

**Tax Abatement Agreement between
Fayette County, Texas and 7V Solar Ranch, LLC**

State of Texas

County of Fayette

This Tax Abatement Agreement (the “**Agreement**”) is made and entered into by and between **Fayette County, Texas** (the “**County**”), acting through its duly elected officers, and **7V Solar Ranch, LLC**, a Delaware limited liability company, owner of Eligible Property (as hereinafter defined) to be located on real property located in the Reinvestment Zone described in this Agreement. This Agreement shall become effective upon final signature by both parties (which date shall be the “**Effective Date**”) and shall remain in effect until fulfillment of the obligations described in Paragraph IV(D), unless terminated earlier as provided herein.

I. Authorization

This Agreement is authorized and governed by Chapter 312 of the Texas Tax Code, as amended, and by the Guidelines and Criteria (as defined below).

II. Definitions

As used in this Agreement, the following terms shall have the meaning set forth below:

- A. “Abatement” means the full or partial exemption from ad valorem taxes on property in a Reinvestment Zone as provided herein.
- B. “Abatement Period” means the ten-year period described in Paragraph IV(B)(1) of this Agreement during which the Abatement will apply.
- C. “Base Year” means the Calendar Year in which the Effective Date occurs.
- D. “Calendar Year” means each year beginning on January 1 and ending on December 31.
- E. “Certificate” means a letter, provided by the Owner (as defined below) to the County that certifies that the Project has achieved Commercial Operations, outlines the Improvements included in the Project (including those that are still under construction), and states the overall Nameplate Capacity of the Project. Upon receipt of a Certificate, the County may inspect the Site within the Reinvestment Zone in accordance with the terms of this Agreement in order to verify that the Improvements are as certified in such Certificate. If the Certificate indicates that certain ancillary facilities not required for Commercial Operations are still under construction on the date that the Certificate is delivered, Owner will deliver an amended Certificate to the County within thirty (30) days after all Project construction is complete.
- F. “Certified Appraised Value,” means the appraised value, for property tax purposes, of Owner’s Eligible Property (including the Improvements) within the Reinvestment Zone as certified by the Fayette County Appraisal District (“County Appraisal District”) for each tax year.
- G. “COD” means the date that the Project commences Commercial Operations.
- H. “Commercial Operations” means that the Project has become commercially operational and placed into service for the purpose of generating electricity for sale on one or more commercial markets.
- I. “Default Notice” means a written notice delivered by one party to the other under Paragraph VII(A) of this Agreement. Default Notices must be delivered in accordance with the requirements of Paragraph X of this Agreement.
- J. “Eligible Property” means property eligible for Abatement under the Guidelines and Criteria, including: new, expanded, or modernized buildings and structures; fixed machinery and equipment; site

- improvements; office space; other related fixed improvements; other tangible items necessary to the operation and administration of a project or facility; and all other real and tangible personal property permitted to receive tax abatement by Chapter 312 of the Texas Tax Code and the Guidelines and Criteria. Taxes on Eligible Property may be abated only to the extent the property's value for a given year exceeds its value for the Base Year. Tangible personal property located in the Reinvestment Zone at any time before the date the Agreement is signed is not eligible for Abatement. Tangible personal property eligible for Abatement shall not include inventory or supplies.
- K. "Force Majeure" includes events not reasonably within the control of the party whose performance is sought to be excused thereby, including the following causes and events: acts of God and the public enemy, strikes, lockouts or other industrial disturbances, inability to obtain material or equipment or labor due to an event that meets the definition of a Force Majeure, wars, blockades, insurrections, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, storms, floods, high water washouts, inclement weather, arrests and restraint of rulers and people, interruptions by government or court orders, present or future orders of any regulatory body, civil disturbances, explosions, breakage or accident to machinery or lines, freezing of lines any laws, rules, orders, acts or restraint of government or governmental body or court, or the partial or entire failure of fuel supply or any other event that is beyond the reasonable control of the party claiming Force Majeure.
- L. "Guidelines and Criteria" means the *Guidelines and Criteria Governing Tax Abatement Agreements*, adopted by the Fayette County Commissioners Court on February 27, 2020 (the "Guidelines and Criteria"), a copy of which is attached hereto as Attachment B to this Agreement.
- M. "Improvements" means Eligible Property meeting the definition for improvements provided by Chapter 1 of the Texas Tax Code and includes, but is not limited to, any building, structure, or fixture erected on or affixed to the land.
- N. "Lender" means any entity or person providing, directly or indirectly, with respect to the Improvements or Project any of (a) senior or subordinated construction, interim or long-term debt financing or refinancing, whether that financing or refinancing takes the form of private debt, public debt, or any other form of debt (including debt financing or refinancing), (b) a leasing transaction, including a sale leaseback, inverted lease, or leveraged leasing structure, (c) tax equity financing, (d) any interest rate protection agreements to hedge any of the foregoing obligations, and/or (e) any energy hedge provider. There may be more than one Lender. Owner, at its election, may send written notice to the County with the name and notice information for any Lender.
- O. "Nameplate Capacity" means the total or overall generating capacity of the Improvements on the Site.
- P. "Notice of Abatement Commencement" has the meaning assigned in Paragraph IV(B)(6) of this Agreement.
- Q. "Notices" means all notices, demands, or other communications of any type given shall be given in accordance with this Section, including Default Notices.
- R. "Owner" means **7V Solar Ranch, LLC**, the entity that owns the Eligible Property for which the Abatement is being granted, and any assignee or successor-in-interest of such party. An "Affiliate" of an Owner means any entity that directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such Owner. For purposes of this definition, "control" of an entity means (i) the ownership, directly or indirectly, of fifty percent (50%) or more of the voting rights in a company or other legal entity or (ii) the right to direct the management or operation of such entity whether by ownership (directly or indirectly) of securities, by contract or otherwise.
- S. "Reinvestment Zone" means the reinvestment zone, as that term is defined in Chapter 312 of the Texas Tax Code, created by Fayette County by that certain Resolution Adopting and Designating a Reinvestment Zone in the Jurisdiction of Fayette County, Texas, adopted and approved by the Fayette County Commissioners' Court on **August 27, 2020**, a copy of which resolution is attached as Attachment A to this Agreement.

