



TAX ABATEMENT AGREEMENT

between

CLAY COUNTY, TEXAS and SOLEIL SOLAR, LLC

This Tax Abatement Agreement (**Agreement**) is entered into by and between Clay County, Texas (**County**) duly acting herein by and through its County Judge, and Soleil Solar LLC, together with its successors and assigns, (**Owner**). This Agreement is effective as of 11/13, 2023 (**Effective Date**) and remains in effect until fulfillment of the obligations described herein.

Authorization

This Agreement is authorized and governed by Chapter 312 of the Texas Tax Code, by the Clay County Guidelines and Criteria for Tax Abatement further set forth below, and by other appropriate law.

Recitals

WHEREAS, the County has indicated its election to be eligible to participate in tax abatements in a resolution dated 11/13, 2023. The Commissioners Court of Clay County, Texas, by Order dated 11/13, 2023, adopted the Clay County Reinvestment Zone 2023-002 for commercial- industrial tax abatement (**Reinvestment Zone**); the Reinvestment Zone is further described in the Order and Exhibits attached hereto; and

WHEREAS, Owner anticipates constructing improvements within the Reinvestment Zone consisting of a solar energy generation and battery storage facility (**Project**). The Project is anticipated to consist of solar equipment with a total Nameplate Capacity of solar and battery storage capacity of approximately 725 megawatts, AC, all to be located in the Reinvestment Zone (**Improvements**). The total Nameplate Capacity of solar and battery storage capacity shall be a minimum of 400 megawatts, AC, but this Agreement imposes no maximum Project size. The Certified Appraised Value will depend upon annual appraisals by the Clay County Appraisal County (**Appraisal County**).

- i. The Improvements will also include any other property in the Reinvestment Zone owned or leased by Owner that is used to generate electricity and perform other functions related to the generation, storage distribution, and transmission of electrical power, or that is otherwise related to the sale of electricity.
- ii. Owner anticipates that the Project and Improvements will be connected to the electricity grid and be able to generate electricity for sale (**Commercial Operations**) on or about December 31, 2026.

WHEREAS, the Commissioners Court, after conducting a hearing and having heard evidence and testimony, has concluded, based on the evidence and testimony presented to it, that the Project and Improvements and operations proposed by Owner within the Reinvestment Zone and described in this Agreement and the terms of this Agreement: (i) are consistent with the requirements of Chapter 312 of the Texas Tax Code and the Tax Abatement Guidelines and Criteria adopted by the County on April 24, 2023 (**Guidelines**), or to the extent of any inconsistency with the Guidelines, the Commissioners Court has determined, in its discretion

and in accordance with Section 312.002(d) of the Texas Tax Code, that this Agreement should be entered into notwithstanding any such inconsistency, and (ii) constitute a major investment in the Reinvestment Zone that will be a benefit to the Reinvestment Zone and will contribute to the economic development of the County.

WHEREAS proper notice of the County's intent to enter into this Agreement has been provided to the presiding officers of each of the other taxing units levying taxes in the Reinvestment Zone not less than 7 days prior to the date on which this Agreement was approved by the Commissioners Court.

WHEREAS this Agreement was adopted at a properly scheduled meeting of the Commissioners Court which was preceded by written 30 days written notice pursuant to Section 312.207 of the Texas Tax Code which was properly posted in accordance with the Open Meetings Act and at which a quorum of the Commissioners Court was present.

NOW, THEREFORE, in consideration of these Recitals, premises, the promises, mutual covenants, and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the County and Owner agree as follows:

Section 1

IMPROVEMENTS

1.1 Improvements in Reinvestment Zone. Owner agrees that it will construct the Project and Improvements within the Reinvestment Zone. Owner acknowledges that the abatement granted herein is conditioned upon completion of construction of the Improvements within the Reinvestment Zone as provided in Section 2.2 herein.

