

TAX ABATEMENT AGREEMENT

STATE OF TEXAS §

COUNTY OF COOKE §

This Tax Abatement Agreement (hereinafter "Agreement") is entered into by and between Cooke County, Texas (hereinafter "County") and BT Cooke Solar, LLC (hereinafter "Company") and Sammy Joe Rippey and I-35 & McGee, LP ("Landowners") on the 13 day of November, 2018 ("Effective Date").

WHEREAS, the County is authorized to enter into Tax Abatement Agreements pursuant to Chapter 312 of the *Texas Property Tax Code* (the "Tax Code"), and

WHEREAS, the County has adopted Tax abatement guidelines which provide criteria governing tax abatement agreements to be entered into by the County as contemplated by the Tax Code; and

WHEREAS, the County has adopted a resolution stating that it elects to be eligible to participate in tax abatement in accordance with the Tax Code; and

WHEREAS, the County Commissioners Court has established County Reinvestment Zone No. 2018-01 ("Reinvestment Zone") in accordance with Section 312.401 of the Tax Code; and

WHEREAS, the Landowner's land is located within the Reinvestment Zone; and

WHEREAS, the County Commissioners Court finds that the improvements and additions proposed by the Landowner and the Company will benefit the economy of the County and the State of Texas and increase the local tax base; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Landowner's land is located; and

WHEREAS, the County Commissioners Court finds that the Project is feasible and practicable and would be of benefit to the Land included in the Reinvestment Zone, and the taxing units with jurisdiction over the land after expiration of this Agreement.

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual obligations and promises set forth below, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the County, Landowner and Company agree as follows:

SECTION 1. Recitations. The parties agree that the recitations above in this agreement are true and correct and shall be incorporated into this Agreement.

SECTION 2. Term. This Agreement shall remain in force and effect for a period of ten (10) years from the Start Date and shall expire and be of no further force and effect after said date.

SECTION 3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

- a. "Land" means the tract(s) of land described in Exhibit "A" attached hereto and incorporated herein for all purposes.
- b. "Taxable Value" means the appraised value, for property tax purposes, as certified by the Cooke County Appraisal District.
- c. "Start Date" means January 1 of the calendar year immediately following the Completion Date.
- d. "Completion Date" means the date that the construction and installation of the Project is substantially complete as certified by Company to the County.
- e. "Force Majeure" means any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, adverse weather, government or de facto governmental action (unless caused by acts or omissions of such party), fires, explosions or floods, strikes, slowdowns or work stoppages.
- f. "Reinvestment Zone" means County Reinvestment Zone No. 2018-01 created by the Order of the Cooke County Commissioners Court dated Nov. 13, 2018.
- g. "Project" means development and construction/installation of facilities equipment, fixtures and personal property additions on the Land to create a renewable energy project using solar panels (solar farm) for the generation of electricity as further detailed in Exhibit "B."
- h. "Property" means the Land and any improvements, equipment, fixtures and tangible personal property thereon.
- i. "Base Year" means the 2018 tax year.
- j. "Base Year Taxable Value" under this Agreement must be deemed to be the market value of the Property on January 1, 2018, and not its taxable value as agricultural land.
- k. "Term of Abatement" or "Abatement Period", unless terminated sooner as provided elsewhere herein, means the 10-year period from and after the Start Date during which partial tax abatement for County ad valorem taxes is granted.

"Abatement Year" means a tax year covered by the Abatement Period.

SECTION 4. Abatement Limited. The tax abatement provided in this Agreement is only for County property taxes, and is only for increases in Taxable Value created by the improvements and additions made by the Project. Any increases to the Taxable Value of the real property by virtue of natural appreciation or due to change in use are not eligible for abatement.

SECTION 5 Company Obligations.

As a condition precedent to the granting of the partial tax abatement as set forth in this Agreement, Company shall, subject to events of Force Majeure and casualty where applicable:

- a. Acquire legal title to the Land or obtain and maintain a leasehold interest in the Land which allow it to construct and operate the Project on the Land;
- b. On or before December 31, 2022 erect, construct, install and add to the Land the Project resulting in the Property having a Taxable Value of at least \$40,000,000 as of the Start Date;
- c. Provide the Appraisal District with documentation and information reasonably requested for each Tax Year that will assist in determining the Taxable Value. This information shall be provided no later than April 15, subject to extension as allowed by law;
- d. Comply with all certification and reporting requirements set forth in this Agreement;
- e. Timely pay, or cause the Landowner to pay, all unabated property taxes and rollback taxes applicable to the Land.

To assist the County with the administrative and legal costs incurred with regard to the abatement process, the Company agrees to pay the County \$1,000 within 30 days after this Agreement is executed by the County.

SECTION 6. Abatement.

6.1 Subject to the terms and conditions of this Agreement, County hereby grants Company a partial abatement of County property taxes as set forth below on the increase in the Taxable Value of the property attributable to the Project over the Base Year Taxable Value.

6.2 During the Abatement Period, the percentage abatement applicable shall be as set forth below:

Year 1	50%
Year 2	50%
Year 3	50%
Year 4	50%
Year 5	50%
Year 6	50%
Year 7	50%
Year 8	50%
Year 9	50%
Year 10	50%

6.3 The property described and set forth in Section IV (7) of the County's Tax Abatement Guidelines is ineligible for tax abatement.

