which would otherwise be payable to City by Company if such portion of the Facilities was located within the city limits of City.

(B) For the tax year 2031, Company shall pay City an amount equal to thirty-three percent (33%) of the Base Payment with respect to such tax year. For the tax year 2032, Company shall pay City an amount equal to sixty-six percent (66%) of the Base Payment with respect to such tax year. For the tax year 2033, Company shall pay City an amount equal to one hundred percent (100%) of the Base Payment with respect to such tax year. Each such payment shall be due on January 31 of the year following the tax year with respect to which such payment is made. Except as otherwise provided in Section 5.5(C), Company shall not be obligated to pay City any portion of the Base Payment with respect to any other tax year during the Term.

(C) If upon the effective date of the expiration of the Term or earlier termination of this Agreement Company and City have not entered into an Industrial District Agreement or another type of agreement in accordance with Section 2.2, Company will, within 120 days following the expiration or earlier termination of this Agreement (except as otherwise provided in Section 5.5(C)(ii)), make an additional payment to City in an amount equal to the following, whichever is applicable:

(i) if the expiration or earlier termination of this Agreement occurs on or after January 1, 2029, an aggregate amount equal to the sum of one hundred percent (100%) of the Base Payment for each of the ten (10) calendar tax years immediately preceding the calendar tax year that includes the date of the expiration or earlier termination of this Agreement; or

(ii) if the expiration or earlier termination of this Agreement occurs before January 1, 2029, an aggregate amount equal to the sum of one hundred percent (100%) of the Base Payment for each calendar tax year from and including the calendar tax year 2019 through and including the calendar tax year that includes the date of the expiration or earlier termination of this Agreement (it being understood and agreed that if the taxable value of the ETJ Land and/or the portion of the Facilities (excluding personal property and inventory) located on the ETJ Land for the calendar tax year that includes the date of the expiration or

earlier termination of this Agreement has not been determined by the relevant appraisal district within 90 days following the expiration or earlier termination of this Agreement, the amount due under this Section 5.5(C)(ii) for the calendar tax year that includes the date of the expiration or earlier termination of this Agreement shall be due within 90 days after such taxable values of the ETJ Land and/or the portion of the Facilities (excluding personal property and inventory) located on the ETJ Land have been determined by the relevant appraisal district).

(D) The obligations contained in this Section 5.5 shall survive the expiration or earlier termination of this Agreement until paid in full.

5.6 Use of Local Resources.

(A) Company shall make reasonable efforts to cause each member of the Owner Group to fill such member's Full Time Jobs with residents of the Corpus Christi MSA, and each member of the Owner Group shall offer a health insurance program for its employees having Full Time Jobs. For purposes of the preceding sentence, "reasonable efforts" shall mean the following:

(i) one or more members of the Owner Group have established an official website as the official means of informing residents of the Corpus Christi MSA of Full Time Jobs and such website provides a link to the Texas Workforce Commission's website; and

(ii) at least fourteen (14) days prior to the filling of any Full Time Job, one or more members of the Owner Group shall post on such official web site the availability of such Full Time Job to inform residents of the Corpus Christi MSA of such Full Time Job (it being understood that the Owner Group is not required to post the availability of any Full Time Job once that Full Time Job has been filled).

(B) To the extent practicable, Company shall cause its prime construction contractor to use suppliers in the Corpus Christi MSA for construction materials and supplies. Company and its prime construction contractor shall not, however, be required to use goods and services provided by suppliers in the Corpus Christi MSA that are not (i) of equivalent quality, functionality, and compatibility to those provided by suppliers outside the Corpus Christi MSA or (ii) made available on terms, conditions and price comparable to those offered by suppliers outside the Corpus Christi MSA.

ARTICLE VI

COVENANTS, WARRANTIES, OBLIGATIONS AND DUTIES

OF COMPANY

Company, as of the Effective Date, makes the following covenants and warranties to City and agrees to timely and fully perform the following obligations and duties.

6.1 Untrue Statements. To the best of Company's knowledge, no written certificate or statement delivered by Company to City in connection herewith or with any transaction contemplated hereby contains any material untrue statement or fails to state any fact necessary to keep the statements contained therein from being misleading in any material respect except those which have been replaced by subsequent certificates or statements heretofore given to City in substitution.