1.2 Timing of Improvements. Owner anticipates that construction of the Improvements will begin in 2024 and will be substantially completed by December 31, 2026. If Owner has not substantially completed construction of the Improvements by December 31, 2026, this Agreement shall terminate and no abatement will be granted and neither party shall owe any obligation to the other hereunder; provided however (i) that pursuant to Section 5.1 or 5.2 hereof, the December 31, 2026 deadline shall, upon notification by Owner, and documentation of the nature of the delay, be extended by the number of days during which an event of Force Majeure occurs after the effective date of this Agreement; and in addition; (ii) that Owner may, in writing, request a one-time, one- year extension of such December 31, 2026 deadline to December 31, 2027 (or as such deadline may have been extended by an event of Force Majeure) in the event of permitting delays, interconnection studies, equipment or labor shortages or supply chain disruptions, construction delays, availability of financing, ERCOT curtailment or other events or circumstances impacting construction that are beyond its reasonable control. The County shall not unreasonably withhold, condition or delay its consent to any such extension. For purposes hereof, the term "substantially completed" means that at least 400 MW of Nameplate Capacity (defined below) of the Improvements must be installed and capable of producing electricity.

1.3 Improvements. The Improvements must (i) be located within the Reinvestment Zone, (ii) be eligible for tax abatement pursuant to Chapter 312 of the Texas Tax Code, (iii) meet the definition of an improvement or tangible personal property as provided in Chapter 1 of the

Texas Tax Code, and (iv) be constructed or placed in the Reinvestment Zone after the date this Agreement is approved by the Commissioners Court.

1.4 Decommissioning. Pursuant to Section 302.0004 of the Texas Utilities Code, the County and Owner agree that the intent and purpose of this Section is to require the Owner to return and restore the land to as close as reasonably possible to its previous condition as existed before the Project and Improvements at the end of the useful life of the Project. The County acknowledges that Owner has entered into confidential agreements with each landowner whose property will be utilized by the Project and Improvements within the Reinvestment Zone (**Landowner Agreement**) that requires that Owner decommission the Project and Improvements, including restoring, through soil stabilization and revegetation of native and/or non-native species, pollinators preferred, at least the first three feet of depth of the soil on any land disturbed by the Project and Improvements (**Restoration Obligations**). Each Landowner Agreement requires Owner to provide a form of security or financial assurance to the Landowner in the form of a bond, an escrow deposit, letter of credit, corporate guarantee from investment-grade entity, or cash deposit to secure Owner's performance of the Restoration Obligations (**Restoration Security**). Sample provisions governing Restoration Obligations and Restoration Securities (with other financial terms redacted) are provided in Exhibit F.

Section 2

TERMS AND PROPORTION OF TAX ABATEMENT

2.1 Tax Abatement Granted. Subject to the terms and conditions of this Agreement, the County and Owner agree and acknowledge that the Improvements in the Reinvestment Zone shall be taxable in the following ways:

- 2.1.1 Property not eligible for Abatement, if any, shall be fully taxable at all times;
- 2.1.2 The Certified Appraised Value of property existing in the Reinvestment Zones prior to execution of this Agreement shall be fully taxable at all times;
- 2.1.3 Prior to commencement of the Abatement Period, the Certified Appraised Value of real and personal property owned by Owner located in the Reinvestment Zones shall be fully taxable at all times;
- 2.1.4 During the Abatement Period, 100% of Clay County's Property Taxes on the Certified Appraised Value of the Improvements shall be abated for the periods and in the amounts as provided for herein;
- 2.1.5 After expiration of the Abatement Period, 100% of the Certified Appraised Value of real and personal property owned by Owner located in the Reinvestment Zones shall be fully taxable at all times, including during the remainder of the Term; and
- 2.1.6 As of January 1 of the Base Year, the value of the proposed Improvements is zero.

2.2 Abatement Period; Commencement Date. The Abatement Period shall begin on the earlier of (a) January 1 of the first calendar year after the commencement of Commercial Operations of the Improvements, or (b) January 1 of the calendar year identified in a Notice of Abatement Commencement (as defined below) delivered by Owner (**Commencement Date**). The period in which taxes are abated (**Abatement Period**) will begin on the Commencement Date and will terminate on December 31 of the tenth (10th) year following the Commencement Date, unless sooner terminated in accordance with the terms of this Agreement. Termination of this

Agreement shall not relieve either party of any covenants, obligations, or payments owing to the other as of the date the Agreement is terminated. As used in this Section "Notice of Abatement Commencement" means a notice that Owner may, in its sole discretion, deliver to the County stating Owner's desire to commence the Abatement Period prior to January 1 of the first calendar year after Commercial Operations. 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, 202_"; the date stated in the Notice of Abatement Commencement shall be the Commencement Date. Owner shall deliver the Notice of Abatement Commencement not later than the December 31 that immediately precedes the January 1 Commencement Date.