- T. "Site" means the portion of the Reinvestment Zone leased by Owner and on which Owner makes the Improvements and installs and constructs the Eligible Property for which the Abatement is granted hereunder. The site is described on Attachment C to this Agreement.
- U. "Term" means the period commencing on the Effective Date of this Agreement and ending on December 31 of the twentieth Calendar Year after the commencement of the Abatement Period.

III. Improvements in Reinvestment Zone

Owner anticipates making the following Improvements on the Site:

- A. Owner anticipates constructing Improvements on the Site consisting of a photovoltaic solar powered electricity generation facility (the "Project"). The Project is anticipated to consist of solar equipment located in the Reinvestment Zone with a total Nameplate Capacity for the Project of approximately **240 megawatts (ac)**. The total Nameplate Capacity will vary depending on the type of solar equipment used and the size of the facility. The Project is expected to have an overall minimum investment in the County of **\$150,000,000**. The Certified Appraised Value will depend upon annual appraisals by the County Appraisal District.
- B. The Improvements will also include any other property in the Reinvestment Zone owned or leased by Owner meeting the definition of "Eligible Property" that is used to produce electricity and perform other functions related to the production, distribution, and transmission of electrical power, or that is otherwise related to the production of electricity.
- C. Owner anticipates that the Project will achieve Commercial Operations by no later than **December 31, 2024**.

IV. Term and Portion of Tax Abatement; Taxability of Property

- A. The County and Owner specifically agree and acknowledge that Owner's property in the Reinvestment Zone shall be taxable in the following ways before, during, and after the Term of this Agreement:
 - 1. Property not eligible for Abatement, if any, shall be fully taxable at all times;
 - 2. The Certified Appraised Value of property existing in the Reinvestment Zone prior to execution of this Agreement shall be fully taxable at all times;
 - 3. Prior to commencement of the Abatement Period, the Certified Appraised Value of real and personal property owned by Owner located in the Reinvestment Zone shall be fully taxable at all times;
 - 4. During the Abatement Period, all categories of county property taxes on the Certified Appraised Value of the Eligible Property shall be abated for the periods and in the amounts as provided for by Paragraph IV(B) below; and
 - 5. After expiration of the Abatement Period, 100% the Certified Appraised Value of real and personal property owned by Owner located in the Reinvestment Zone shall be fully taxable at all times, including during the remainder of the Term.
- B. The County and Owner specifically agree and acknowledge that this Agreement shall provide for tax Abatement, under the conditions set forth herein, of all categories of county property taxes assessed on the Eligible Property in the Reinvestment Zone as follows:
 - 1. Beginning on the earlier of (a) January 1 of the first Calendar Year after the COD or (b) January 1 of the Calendar Year identified in a Notice of Abatement Commencement (as

defined below) delivered by Owner (with such Calendar Year being “Year 1” of the Abatement Period) and ending upon the conclusion of ten full Calendar Years thereafter (which 10-year period shall constitute the Abatement Period), the Abatement percentage shall be the following percentage for the Calendar Year indicated in the table below:

Calendar Year	Abatement percentage
Year 1	75%
Year 2	75%
Year 3	70%
Year 4	70%
Year 5	65%
Year 6	65%
Year 7	60%
Year 8	60%
Year 9	55%
Year 10	55%

2. The foregoing percentage of property taxes on the Certified Appraised Value of all Improvements described in the Certificate (and actually in place in the Reinvestment Zone) shall be abated for the entire Abatement Period.
3. The foregoing percentage of property taxes on the Certified Appraised Value of any and all otherwise taxable Eligible Property owned by Owner and located in the Reinvestment Zone shall be abated for the entire Abatement Period.
4. The Base Year value for the proposed Improvements is agreed to be zero.
5. Owner shall provide the Certificate to the County and to the County Appraisal District within sixty (60) days after the COD. The Certificate shall describe any ancillary facilities not required for Commercial Operations that are still under construction on the date that the Certificate is delivered, and if the Certificate indicates any such facilities exist, Owner will deliver an amended Certificate to the County within thirty (30) days after all Project construction is complete. If they meet the definition of “Eligible Property,” such ancillary facilities, once completed, shall become part of the Improvements eligible for the Abatement under this Agreement.
6. If Owner, at its sole election, desires that the Abatement Period begin prior to January 1 of the of the first Calendar Year after the COD, then Owner may deliver a notice to the County and County Appraisal District stating such desire (such notice being referred to herein as a “Notice of Abatement Commencement”). If delivered by Owner, the Notice of Abatement Commencement shall contain the following statement: “Owner elects for the Abatement Period to begin on January 1, ____”; the year stated in the Notice of Abatement Commencement shall be the first year of the Abatement Period, and the Abatement Period

shall extend for 10 years beyond such date. Owner shall only be permitted to deliver a Notice of Abatement Commencement if it anticipates achieving COD during the next Calendar Year. Owner shall still be required to deliver the Certificate on or before the date required in the preceding paragraph.

7. Notwithstanding any statement or implication in this Agreement to the contrary, the parties agree that the Abatement granted in this Agreement shall in no event extend beyond 10 years.
- C. All or a portion of the Improvements may be eligible for complete or partial exemption from ad valorem taxes as a result of existing law or future legislation. This Agreement is not to be construed as evidence that no such exemptions shall apply to the Improvements.
- D. Owner agrees that the Improvements, once constructed, will remain in place for at least the remainder of the Term; provided that nothing herein prevents Owner from replacing equipment or fixtures comprising the Improvements prior to that date so long as such replacement does not result in a material reduction of the Certified Appraised Value of the Improvements. IN THE EVENT OF A BREACH OF THIS PARAGRAPH IV(D), THE SOLE REMEDY OF THE COUNTY, AND OWNER'S SOLE LIABILITY, WILL BE FOR OWNER TO PAY TO THE COUNTY THE FULL AMOUNT OF ACTUAL TAXES ABATED AT ANY TIME UNDER THIS AGREEMENT ON THE REMOVED IMPROVEMENTS. IN THE EVENT OF A BREACH OF THIS PARAGRAPH IV(D), ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.
- E. During the Abatement Period, County shall request that the County Appraisal District annually determine both (i) the Certified Appraised Value of the Eligible Property owned by Owner in the Reinvestment Zone and (ii) the taxable value (taking into account the terms of the Abatement in this Agreement) of the Eligible Property owned by Owner in the Reinvestment Zone. The County Appraisal District shall record both the Certified Appraised Value and the abated taxable value of the Eligible Property in the County appraisal records (which taxable value shall be zero for each of the years during the Abatement Period). The Certified Appraised Value listed in the County appraisal records shall be the standard used for calculating the amount of taxes to be recaptured by the County in the event that the County is entitled to recapture abated taxes under this Agreement.