6.2 Bankruptcy. Company is not the subject of any bankruptcy proceedings, and Company has not been informed that it is the subject of any potential involuntary bankruptcy proceedings.

6.3 Licenses and Authority. To the best of Company's knowledge, it has acquired or is in the process of acquiring and maintaining all necessary rights, licenses, permits and authority to carry on its business in City, City's extraterritorial jurisdiction, and San Patricio County, Texas, and will continue to use commercially reasonable efforts to maintain all such necessary rights, licenses, permits and authority.

6.4 Succession of Ownership. No change of ownership or management of any part of the Facilities nor a change of ownership or management of Company shall abate, waive, terminate or in any way relieve Company, or its successors and assigns, of their respective obligations herein.

6.5 Non-Discrimination. Company agrees that, as to all of the programs and activities arising out of this Agreement, it will not discriminate against any person on the basis of race, color, national or ethnic origin, sex, age, religion, or by reason of being disabled, or any other characteristic protected under applicable federal or state law.

6.6 Employment of Undocumented Workers. Company does not and agrees that it will not knowingly employ an undocumented worker (as defined by Texas Government Code, Section 2264.001(4)). Company's conviction of a violation under 8 U.S.C. 1324a shall constitute an Act of Default hereunder.

ARTICLE VII

DEFAULT

7.1 Company Default. Subject to Force Majeure and any consent given under Section 7.3 or variance granted under Section 8.12, if an Act of Default by Company is not cured and corrected within ninety (90) days after written notice from City to do so or by express waiver by City, City has the option to terminate this Agreement; provided, however, that if such Act of Default is caused by an event constituting Force Majeure, Company shall be allowed additional time reasonable under the circumstances to cure and correct such Act of Default. Company shall be liable to City for any actual proven damages sustained by City as a result of said Act of Default by Company under this Agreement, subject to the provisions of Section 8.13.

7.2 City Default. Should City fail to timely, fully and completely comply with any one or more of the requirements, obligations, duties, terms, conditions or warranties of this Agreement, such failure shall be an Act of Default by City and City shall have ninety (90) days to cure and remove the Default after receipt of written notice to do so from Company. Save and except as provided in Section 2.2, upon the occurrence of an Act of Default by City (including, but not limited to, by annexing or attempting to annex any of the ETJ Land during the Term or wrongfully terminating this Agreement), Company shall, in addition to any other legal or other remedy that may be available to it, be entitled to specific performance and temporary and permanent injunctive and any other equitable relief from the date of such Act of Default for the balance of the Term (without proof of actual damage or inadequacy of legal remedy and without the necessity of posting a bond), including, but not limited to, enjoining City from enforcing any annexation ordinance adopted in

violation of this Agreement, terminating this Agreement, or taking any other action in violation of this Agreement.

7.3 Consent and Excuse. In the event of unforeseeable third-party delays which are not Force Majeure and upon a reasonable showing by Company that it has immediately and in good faith commenced and is diligently and continuously pursuing the correction, removal or abatement of such delays by using commercially reasonable efforts, City may consent to and excuse any such delays, which consent and excuse shall not be unreasonably withheld, delayed or conditioned.

7.4 Delay. Any delay for any amount of time by a party in providing notice of Default to a defaulting party hereunder, or in taking action in response to a Default, shall in no event be deemed or constitute a waiver of such Default by the non-defaulting party of any of its rights and remedies available in law or in equity.

7.5 Waiver. Any waiver granted by a party to a defaulting party of an Act of Default shall not be deemed or constitute a waiver of any other existing or future Act of Default by the defaulting party or of a subsequent Act of Default of the same act or event by the defaulting party.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1 Attorneys' Fees. If any legal action or proceeding is commenced between City and Company under this Agreement, each party will be responsible for its own attorneys' fees and expenses.

8.2 Binding Effect. This Agreement will be binding on and inure to the benefit of the parties and their respective successors and assigns.