Owner shall provide a certificate to the County and to the Appraisal County within sixty (60) days after the date Commercial Operations are achieved (**Certificate**). 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 and Improvement construction is complete.

During the Abatement Period, County shall request that the Appraisal County annually determine both (i) the Certified Appraised Value of Owner's Improvements in the Reinvestment Zone and (ii) the taxable value (taking into account the terms of the Abatement in this Agreement) of Owner's Improvements in the Reinvestment Zone. The Appraisal County shall record both the Certified Appraised Value and the abated taxable value of the Improvements in the Appraisal County appraisal records. The Certified Appraised Value listed in the Appraisal County's 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. Notwithstanding any of the foregoing, Owner at all times shall have the right to appeal, challenge, or protest appraisals of the Project or the Improvements including any portion thereof. Owner acknowledges that the outcome of any appeal, challenge, or protest appraisals on the Project and Improvements will have no effect on the PILOT payments as identified in Section 2.5 of this agreement.

2.3 Payments In Lieu of Taxes. As consideration for the abatement granted by County under this Agreement, Owner agrees to timely perform all covenants undertaken by Owner pursuant to the terms of this Agreement including the making of an annual payment in lieu of taxes (**PILOT**) to the County for each year during the Abatement Period.

2.4 Annual Certification: On or before May 1 of each calendar year that this Agreement is in effect Owner shall certify to the County its compliance with all material provisions of this Agreement, including without limitation the requirements of Section 2.6 (**Nameplate Capacity**); Section 4 (charitable donation) Section 5 (**Owner's representation**). This annual certification (**Annual Certification**) shall contain a statement, sworn to by an individual who is an authorized officer of Owner, stating that Owner is in compliance with the material terms of this Agreement.

2.5 Calculation of the PILOT And Due Date. During each year of the Abatement Period, Owner agrees to pay the County according to the following terms:

2.5.1 If the Project receives a Federal Investment Tax Credit, the PILOT payment for the

minimum Nameplate Capacity (defined below) in an amount equal to One Thousand Two Hundred Dollars (\$1,200.00) multiplied by the total MW of Nameplate Solar per annum and an amount equal to Six hundred dollars (\$600.00) multiplied by the total MW of Nameplate Battery Storage per annum; or

2.5.2 If the Project does not receive a Federal Investment Tax Credit, the PILOT payment for the minimum Nameplate Capacity (defined below) in an amount equal to One Thousand Seven Hundred Dollars (\$1,700.00) multiplied by the total MW of Nameplate Solar per annum and an amount equal to Eight Hundred Fifty dollars (\$850.00) multiplied by the total MW of Nameplate Battery Storage per annum.

2.6 Capacity. As used in this Agreement, the term "Nameplate Capacity" shall mean the installed rated amount of the manufacturer's nameplate solar generation or battery storage capacity of the Improvements, expressed in megawatts measured in alternating current, regardless of the amount of electricity that is actually produced or sold. The Nameplate Capacity shall be determined as of January 1 of each year during the Abatement Period. As a part of the Annual Certification, the individual who is an authorized officer of Owner shall prepare and file with the Commissioners Court a sworn statement of the Nameplate Capacity of the Improvements not later than May 1 of each year during the Abatement Period.

2.7 Payment of Taxes. Owner shall not be delinquent on any taxes owed to the County or to any taxing unit within the County at any time during the term Agreement. It shall not be a violation of this provision if the party who is assessed the tax in good faith protests the levy or assessment of a particular tax by the timely filing of appropriate proceedings to prosecute a protest or contest of the tax, makes payment of the disputed tax during such protest or contest as required by applicable law, and pays the tax, as finally determined, prior to delinquency as required by applicable law.