V. Representations

The County and Owner make the following respective representations:

- A. Owner represents and agrees that (i) Owner, its successors and/or assigns, will have a taxable interest with respect to Improvements to be placed on the Site; (ii) construction of the proposed Improvements will be performed by Owner, its successors and/or assigns and/or their contractors or subcontractors, (iii) Owner's and its successors' and assigns' use of the Site will be limited to the use described in this Agreement (and ancillary uses) during the Abatement Period, (iv) all representations made in this Agreement are true and correct in all material respects to the best of Owner's knowledge, and (v) Owner will make any filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning this Agreement that may be required now or in the future.
- B. The County represents that (i) the County has formally elected to be eligible to grant property tax abatements under Chapter 312 of the Tax Code; (ii) the Reinvestment Zone has been designated and this Agreement has been approved in accordance with Chapter 312 of the Texas Tax Code and the Guidelines and Criteria as both exist on the effective date of this Agreement; (iii) no interest in the Improvements is held, leased, or subleased by a member of the County Commissioners Court, (iv) that the property within the Reinvestment Zone and the Site is located within the legal boundaries of the County and outside the boundaries of all municipalities located in the County; and (v) the County has made and will continue to make all required filings with the Office of the Comptroller of Public Accounts and other governmental entities concerning the Reinvestment Zone and this Agreement.

VI. Access to and Inspection of Property by County Employees

- A. Owner shall allow the County's employees access to the Site for the purpose of inspecting any Improvements erected to ensure that the same are conforming to the minimum specifications of this Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving Owner twenty-four (24) hours' notice and shall be conducted in such a manner as to avoid any unreasonable interference with the construction and/or operation of the Improvements. All such inspections shall be made with one (1) or more representatives of Owner in accordance with all applicable safety standards.
- B. Owner shall, on or before May 1 of each Calendar Year after COD certify annually to the County its compliance with this Agreement by providing a written statement of compliance to the County Judge.

VII. Default, Remedies and Limitation of Liability

- A. No party may terminate this Agreement unless (i) such party provides a written Default Notice to the other party specifying a material default in the performance of a material covenant or obligation under this Agreement and (ii) such failure is not (x) excused by the occurrence an event of Force Majeure or (y) cured by the other party within sixty (60) days after the delivery of the Default Notice, or if such failure cannot be cured within such sixty (60)-day period, the other party shall have such additional time, up to 365 days, to cure such default as is reasonably necessary as long as such party has commenced remedial action to cure such failure and continues to diligently and timely pursue the completion of such remedial action before the expiration of the maximum 365-day cure period. Notwithstanding the preceding portions of this paragraph, if any default arises from a violation of law resulting from a change in law or a change in the interpretation or enforcement of law by a governmental entity, then such default shall not give rise to the termination of this Agreement so long as the defaulting party acts in accordance with a commercially reasonable plan of action to minimize the effect of such default prepared by the defaulting party and delivered to the other party. If Owner believes that any alleged termination is improper, Owner may file suit in the proper court challenging such termination. OWNER'S SOLE REMEDY WILL BE REINSTATEMENT OF THIS AGREEMENT AND SPECIFIC PERFORMANCE BY THE COUNTY, PLUS RECOVERY OF ATTORNEYS' FEES AND COURT COSTS IF PERMITTED BY LAW. In the event of default which remains uncured after all applicable notice and cure periods, the County may pursue the remedies provided for in Paragraph VII(D) and (E) below or the preceding Paragraph IV(D), as applicable.
- B. The County shall not declare a default, and no default will be deemed to have occurred, when the circumstances giving rise to such declaration are the result of Force Majeure. Notwithstanding any other provision of this Agreement to the contrary, in the event a party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement (other than any obligation to make payment of any amount when due and payable hereunder), the obligation of such party, so far as it is affected by such Force Majeure, shall be suspended during the continuance of any condition or event of Force Majeure, but for no longer period, and such condition or event shall so far as possible be remedied with all reasonable dispatch. The party prevented or hindered from performing shall give prompt (but in no event later than twenty business days after the occurrence of such event) notice and reasonably full particulars of such event to the other party and shall take all reasonable actions within its power to remove the basis for nonperformance (including securing alternative supply sources) and after doing so shall resume performance as soon as possible. The settlement of strikes or lockouts or resolution of differences with workers shall be entirely within the discretion of the affected party, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes, lockouts or differences by acceding to the demands of the opposing party in such strike, lockout or difference when such course is inadvisable in the reasonably exercised discretion of the affected party.
- C. The County shall notify Owner and any Lender (but only if the County has been provided with the name and notice information of the Lender) of any default by delivery of a Default Notice in the manner prescribed herein. The Default Notice shall specify the basis for the declaration of default, and Owner shall have the periods of time specified in Paragraph VII(A) above to cure any default. If Owner provides notice to the County of the existence of a Lender under Paragraph IX(E) and includes the

Lender's contact information, then the County shall be required to deliver a copy of any Default Notice to the Lender at the same time that it delivers the Default Notice to Owner. Such Lender shall have the right to cure any Owner default on Owner's behalf and shall be entitled to the same cure periods provided for Owner under this Agreement.