SECTION 7. Limitation on Use. Subject to Section 14 below, Company agrees to limit the use of the Property to the proposed commercial uses and to Limit the uses of the property to uses consistent with the general purpose of encouraging development of the designated Reinvestment Zone during the term of this Agreement.

SECTION 8. Recapture. The Company agrees to be bound by and comply with all the terms and provisions for recapture of abated taxes in the event of default by Company pursuant to law and as set forth in Section VIII (8) of the Guidelines.

SECTION 9. Certification. The Company agrees to certify annually to the governing body of each taxing unit that the owner is in compliance with the terms of the Agreement.

SECTION 10. Default and Remedies. The County may declare a default if the Company breaches any material term or condition of this Agreement. If the County declares a default of this Agreement, this Agreement shall terminate, after notice and opportunity to cure as provided for below, or the County may modify the Agreement upon mutual agreement with the Company. The County shall notify (i) the Company and (ii) any lender of record in the Real Property Records of Falls County of any default in writing in the manner prescribed herein. All contact information for purposes of a notice default shall be provided to the County Judge. The Notice shall specify the basis for the declaration of default, and the Company shall have ninety (90) days from the date of such notice to cure and default, except that where the default is incapable of being cured within ninety (90) days using reasonable business efforts, the Company shall commence performance of the cure within thirty (30) days after receipt of notice and diligently pursue those efforts until the default is cured. The Company and any lender of which the County has notice shall maintain the right to cure any defect, including any defect caused by an assignee or contractor of the Company during the same cure period identified in the foregoing sentence.

SECTION 11. Notices. Notices required to be given by this Agreement shall be mailed, certified mail return receipt requested, to the following addresses:

COOKE COUNTY JUDGE
Cooke County Courthouse, Suite 132
Gainesville, TX 76240
and

[FILL IN COMPANY'S ADDRESS]
BT COOKE SOLAR, LLC.
c/o Lloyd Pope
13612 Midway Road, Suite 200
Farmers Branch, TX 75244

[FILL IN LANDOWNERS'S ADDRESS]

Sammy Joe Rippey

c/o

PO BOX 1322

SANGER, TX 76266

I-35 & McGee, LP

c/o

TIM LEE

9780 WALNUT ST. #405

DALLAS, TX 75243

SECTION 12. Assignment. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement shall not be transferred by Company to subsequent owners or lessees of without prior written notice to the County, which shall not be unreasonably withheld, and pursuant a binding agreement in which the Company's assignee assumes all terms and obligations of this Agreement. It shall not be unreasonable for County to refuse to consent in the event that the proposed assignee would be exempt from property taxation or where it reasonably appears that the proposed assignee may not have the financial capability to own and operate the project. The parties agree that it shall be deemed that the assignee has the financial capability to own and operate the project in the event that the assignee has a net worth at least as great as the net worth of Company at the time of the proposed assignment. If an assignment is made in whole or in part during the term of this Agreement to an entity exempt from property taxation, Company must repay to the County all property taxes that have been abated to the date of the assignment, and, if the assignment occurs during the Abatement Period, no further abatements will be given. Notwithstanding the restrictions above, the Company may assign this Agreement without County's advance consent to an assignee that (i) is domiciled principally in the United States and has a net worth of at least Ten Million Dollars (\$10,000,000) and owns and/or operates at least 20 megawatts (20 MW) of electricity generation projects, (ii) engages an operator of the Project that is domiciled principally in the United States and has a net worth of at least Ten Million Dollars (\$10,000,000) and owns and/or operates at least 20 megawatts (20 MW) of electricity generation projects, (iii) is an affiliate of Company, or (iv) is a mortgagee of the Project.

SECTION 13. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be declared or held to be invalid or unenforceable by any county, governmental authority or agency having jurisdiction over the subject matter of this Agreement, the remaining terms of this Agreement and the application of such terms or provision to any other person or circumstance shall not be affected by such declaration or holding and shall remain valid and enforceable as allowed by law, and the parties shall negotiate in good faith to modify this Agreement to reform the invalid or unenforceable provisions hereof. If a court ruling or change in law affects the Company's eligibility for abatement, the County shall recapture so much of the abated taxes as required, but no penalties or interest shall be assessed against Company unless required by law.

SECTION 14. Agricultural Use. It is the intention of the Landlord to continue the agricultural use of the Land until the actual commencement of construction of the Project. Nothing in this Agreement is intended to cause the Landowner to lose any applicable agricultural use exemption prior to actual commencement of construction of the Project on the affected parcel, provided that the applicable requirements for such agricultural exemption are met. In addition, the Company intends to evaluate the Land to determine if certain portions of the Land would not be suitable for the Project, and to release such unusable portions back to the Landowner for agricultural or other use. So long as the Taxable Value of the Property remains no less than the minimum Taxable Value set forth in Section 5(b) above, this use of a portion of the Land for agriculture or other use will not violate this Agreement and will not cause Landowner to be ineligible for an agricultural use exemption for such portions of the Land which otherwise qualify for an agricultural use exemption.

EXECUTED this 13 day of November, 2018.

LANDOWNER

I-35 & McGee, LP

By [Signature]

its landowner

Sammy Joe Rippey

By [Signature]

its landowner

COOKE COUNTY

[Signature]
Jason Brinkley, Judge

ATTEST:

[Signature]

County Clerk

COMPANY

BT COOKE SOLAR, LLC

By: [Signature]

Name: Jeffrey Clay

its president