Section 3

INSURANCE, ENVIRONMENTAL, AND INSPECTION

3.1 Insurance. Owner agrees to maintain in full force at all times starting at commencement of construction and continuing throughout the term of this Agreement the following insurance coverage issued by companies authorized to conduct business in the State of Texas:

Commercial general liability covering liability arising out of premises, operations, bodily injury, property damage, products and completed operations and liability under an insured contract (contractual liability) with per occurrence limits of \$1,000,000 with aggregate limits of not less than \$2,000,000; \$2,000,000 completed operations aggregate.

Worker's compensation coverage for all full-time employees to the extent required by Texas law; and Business automobile liability coverage for all owned, non-owned, leased and hired automobiles with limits of not less than \$2,000,000 combined single limit, per occurrence, for bodily injury and property damage.

Owner shall provide certificates of insurance evidencing the above required coverages on throughout the term of this Agreement upon request by the County.

3.2 Environmental and Permit Compliance.

During the term of this Agreement, Owner shall:

Deliver to County not later than forty-five (45) days prior to the commencement of construction of the Project and Improvements the following items which may be subject to change over time;

Engineering drawings illustrating pre and post development topographic information.

Hydrology studies listing required drainage improvements that provide protection against excessive erosion damage.

Internal site-road layouts and relevant site road construction drawings that document Owner's plans to construct all-weather access to accommodate the provision of emergency services, including fire protection.

Project's Geotechnical Report.

Project's Phase 1 Environmental Site Assessment.

Project's Stormwater Pollution Prevention Plan, including anti-pollution plans to protect surface and groundwater from any leaching of adverse agents due to fire or destruction or degradation of the improvements.

Solar Panel, Battery Storage, and Data Sheets along with any Material Safety Data Sheets (MSDS) or warnings that are relevant to the handling, installation, or maintenance of the equipment.

List of livestock species allowed for potential agricultural production along with related provisions, if applicable.

List of vegetation control methods to include chemicals planned for application, if applicable.

Assessments from local, state and federal historical entities as to the impact the project will have on the site and surrounding area, if applicable.

Documentation illustrating compliance with the requirements of the Endangered Species Act, if applicable.

Affidavits executed by any Underground Conservation County and or Watershed Authority having jurisdiction regarding the project's impact on natural resources, if applicable.

A landscaping plan designed to minimize the visual impact of the project upon adjoining existing residential properties along existing roadways by use of existing suitable natural vegetation together with the placement of compatible plants, trees, shrubs or other suitable vegetation intended to screen portions of the project from view of adjoining existing residential properties.

3.3 Inspections.

Right to Inspect, Obtain Information. Subject to the further provisions of this Section, at all times during the term of this Agreement, the County, acting through its officers or a designated agent or

employee, shall have reasonable access to the Improvements and the Project: (i) to verify that the Improvements are constructed in accordance with the Plans and Specifications and conditions of this Agreement, (ii) to verify that the Project are operated in a manner consistent with this Agreement, (iii) to verify compliance with the terms of this Agreement and the truth of any representations made by Owner pursuant to the terms of this Agreement, (iv) to determine the Nameplate Capacity, (v) to obtain, or verify, information reasonably necessary to ascertain the Certified Appraised Value of the Project or (vi) any other fact or circumstance pertinent to the performance of this Agreement.

Conduct of Inspections. The County agrees to provide Owner with at least twenty-four (24) hours advance written notice of any such on-site inspection and further agrees that any such on-site inspection shall be conducted at a mutually agreed time and date and in a manner that will not unreasonably interfere with the construction of the Improvements or the operation of the Project. All such inspections shall be made with one or more representatives of Owner and in accordance with all applicable Project and governmental safety standards. The rights of inspection set forth herein may be exercised by officers, agents or employees of the County or the Appraisal County. Nothing herein shall be construed to limit or diminish the authority of the County or the Appraisal County to conduct inspections or obtain information under applicable law.

Section 4

LOCAL SPENDING, IMPACTS, AND SUPPORT

4.1. Local Spending. In connection with the preparation, construction and operation of the Project and Improvements in Clay County, Owner and its agents shall make commercially reasonable attempts to:

4.1.1. Utilize Clay County individuals and businesses for materials, labor and services, provided that nothing in this paragraph shall require Owner to use services and supplies that are not of similar quality to those provided by residents of businesses outside of Clay County or are not made available on terms and/or at prices comparable to those offered by residents or businesses outside of Clay County; and

4.1.2 In filling positions of employment connected with the Project and Improvements, Owner and its contractors and agents shall use commercially reasonable efforts to employ individuals who reside within the borders of Clay County, provided that nothing in this paragraph shall require Owner or its contractors or agents to employ Clay County residents who are not (i) equally or more qualified than nonresidents; or (ii) are not available for employment on terms and/or at salaries comparable to those required by nonresidents.