- D. As required by section 312.205 of the Texas Tax Code, if an Owner default remains uncured after all applicable notice and cure periods, the County shall be entitled to cancel the Agreement and recover the property tax revenue abated under this Agreement through the cancellation date. Owner agrees to pay such amounts within sixty (60) days after the cancellation of this Agreement.
- E. LIMITATION OF LIABILITY: CANCELLATION OF THE AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE) AND RECAPTURE OF PROPERTY TAXES ABATED ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN PARAGRAPH VII(D) OF THIS AGREEMENT OR PARAGRAPH IV(D) OF THIS AGREEMENT, ALONG WITH ANY REASONABLY INCURRED COURT COSTS AND ATTORNEYS' FEES, SHALL BE THE COUNTY'S SOLE REMEDY, AND OWNER'S SOLE LIABILITY, IN THE EVENT OWNER FAILS TO TAKE ANY ACTION REQUIRED BY THIS AGREEMENT, INCLUDING ANY FAILURE TO PAY AMOUNTS OWED UNDER THIS AGREEMENT. OWNER AND COUNTY AGREE THAT THE LIMITATIONS CONTAINED IN THIS PARAGRAPH ARE REASONABLE AND REFLECT THE BARGAINED FOR RISK ALLOCATION AGREED TO BY THE PARTIES. IN THE EVENT OF A BREACH OF THIS AGREEMENT, ANY TAXES DUE BY OWNER SHALL BE SUBJECT TO ANY AND ALL STATUTORY RIGHTS FOR THE PAYMENT AND COLLECTION OF TAXES IN ACCORDANCE WITH THE TEXAS TAX CODE.
- F. Any Default Notice delivered to Owner and any Lender under this Agreement shall prominently state the following at the top of the notice:

NOTICE OF DEFAULT UNDER TAX ABATEMENT AGREEMENT

YOU ARE HEREBY NOTIFIED OF THE FOLLOWING DEFAULT UNDER YOUR TAX ABATEMENT AGREEMENT WITH THE COUNTY. FAILURE TO CURE THIS DEFAULT WITHIN THE TIME PERIODS PROVIDED BY THE AGREEMENT SHALL RESULT IN CANCELLATION OF THE TAX ABATEMENT AGREEMENT AND, IF PERMITTED, RECAPTURE OF TAXES ABATED PURSUANT TO THE AGREEMENT.

VIII. Compliance with State and Local Regulations

Nothing in this Agreement shall be construed to alter or affect the obligations of Owner to comply with any order, rule, statute, or regulation of the County or the State of Texas.

IX. Assignment of Agreement

- A. The rights and responsibilities of Owner hereunder may be assigned, in whole or in part, only after obtaining the County's prior consent, which consent shall not be unreasonably withheld, conditioned, or delayed; provided, however, Owner may assign its rights under this Agreement to any affiliate of Owner without needing any prior consent from the County. Any assignment by Owner under this paragraph without first obtaining the consent of the County shall be a default under this Agreement subject to the notice provisions, cure provisions, remedies, and other terms and conditions of Article VII above. Owner shall give forty-five (45) days' written notice of any such intended assignment to the County, and the County shall respond with its consent or refusal within thirty-five (35) days after receipt of Owner's notice of assignment. If the County responds to Owner's notice of assignment with a refusal, the parties agree to work together in good faith to resolve the County's objections to the assignment. Owner's assignment of the Agreement shall be final only after the execution of a formal assignment document between Owner and the assignee and the delivery of notice of the execution of such assignment agreement to the County. Neither Owner's notice of an intended assignment nor the County's formal

consent to an intended assignment shall constitute an assignment of the Agreement, and Owner's request for a consent to assignment shall not obligate owner to assign the Agreement.

- B. No assignment under Paragraph IX(A) shall be allowed if (a) the County has declared a default hereunder that has not been cured within all applicable notice and cure periods, or (b) the assignee is delinquent in the payment of ad valorem taxes owed to the County or any other taxing jurisdiction in the County.
- C. The parties agree that a transfer of all or a portion of the ownership interests in Owner to a third party shall not be considered an assignment under the terms of this Agreement and shall not require any consent of the County.
- D. Upon any assignment and assumption under Paragraph IX(A) of Owner's entire interest in the Agreement, Owner shall have no further rights, duties or obligations under the Agreement. Upon any assignment and assumption under Paragraph IX(A) of only a portion of Owner's interest in the Agreement (for example, if only portion of the Improvements or Project is transferred by Owner to a third party), then (i) each of Owner and each assignee of a portion of this Agreement shall be considered an Owner party under this Agreement, (ii) the County shall cause the property taxes owned by each of the Owner parties to be separately assessed, and (iii) neither of the Owner parties shall have any further rights, duties, or obligations under the Agreement as to the portion of the Improvements or Project owned by another Owner party.
- E. In addition to its rights under Paragraph IX(A), Owner may, without obtaining the County's consent, mortgage, pledge, or otherwise encumber its interest in this Agreement or the Project to a Lender for the purpose of financing the operations of the Project or constructing the Project or acquiring additional equipment following any initial phase of construction. Owner's encumbering its interest in this Agreement may include an assignment of Owner's rights and obligations under this Agreement for purposes of granting a security interest in this Agreement. In the event Owner takes any of the actions permitted by this subparagraph, it may provide written notice of such action to the County with such notice to include the name and notice information of the Lender. If Owner provides the name and contact information of a Lender to the County, then the County shall be required to provide a copy to such Lender of all Notices delivered to Owner at the same time that the Notice is delivered to Owner. If Owner does not provide the name and contact information of a Lender to the County, then such Lender shall not have the notice rights or other rights of a Lender under this Agreement.