8.3 Not an Industrial District Agreement. The Parties agree that this Agreement is not an Industrial District Agreement and should not be considered an Industrial District Agreement for any purpose.

8.4 Termination. At any time during the Term, Company may elect to terminate this Agreement as to all or any portion of the ETJ Land by providing City with written notice of such election. Following the giving of any such notice, this Agreement shall terminate and be of no further force or effect as to the portion or portions of the ETJ Land designated in such notice and all parties hereto shall be fully released of any further obligations under this Agreement relating to said designated portion or portions of the ETJ Land; provided, however, that if at the time of the giving of any such notice City is a Tier 2 Municipality with respect to such designated portion or portions of the ETJ Land, Company and City shall enter into an Industrial District Agreement or another type of agreement in accordance with Section 2.2.

8.5 Compliance Review by City. City or City's designee may conduct a compliance review of Company's records relative to compliance with the Investment Requirement and the Jobs Requirement to determine Company's compliance with the terms of this Agreement. This review may be done by City or its designee on an annual basis. On or before March 31st of each calendar year during the Term after the calendar year 2018 through and including the last calendar year of

the Term, Company shall provide City an annual report stating (i) the approximate amount of investment in the Facilities by Company and/or one or more other members of the Owner Group as of December 31st of the immediately preceding calendar year (until the Investment Requirement has been fulfilled), and (ii) the number of Full Time Jobs created and retained as of December 31st of the immediately preceding calendar year.

8.6 Access to Records. Company, during normal business hours and after being provided at least ten (10) working days prior written notice, shall allow City or its designee reasonable access to its records and books and all other relevant records relative to compliance with the Investment Requirement and the Jobs Requirement, but the confidentiality of such records and information shall be maintained by City unless disclosure of such records and information shall be required by a court order, a lawfully issued subpoena, or the Office of the Texas Attorney General.

8.7 Notice. Any notice or other communication (“Notice”) given under this Agreement must be in writing, and may be given: (i) by depositing such Notice in the United States Mail, postage paid, certified, and addressed to the party to be notified with return receipt requested; (ii) by personal delivery of such Notice to the party, or an agent of the party; or (iii) by confirmed facsimile, provided that a copy of such Notice is also given in one of the manners specified in (i) or (ii). Notice deposited in the mail in the manner specified will be effective two (2) days after such deposit. Notice given in any other manner will be effective only if and when received by the party to be notified. For the purposes of Notice, the addresses of the parties will, until changed as provided below, be as follows:

Company:

Gulf Coast Growth Ventures LLC
c/o Darren Owen
Property Tax Division Manager
Exxon Mobil Corporation
22777 Springwoods Village Parkway
Spring, Texas 77389
Phone: (832) 624-5089
Facsimile: (832) 648-5502

City:

City of Corpus Christi
Attn.: City Manager
P.O. Box 9277
Corpus Christi, Texas 78469-9277
Phone: (361) 826-3220
Facsimile: (361) 826-3839

with a copy to:

City Attorney
P.O. Box 9277
Corpus Christi, Texas 78469-9277
Phone. (361) 826-3360
Facsimile: (361) 826-3239

Any party may designate a different address at any time by giving Notice to the other party.

8.8 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and it is also the intention of the parties that, in lieu of each provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

8.9 Article and Section Headings, Etc. The Article and Section headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of such Articles and Sections.

8.10 No Third-Party Beneficiaries. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

8.11 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which will be deemed an original, but all of which will constitute one and the same instrument. A facsimile signature will be deemed to be an original signature for all purposes.

8.12 Variations. City, in its sole discretion, may grant and approve variations to Company with respect to any of Company's requirements, obligations, performance criteria, duties, terms, conditions or warranties in this Agreement upon application in writing therefore by Company.

8.13 Damages not Included. Damages awarded in an adjudication brought against City or Company arising under the Agreement, including any amendments thereto, may not include: (i) special or consequential damages; (ii) punitive or exemplary damages; or (iii) damages for unabsorbed home office overhead.

8.14 Interpretation. Each of the parties hereto has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. In the event of any dispute regarding the interpretation of this Agreement, this Agreement will be interpreted fairly and reasonably and neither more strongly for nor against either party based on draftsmanship.