4.1.3 In no event shall Owner or its contractors discriminate against Clay County residents or businesses in employment or in the purchase of goods and services in connection with the construction and operation of the Project and Improvements in Clay County.

4.2. Job Fair. Not later than one month prior to the start of construction of the Improvements, Owner will hold a job fair within thirty miles of the Reinvestment Zone advertising construction employment positions and soliciting those persons or firms that are interested in selling goods or providing services with respect to the construction of the Improvements. No later than two weeks

prior to the job fair, Owner shall publish a notice in the local newspaper announcing the date, time and location of the job fair and the procedure for application. Applications from the job fair shall be distributed to the various subcontractors for consideration. Owner will compile and maintain, throughout the construction process, a list of local prospective employees, vendors, contractors and service providers interested in participating in the construction process.

4.3 Fire Protection Donation. Separate from the PILOT payment, Owner agrees to fund, not later than June 1 of each year, an annual charitable donation of \$10,000.00 for each year of the abatement period, payable to the County for the use and benefit of Volunteer Fire Departments most likely to respond to the Project location in the event of fire.

4.4 Fire Training. Owner agrees to annually provide on-Site training to County and Volunteer Fire Department key responders with respect to Owner's emergency response plan(s). The Project will be designed to meet or exceed industry standards for fire suppression and mitigation. Any specialized equipment recognized in established industry standards that is necessary to fight fire originating with the Project's solar generation and battery storage (and that is not otherwise commonly used in fighting fires) will be maintained by the Owner and in accordance with the emergency response plan and provided for the use of any responding Volunteer Fire Department responding to a fire event on the Project site. Should the need arise in accordance with the Owner's emergency response plan, Owner will reimburse the responding volunteer fire departments for actual documented costs incurred in responding to a fire emergency caused by the Project's equipment (and not by natural causes such as lightning) at the Project location. In the absence of negligence, bad faith or willful misconduct, the Owner and any of its officers, employees, agents, contractors, or assigns shall not be liable to any other person, including any party claiming by, through or on behalf of the County, for any losses, liabilities, damages, costs or expenses arising out of any participation in fire training. Any County and Volunteer Fire Department participating in the fire training shall maintain insurance coverage during the training period of no less than those required under Section 3.1 of this Agreement.

4.5 Road Repair: Owner and its contractors, subcontractors, and service providers shall have the right to use County roads identified in a Road Use Agreement entered into by the parties, which is attached hereto as Exhibit E.

Section 5 REPRESENTATIONS

5.1 By the County: The County hereby warrants and represents that this Agreement was authorized by an order of the Commissioners Court adopted on the date recited above authorizing the County Judge to execute this Agreement on behalf of the County. 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 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 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 Texas Comptroller of Public Accounts and other governmental entities concerning the Reinvestment Zone and this Agreement.

5.2 By Owner: Owner hereby warrants and represents to the County:

Owner represents and agrees that (i) Owner, its successors and/or assigns, will have a taxable interest with respect to Project and Improvements to be placed on the Site; (ii) construction of the proposed Project and 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 Project 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; (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; (vi) Owner agrees to conduct a Phase I Environmental Site Assessment for the Project and Improvements in accordance with state and federal law and meet or exceed the permit requirements identified by the environmental study; (vii) Owner agrees to observe all state and federal law restricting the diversion and impoundment of the natural flow of surface water across the Project and Improvements; (viii) Owner shall make best efforts to utilize processes, products and materials that minimize the risk of environmental toxicity emitted by the Project and Improvements ; and (ix) Owner agrees that in the event of any assignment of this agreement, said assignment shall include a commitment by the successor and/or assignee to and be bound the terms and conditions of this Agreement.