X. Notice

All Notices (including Default Notices) shall be given in accordance with this Section. All Notices shall be in writing and delivered, by commercial delivery service to the office of the person to whom the Notice is directed (provided that that delivery is confirmed by the courier delivery service); by United States Postal Service (USPS), postage prepaid, as a registered or certified item, return receipt requested in a proper wrapper and with proper postage; by recognized overnight delivery service as evidenced by a bill of lading, or by facsimile transmission. Notices delivered by commercial delivery service shall be deemed delivered on receipt or refusal; notices delivered by USPS shall be deemed to have been given upon deposit with the same; facsimile notice shall be effective upon receipt by the sender of an electronic confirmation. All Default Notices shall be given by at least two (2) methods of delivery and in a manner consistent with Section VII(F). All Notices (including Default Notices) shall be mailed or delivered to the following addresses:

To the Owner:
7V Solar Ranch, LLC
Attn: Mr. Nick Lincon
c/o Hamel Renewables Hold Co., LLC
125 West 55th Street,
New York, New York 10022

With Copy To:
7V Solar Ranch, LLC
Attn: Mr. James Cook
c/o Hamel Renewables Hold Co., LLC
360 Pine Street, Suite 500
San Francisco, California 94104

To the County: County Judge – Fayette County, Texas
151 North Washington St., Room 301
La Grange, TX 78945
Fax: (979) 968-8621

Any party may designate a different address by giving the other party at least ten (10) days written notice in the manner prescribed above.

XI. Severability

In the event any section or other part of this Agreement is held invalid, illegal, factually insufficient, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid sections or other part. In the event that (i) the term of the Abatement with respect to any property is longer than allowed by law, or (ii) the Abatement applies to a broader classification of property than is allowed by law, then the Abatement shall be valid with respect to the classification of property not deemed overly broad, and for the portion of the term of the Abatement not deemed excessive. Any provision required by the Tax Code to be contained herein that does not appear herein is incorporated herein by reference.

XII. Applicable Law

This Agreement shall be construed under the laws of the State of Texas. Venue for any dispute hereunder shall be exclusively in the courts of the County.

XIII. Amendment

Except as otherwise provided, this Agreement may be modified by the parties hereto upon mutual written consent to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Chapter 312 of the Texas Tax Code.

XIV. Guidelines and Criteria

This Agreement is entered into by the parties consistent with the Guidelines and Criteria. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines and Criteria or is inconsistent with any provision of the Guidelines and Criteria, the Guidelines and Criteria are deemed amended for purposes of this Agreement only.

XV. Entire Agreement

This Agreement contains the entire and integrated Tax Abatement Agreement between the County and Owner, and supersedes any and all other negotiations and agreements, whether written or oral, between the parties. This Agreement has not been executed in reliance upon any representation or promise, except those contained herein.

[remainder of this page intentionally blank]

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the County as authorized by the County Commissioners Court and executed by the Owner on the respective dates shown below.

FAYETTE COUNTY, TEXAS

By: _____
Joe Weber, County Judge

Date: _____

Jason McBroom
Commissioner, Precinct 1

Luke Sternadel
Commissioner, Precinct 2

Harvey Berkenhoff
Commissioner, Precinct 3

Tom Muras
Commissioner, Precinct 4

Attest: Brenda Fietsam
County Clerk

[signatures continue next page]

OWNER:
7V Solar Ranch, LLC

By: _____

Date: _____

Print Name: _____

Print Title: _____

Attachment A

Attached is the Order Designating the Reinvestment Zone

Attachment B

Attached is a copy of the Guidelines and Criteria.

**GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT AGREEMENTS
TO BE ENTERED INTO AND GRANTED BY FAYETTE COUNTY, TEXAS**

STATE OF TEXAS }
 }
COUNTY OF FAYETTE }

WHEREAS, new improvements and investments, and new jobs, will benefit the area economy, provide needed opportunities, strengthen the real estate market, and generate tax revenue to support local services; and,

WHEREAS, building and installing new improvements, and the creation and retention of job opportunities, that bring substantial new wealth are among the highest civic priorities; and,

WHEREAS, Fayette County (the "County") must compete with other localities across the nation currently offering tax inducements to attract new and modernization projects; and,

WHEREAS, any tax incentives offered in Fayette County would reduce needed tax revenue unless these tax incentives are strictly limited in application to those new and existing industries that bring substantial new wealth to the community; and,

WHEREAS, the abatement of property taxes, when offered to attract new improvements and investments and/or primary jobs in industries that bring in money from outside a community instead of merely recirculating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area's economy; and,

WHEREAS, Chapter 312, the Property Redevelopment and Tax Abatement Act, Texas Tax Code, requires any eligible taxing jurisdiction, including Fayette County, to establish guidelines and criteria as to eligibility for tax abatement agreements prior to the granting of any future tax abatement, which guidelines and criteria are to remain unchanged for a two-year period unless amended by minimum votes, as provided by said state law; and,

WHEREAS, these guidelines and criteria shall not be construed as implying or suggesting that the County, or any other taxing jurisdiction, is under any obligation to provide tax abatement or other incentives to any applicant, and all applicants shall be considered on a case-by-case basis; and,

WHEREAS, these guidelines and criteria are approved for circulation to all affected taxing jurisdictions for consideration as a common policy for all jurisdictions that choose to participate in tax abatement agreements; and

WHEREAS, the Commissioners Court of Fayette County, Texas (the "Commissioners Court") hereby adopts, approves, authorizes, and establishes these guidelines and criteria;

NOW THEREFORE BE IT RESOLVED AND ORDERED THAT Fayette County, Texas hereby adopts, approves, authorizes, and establishes the Guidelines and Criteria Governing Tax Abatement Agreements to be Entered into and Granted by Fayette County, Texas (the "Guidelines and Criteria") as follows:

Sec. 1. Definitions

- A. "Abatement" means the full or partial exemption from ad valorem taxes of certain real property, and certain personal property, in a reinvestment zone designated by Fayette County for economic development purposes.