8.15 Relationship of the Parties. This Agreement will not be construed as establishing a partnership or joint venture, joint enterprise, express or implied agency, or employer/employee relationship between the parties. Neither City nor its officers, elected officials, employees, or agents assume any responsibility of liability to any third party in connection with the development of the Facilities or the design, construction or operation of any portion of the Facilities.

ARTICLE IX
GENERAL TERMS

9.1 Entire Agreement. This Agreement (together with any Extraterritorial Jurisdiction Services Agreement) embodies the complete agreement of the parties hereto, superseding all oral or written, previous or contemporary, agreements between the parties relating to matters in this Agreement; and, except as otherwise provided herein, this Agreement cannot be modified or amended without a written agreement of the parties.

9.2 Required Recordation. City will file a copy of this Agreement in the real property records of each county in which any part of the land that is subject to the Agreement is located in compliance with Texas Local Government Code 212.172(c)(4).

9.3 Law. This Agreement is subject to all legal requirements of the State of Texas and U.S. Federal laws, and Company agrees that it will promptly comply in all material respects with all such applicable laws, regulations, orders and rules of the State of Texas and other applicable governmental agencies. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas without regard, however, to the conflicts of laws provisions of Texas law.

9.4 Confidential. City, its officers and employees, and its agents or contractors retained to perform economic development services for City, shall treat as confidential any information delivered by Company or its representatives to City and its representatives and shall not release such information to the public, unless required by law, court order, or ruling of the Texas Attorney General's Office. City shall immediately notify Company of requests or court orders to release such information.

EXECUTED effective as of the Effective Date.

GULF COAST GROWTH VENTURES LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF TEXAS §

§

COUNTY OF _____ §

This instrument was acknowledged before me on the _____ day of _____, 2019, by _____, _____, on behalf of Gulf Coast Growth Ventures LLC.

Notary Public, State of Texas

My commission expires: _____

CITY OF CORPUS CHRISTI, TEXAS

By: _____
Samuel Keith Selman
Interim City Manager

ATTEST:

APPROVED AS TO LEGAL FORM:

Rebecca Huerta
City Secretary

Assistant City Attorney
For City Attorney

STATE OF TEXAS §
 §
COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of _____, 2019, by Samuel Keith Selman, Interim City Manager, on behalf of City of Corpus Christi.

Notary Public, State of Texas
My commission expires:_____

EXHIBIT A

San Patricio County Appraisal District IDs for the ETJ Land:

2025-0000-0012-000
2025-0000-0015-000
2025-0000-0022-000
2025-0000-0023-000
2025-0000-0024-000
1314-1300-0000-001

LEGAL DESCRIPTION OF THE PROJECT SITE

Tract I:

A tract of land containing 523.26 acres, more or less, out of Section "M" of the Geo. H. Paul Subdivision of the Coleman Fulton Pasture Company lands South of Taft, in San Patricio County, Texas, according to the map or plat on page 32 of Volume 1 of the Map or Plat Records of said County and described by metes and bounds as follows:

BEGINNING at an iron pipe, the original West corner of Section "M", for the PLACE OF BEGINNING;

THENCE with the section line, N 30° 0' E 5,278 feet to the Southern Pacific Railroad Company right-of-way, the original Northwest corner of said Section "M";

THENCE with the railroad right-of-way and Section line, S 60° 0' E 4,326.4 feet to the Northwest corner of a homestead tract in the name of McKamey;

THENCE with the boundary line of said homestead tract, S 30° 7' W 5,276.2 feet to the West corner of said homestead tract for the South corner of this tract;

THENCE with the line of said Section "M", N 60° 2' W 4,314 feet to the PLACE OF BEGINNING, containing 523.26 acres of land, more or less;

Tract II:

A tract of land containing 826.56 acres, more or less, out of Sections "M" and "N" of the George H. Paul Subdivision of the Coleman Fulton Pasture Company's lands in San Patricio County, Texas, according to the map or plat thereof recorded in Volume 1, Page 32, of the Map Records of San Patricio County, Texas, being all of a certain tract of land containing 831.04 acres, more or less, described in a gift deed conveying a one-half (1/2) community property interest in said 831.04 acres of land from T.A. McKamey, as grantor, to Kenneth G. McKamey and wife, Hattie Bell McKamey, as grantees, in equal undivided interests, dated May 18, 1963, recorded in Volume 290, Page 351, of the Deed Records of San Patricio County, Texas, and an undivided one-half (1/2) interest in and to said 831.04 acres of land being a portion of the property acquired by Kenneth G. McKamey under the will of Lillian McKamey, Deceased, as filed in San Patricio County, Texas under Probate No. 5642, devising her one-half (1/2) community property interest in said property, said 831.04 acres of land being more particularly described as follows, to-wit:

All of said Sections "M" and "N", more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pipe set for the Northeast corner of said Section "N" and on the South right of way of the S.A. & A.P.R.R., from said pipe the smokestack on the Walker Gin at Gregory bears S 44°

10' E, the silo at Terra Belle Ranch bears N 80° 29' W and the most easterly silo at the Rattle Snake Mott bears N 23° 51' W;

THENCE down the center of a road S 30° 7' W at 5272 feet set an iron pipe 20 feet S 30° 7' W of the fence on the North side of a Road running in a Westerly direction, from which the Silo at the Terra Belle Ranch bears N 22° 58' W and the Water Tower at Taft bears N 49° 48' W for the Southeast corner of Section "N" and the Southeast corner of this survey;

THENCE up the center of said Road N 60° 2' W, at 11,246.5 feet set a stake for the Southwest corner of this survey, from which Walker's Gin bears S 72° 52' E and the water tower at Taft bears N 45° 16' W;

THENCE N 30° E at 20 feet set an iron pipe under the fence on the North side of the road, at 2,357 feet the corner post of a fence, it being August Floerke's Southeast corner, at 5,278 feet a 6 inch by 6-inch cypress post on the South line of the Right-of-Way of the S.A. & A. P. R. R., it being Floerke's Northeast corner and the Northwest corner of Section "M" for the Northwest corner of this survey;

THENCE S 60° E with said right of way line at 5,647 feet the center of the gate at the Terra Belle Ranch, at 11,258 feet the PLACE OF BEGINNING, and containing 1,362,5 acres of land;

SAVE AND EXCEPT one-half (1/2) of the road on the East and South sides of said tract of land, containing 8.2 acres of land, more or less; and,

SAVE AND EXCEPT a tract of land containing 523.26 acres, more or less, out of said Section "M", more particularly described by metes and bounds as follows, to-wit:

BEGINNING at an iron pipe, the original West corner of Section "M", for the place of beginning;

THENCE, with the section line, N 30° 0' E 5,278 feet to the Southern Pacific Railroad Company right of way, the original Northwest corner of Section "M";

THENCE with the railroad right-of-way and section line, S 60° 0' E 4,326.4 feet to the Northwest corner of a 200-acre homestead tract in the name of McKamey;

THENCE with the boundary line of said homestead tract, S 30° 7' W 5,276.2 feet to the West corner of said homestead tract for the South corner of this tract;

THENCE with the line of said Section "M" N 60° 2' W 4,314 feet to the place of beginning, and containing 523.26 acres of land, more or less;

SAVE AND EXCEPT out of said 831.04 acres of land, the following described tracts of land, to-wit:

(a) A Tract of land containing one (1) acre, more or less, out of said Section "N", as conveyed by warranty deed from T.A. McKamey and wife, Lillian McKamey, as grantor, to Central Power and Light Company, dated May 4, 1955, recorded in Volume 200, Page 499, of the Deed Records of San Patricio County, Texas; and

(b) Three and forty-eight hundredths (3.48) acres of land, more or less, described as two tracts containing one and seventy-seven hundredths (1.77) acres, more or less, and one and seventy-one hundredths (1.71) acres, more or less, respectively, as conveyed by Right-of-Way Deed from Kenneth G. McKamey and wife, Hattie Bell McKamey, to San Patricio County, Texas, dated April 23, 1965, recorded in Volume 313, Page 497, of the Deed Records of Nueces County, Texas.