- B. "Affected jurisdiction" or "taxing entity" means the County of Fayette, and any other taxing jurisdiction with any substantial parts of its area located in the County; and that levies ad valorem taxes and provides services to property located in said County; and that chooses to participate in Tax Abatement Agreements by, or pursuant to, these guidelines and criteria.
- C. "Agreement" or "Tax Abatement Agreement" means a contractual agreement between a property owner or lessee, or both, and an affected jurisdiction for the purposes of Abatement.
- D. "Base year value" means the assessed value of eligible property on the January 1 preceding the execution of the agreement, plus the agreed-upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- E. "Deferred maintenance" means improvements necessary for continued operations that do not improve productivity or alter the process technology.
- F. "Distribution Center Facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, primarily to receive, store, service, or distribute goods or materials owned by the facility operator.
- G. "Expansion" means the addition of permanent building and structures and/or fixed machinery and equipment, for purposes of increasing production capacity.
- H. "Facility" means property improvements completed or in the process of construction that together comprise an integral whole.
- I. "Manufacturing Facility" means permanent buildings and structures, including fixed machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- J. "Modernization" means a complete or partial demolition of facilities and the complete or partial reconstruction or installation of a facility of similar or expanded production capacity. Modernization may result from the construction, alteration, or installation of permanent buildings and structures, and alteration, or installation of permanent buildings and structures, fixed machinery and equipment. Modernization shall include improvements for the purposes of increasing productivity or updating the technology of machinery or equipment or both.
- K. "Natural Gas Energy Resource" means a resource which produces energy derived from natural gas energy technologies.
- L. "New Facility" means a property previously undeveloped that is placed into service by means other than by, or in conjunction with, expansion or modernization.
- M. "Other basic industry" means permanent buildings and structures, including fixed machinery and equipment not elsewhere described, used or to be used, for the production of products or services that primarily serve a market, that result in the creation of new permanent jobs, and that bring in new wealth.

- N. "Productive life" means the number of years a property improvement is expected to be in service in a facility.
- O. "Regional entertainment facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used to provide entertainment through the admission of the general public.
- P. "Research facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used primarily for the research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- Q. "Regional service facility" means permanent buildings and structures, including fixed machinery and equipment, used or to be used, to service goods.
- R. "Renewable Energy Resource" means a resource which produces energy derived from renewable energy technologies, as defined in PUC Substantive Rule 25.5.

Sec. 2. Criteria for Abatement and Designation a Reinvestment Zone.

- A. Authorized facility. A facility may be eligible for Abatement if it is a manufacturing facility, natural gas energy resource, research facility distribution center or regional service facility, regional entertainment facility, renewable energy resource, or other basic industry.
- B. Creation of new value. Abatement may be granted only for the additional value of eligible property improvements made subsequent to, and specified in, a Tax Abatement Agreement between the County and the property owner or lessee, subject to such limitation as the County may require.
- C. New and existing facilities. Abatement may be for new facilities and for improvements to existing facilities for the purposes of modernization or expansion.
- D. Eligible property. Abatement may be extended to the value of permanent buildings and structures, fixed machinery and equipment, and certain other personal property, site improvements, and office space and related fixed improvements necessary to the operation and administration of the facility.
- E. Ineligible property. The following types of property shall be fully taxable and ineligible for Abatement: land; inventories; supplies; housing; hotel accommodations; deferred maintenance investments; property owned or used by the State of Texas or its political subdivision or by any organization owned, operated, or directed by a political subdivision of the State of Texas.
- F. Value and term of Abatement. A Tax Abatement Agreement granted by the County shall be up to but not exceeding ten (10) years in duration and up to but not exceeding 100% of the ad valorem property taxes assessed.
- G. Economic qualification. In order to be eligible to receive Abatement the planned improvement:
 - 1. Must be reasonably expected to have an increase in positive net benefit to the County of at least \$10,000,000 in the case of new businesses and \$2,000,000 in the case of existing businesses over the life of the Tax Abatement Agreement (such amounts

- computed to include, but not limited to, new payroll and the cost of the new capital investment concerning the new facilities and/or the existing facilities);
2. must be expected to prevent the loss of employment, retain employment, or create employment on a permanent basis; and
 3. must not be expected to solely or primarily have the effect of transferring employment from one part of the County to another.
- H. Existing business. Recognizing the importance of improvements to the community of those existing businesses that modernize or expand over and above normal repair and upkeep, such existing businesses may be granted an Abatement in an amount and for a period of time determined by the County in its discretion based on the cost of the new improvements and/or the value added by the improvements.
- I. Taxability. From the execution of the Tax Abatement Agreement to the end of the Tax Abatement Agreement period taxes shall be assessed as follows:
1. the value of ineligible property as provided in Section 2E shall be fully taxable; and,
 2. the base year value of existing eligible property shall be fully taxable
 3. ad valorem property taxes on the additional value of new eligible property at new facilities and/or at existing facilities shall be abated during the term of and in the manner provided in the Tax Abatement Agreement; and
 4. the additional value of new eligible property at new facilities and/or at existing facilities shall be fully taxable at the end of the Abatement period.

Sec. 3. Application and Hearing

- A. Any present or potential owner of taxable property in the jurisdiction of the taxing entity of the County of Fayette, Texas may request tax abatement by filing a written application with the Commissioners Court.
- B. The application shall consist of a completed application form, such as the Application attached as Exhibit A, along with an Application Processing Fee of \$1,000 (nonrefundable) made payable to Fayette County, Texas, accompanied by:
 1. a general description of the proposed use and the general nature and extent of the modernization, expansion, or new improvements (at new facilities and/or at existing facilities) to be undertaken;
 2. a descriptive list of the improvements that will be a part of the facility, including a map and property description; and
 3. a time schedule for undertaking and completing the planned improvements.

In the case of modernization, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form may require any financial and other information that may be appropriate for evaluating the financial capacity of the applicant and any other factors.

- C. After receipt of an application, the Commissioners Court shall determine within forty-five (45) days how to proceed with the application. Within this time frame the Commissioners Court shall choose to deny the application, consider the application, or consider the application on an expedited basis.
- D. Consideration of Application.
 - 1. The Commissioners Court will consider the application at a meeting duly convened under the Texas Open Meetings Act. Additional information may be requested as needed.
 - 2. The Commissioners Court may consider an order calling a public hearing to consider the establishment of a reinvestment zone if needed. A public hearing requiring the designation of a reinvestment zone shall be called in the manner required by Texas Tax Code § 312.401 and § 312.201. At least thirty (30) days prior to the hearing, the County shall publish notice of the hearing time, place, and subject in the local newspaper.
 - 3. The Commissioners Court may not designate an area as a reinvestment zone until it holds a public hearing on the designation and finds that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property to be included in the zone and would contribute to the economic development of the county". See Section 312.401(b), Texas Tax Code.
 - 4. The Commissioners Court may consider adoption of an order approving the items and conditions of an abatement agreement between the County and the applicant.
 - 5. The Commissioners Court may consider ratification of and participation in a tax abatement agreement between Fayette County and the applicant. As required by Texas Tax Code § 312.402 and § 312.2041, at least seven (7) days prior to entering into a tax abatement agreement, the Commissioners Court shall give written notice of its intent to do so to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought along with a copy of the proposed tax abatement agreement.
- E. Expedited Consideration of Application. If the County determines that the application should receive expedited consideration, then the County Judge shall schedule an opportunity to obtain public input on the application at a Commissioners Court's meeting. At least thirty (30) days prior to the meeting, the County must publish notice of the hearing time, place, and subject in the local newspaper. Also, at this time, the County must give written notice of its intent to enter into a tax abatement agreement to the presiding officers of all taxing units with jurisdiction over the property for which the abatement is sought, along with a copy of the proposed tax abatement agreement. During the Commissioners Court meeting, the Commissioners Court shall evaluate the application against the criteria in Sections 2 and shall decide whether to designate the property for which the abatement is sought as a reinvestment zone. If the reinvestment zone is designated, the Commissioners Court shall pass an order to that effect and may then immediately consider for approval the tax abatement agreement between the applicant and the County. After consideration, the Commissioners Court may finally vote

by simple majority to enter into the tax abatement agreement, or to decline. An approved tax abatement agreement may be executed in the same manner as other contracts made by the County.

- F. Confidentiality. As required by Section 312.003 of the Texas Tax Code, information that is provided to the County in connection with an application or a request for a tax abatement under this chapter that describes the specific processes or business activities to be conducted or the equipment or other property to be located on the property for which the abatement is sought is confidential and not subject to public disclosure until the tax abatement is executed.
- G. When the abatement is disapproved, an applicant may be granted a review, or rehearing, in which a new application and hearing may be required.
- H. Tax abatement may not be approved if the County finds that the application was filed after the commencement of the construction, alteration, or installation of improvements related to a proposed modernization, expansion, or new facility.
- I. Request for variance from the provisions of Section 2 may be made in written form to the Commissioners Court. Such request shall include all the items listed in Section 3 (B) above, together with a complete description of the circumstances that prompt the applicant to request variance. The approval process for a variance shall be identical to that for a standard application and may be supplemented by such additional requirements as may be deemed necessary by the County.

Sec. 4. Standards for Denying Approval of Abatement.

- A. If any affected jurisdiction is able to conclusively show cause in the public hearing why the granting of the abatement will have a substantial adverse effect on its bonds, tax revenue, service capacity, or the providing of services, the County shall deny the approval of abatement.
- B. An abatement agreement shall not be granted if it is determined that:
 - 1. there would be substantial adverse effect on the providing of government services or tax bases;
 - 2. the applicant has insufficient financial capacity;
 - 3. planned or potential use of the property would constitute a hazard to public safety, health, or morals; or,
 - 4. codes or laws would be violated.

Sec. 5. Effect of Approval of Application

The Commissioners Court acts only for the taxing entity of Fayette County and for no other taxing entity within the County. The Commissioners Court's approval or disapproval of an application has no effect on any other taxing entity within the jurisdiction or their right to approve or disapprove an application. Only the governing bodies of the affected jurisdictions may grant tax abatements, and enter into tax abatement agreements with applicants. The Commissioners Court retains the option of considering a proposed project for receipt of any application under these guidelines and criteria which do not meet certain requirements of these guidelines and criteria, as deemed necessary

by the Commissioners Court, so long as the Commissioners Court finds that the project as proposed will encourage, develop and stimulate economic development, producing additional tax revenue, job opportunities, or other business opportunities for the County.

Sec. 6. Tax Abatement Agreements

The Commissioners Court after approval of an application may enter into an agreement with the applicant. Such agreements shall be executed with the owner of the facility, and with the lessee when required. Such agreements shall include:

1. the method for calculating value to be abated and the base year value;
2. the percentage of value to be abated each year as provided in Sec. 2 (F, G, H and I);
3. the commencement date and the termination date of abatement;
4. the proposed use of the facility, nature of construction, time schedule, map, property description, and improvements;
5. contractual obligations in the event of default, violation of terms or conditions, delinquent taxes recapture, administration, and assignment.
6. size of investment and average number of jobs involved; and
7. the agreement shall stipulate that employees, or designated representatives, or both, of the County will have access to the reinvestment zone during the terms of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of 24 hours prior notice and will be conducted in such a manner that they will not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made in the presence of one or more representatives of the company or individual and in accordance with the safety standards of the company or individual.

Sec. 7 Recapture

- A. If the facility is completed and begins producing products or services, but subsequently discontinues producing products or services for any reason excepting fire, explosion, or other casualty or accident or natural disaster, for a period of one year during the abatement period, then the agreement shall terminate and so shall the abatement of the taxes for the calendar year(s) during which the facility no longer produces. The taxes otherwise abated for that calendar year(s) shall be paid to the affected jurisdiction within 60 days from the date of termination.
- B. If the Commissioners Court determines that the company or individual is in default according to the terms and conditions of its agreement, the Commissioners Court shall notify the company or individual in writing at the address stated in the agreement, and if such default is not cured within 60 days from the date of such notice ("cure period"), then the agreement may be terminated; provided, however if such failure cannot be cured within such sixty (60)-day period and the company or individual has commenced remedial action to cure such failure (and continued to diligently and timely

pursue the completion of such remedial action), the company or individual shall be entitled to a total of one hundred eighty (180) days after receipt of notice within which to cure such default.

- C. If the company or individual (1) allows its ad valorem taxes owed to the County, or any other taxing entity in the County, to become delinquent after all applicable notice and cure periods and fails to timely and properly follow the legal procedures for their protest or contest or both; or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure-period, the agreement may then be terminated, and all taxes previously abated by virtue of the agreement will be recaptured and paid within 60 days of the termination.

Sec. 8. Administration

- A. The Chief Appraiser of the Fayette County Appraisal District shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, any company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief appraiser shall notify the affected jurisdictions that levy taxes of the amount of the assessment.
- B. Upon completion of construction, a designated representative of the County shall annually evaluate each facility receiving abatement to insure compliance with the agreement and shall make a report to the Commissioners Court regarding the findings of each evaluation.

Sec. 9. Assignment

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of the affected jurisdiction, subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with the affected jurisdiction. No assignment or transfer shall be approved if the parties to the existing agreement, the new owner, or the new lessee are liable to any taxing entity in the County for outstanding delinquent taxes or other obligations. Approval shall not be unreasonably withheld, conditioned or delayed.

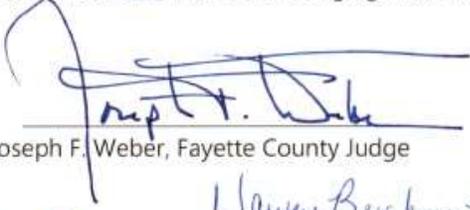
Sec. 10. Sunset Provision

The guidelines and criteria are effective upon the date of their adoption by the Commissioners Court, and will remain in force for two years from the Effective Date (defined below) unless amended by a three-quarters vote of the Commissioners Court, at which time the tax abatement agreements created according to these provisions will be reviewed to determine whether or not the goals have been achieved. Based on that review, the guidelines and criteria may be further modified, renewed or eliminated.

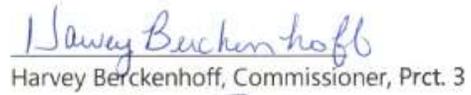
Sec. 11. Variances from Guidelines and Criteria

The Commissioners Court shall have the authority to enter into an abatement agreement with terms and conditions that vary from the terms and conditions in these guidelines and criteria so long as the Commissioners Court determines that such variances are in the best interests of the County. Any terms or conditions contained in an abatement agreement approved by the Commissioners Court that vary from the terms and conditions in these guidelines and criteria shall automatically be deemed to have been granted an approved variance by the Commissioners Court and shall be binding and enforceable as agreed to in the abatement agreement.

CONSIDERED, ADOPTED, MADE, ESTABLISHED, ORDERED, SIGNED, AND DONE IN OPEN MEETING AND OPEN COURT by vote of the Fayette County Commissioners Court on this the 27th day of February, 2020, upon motion of Commissioner Muras, seconded by Commissioner Berckenhoff, with 5 members of the Commissioners Court being present, 5 members of Commissioners Court voting in favor thereof, 0 members voting against, and 0 members abstaining.


Joseph F. Weber, Fayette County Judge


Jason McBrophy, Commissioner, Prct. 1


Harvey Berckenhoff, Commissioner, Prct. 3


Tom Muras, Commissioner, Prct. 4

ATTEST:


Brenda Fietsam, Fayette County Clerk and Clerk of the Commissioners Court



EXHIBIT A

EXAMPLE OF FAYETTE COUNTY TAX ABATEMENT APPLICATION FOR ECONOMIC DEVELOPMENT INCENTIVES

PROPERTY/PROJECT DESCRIPTION

1. Property Owner

Mailing Address

Telephone
2. Project Sponsor
(If different than property owner)
Mailing address

Telephone
3. Applicant's Representative
Telephone
4. Property Address

Legal Description

(provide attachment if by metes and bounds)
5. Located within (School or other taxing district):
6. Description of Project (including the cost of the new capital investment concerning the new facilities and/or the existing facilities):

7. Date (s) projected for occupation of project/initiation of operations:

8. Employment Impact
 - a. How many jobs will be brought to Fayette County?
 - b. What types of jobs will be created?
 - c. What will the total annual payroll be?

9. Fiscal Impact
 - a. How much real and personal property value will be added to the tax roles?
 - b. How much direct sales tax will be generated?
 - c. How will this project affect existing business and/or office facilities?
 - d. What infrastructure construction would be required?
 - e. What is the total annual operation budget of this facility projected to be?

10. Community Impact
 - a. What effect would the project have on the local housing market?
 - b. What environmental impact, if any, will be created by the project?

11. Type and value of incentive requested:

Attachment C

Description of the Site

Abstract	PID	Owner Name
ABS A166	25903	SYLER, IRA JR & JUDY
ABS A074	25261	SYLER, IRA JR & SYLER ANTOINETTE
ABSA074	92757	SYLER, IRA JR & SYLER ANTOINETTE
ABS A074	25246	CHERRY, ESTELLA
ABS A174	26030	CHERRY, ESTELLA
ABS A311	26914	CHERRY, MARTIN & MARTIN ("Multiple Owners")
ABS A174	56071	TILICEK FRANK J III-TRUSTEE
ABS A174	46614	SYLER, BRITT
ABS A298	26867	SYLER, BRITT
ABS A264	26599	RIGHTMER FAMILY LIMITED PARTNERSHIP
ABS A213	26227	RIGHTMER FAMILY LIMITED PARTNERSHIP
ABS A213	26212	RIGHTMER FAMILY LIMITED PARTNERSHIP
ABS A264	26597	SCHWARTZENBURG DEBRA & SPEED JULIA
ABS A174	60213	J-IVY RANCH SURFACE SERIES
ABS A130	25821	Cherry Chris & Cooper & Wiliam Jr.
ABS A174	26038	TILICEK FRANK J III
ABS A311	51660	Multiple Owners
ABS A074	81655	Cherry Martin SR.
ABS A074	25243	Cherry Martin SR.
ABS A311	48997	Cherry Anne
ABS A074	25262	Barnes Cheryl
ABS A174	76208	Hearn Elaine
ABS A174	76210	Hearn Elaine