That Owner is a limited liability company in good standing under the laws of its state of organization and authorized to do business in the State of Texas; or in the case of a permitted assignee of this Agreement, that such assignee is authorized to do business in the State of Texas.

That Owner is not in default in the payment of any taxes owing to the federal, state or any local governmental units within the County.

That the representative of Owner signing this Agreement is properly authorized to enter into this Agreement and bind Owner to the terms thereof and Owner is thereby authorized to perform all covenants undertaken by Owner pursuant to this Agreement.

That there is no operating agreement, certificate of formation provision, or agreement between Owner and any third party which in any way limits Owner's authority to enter into this Agreement and perform all covenants and agreements set forth herein.

That none of the tangible personal property that is intended to be part of the Improvements located within the Reinvestment Zone is located within the Reinvestment Zone as of the Effective Date of this Agreement.

Section 6

DEFAULT; REMEDIES

6.1 Default In Constructing Improvements. If Owner fails to complete the Improvements in the manner, and within the time period stated in this Agreement, and Owner's failure to comply with those provisions of this Agreement are not cured following notice to Owner pursuant to Section 6.3 below, Owner shall be in default under the terms of this Agreement. However, if Owner fails to construct a minimum of 400 megawatts of Nameplate Capacity, then Owner may cure that failure by paying a PILOT payment due under Section 2.5 of this Agreement equal to 400 megawatt of Nameplate Capacity, and such a cure shall not be deemed a breach of this Agreement.

6.2 Default In Operations, Payments, or Performance of Other Covenants. The occurrence of any

of the following circumstances shall be an event of default under the terms of this Agreement:

- 6.2.1 The Project is not operated in accordance with the material terms of this Agreement for the period of time required by this Agreement;
- 6.2.2 Owner fails to timely pay any amounts owing to County pursuant to this Agreement, including any ad valorem taxes owed to the County or any other taxing unit within the County, or fails to timely and properly follow applicable procedures for protest or contest of any such ad valorem taxes; or
- 6.2.3 Owner fails to timely perform any material covenant, condition or agreement it has undertaken pursuant to the terms of this Agreement;
- 6.2.4 Any representation made by Owner in Section 5.2 of this Agreement is materially untrue or, with the passage of time, becomes materially untrue; or
- 6.2.5 Owner fails to maintain continued operations in accordance with Section 2.4(f).
- 6.2.6 **Notice, Right to Cure.** Upon the Occurrence of an event of default (including default under Sections 6.1 or 6.2 above), the County shall give the Owner written notice specifying the default.

6.3 **Monetary Defaults.** If the event of default relates to the payment of money, Owner shall cure such default within 90 days of the date of the notice from the County.

6.4 **Non-Monetary Defaults.** If the event of default is based upon an event other than a default in the payment of money, Owner shall cure such default within 30 days of the date of the notice of default by the County. This cure period shall be extended such additional time period as the documentation demonstrates is reasonably necessary to cure the default provided that Owner has commenced the cure and is diligently proceeding with such cure, but not longer than 180 days without the approval of the County, which approval shall not be unreasonably withheld, conditioned or delayed.

6.5 **Remedies.** If an event of default is not cured in accordance with Section 6.3 above, then the County may terminate this Agreement. If there is a default (other than a default pursuant to Section 6.1 above) that is not cured by Owner within the time permitted by Section 6.3, Owner shall not be entitled to abatement of taxes for the calendar year in which the default occurs and any subsequent calendar year on which the default remains uncured for any period. If a default continues over more than one day, it will be considered to have occurred on the date on which it first occurred.

If an event of default occurring during the Abatement Period is not cured in accordance with Section 6.3 or 6.4 above, then the County may by written notice terminate this Agreement and require Owner to make a recapture payment within sixty (60) days of such notice of termination that shall be equal to all ad valorem taxes abated pursuant to the terms of this Agreement to the date of any default minus a credit to Owner for the sum of the PILOTs paid to the date of the default. The County shall have a lien securing such recapture payment amount which shall be equivalent to a tax lien created pursuant to Section 32.01 of the Texas Tax Code. This lien shall attach to the Improvements as provided in Section 32.01 of the Texas Tax Code and shall have the same priority as a tax lien existing under Section 32.01 of the Texas Tax Code. Notwithstanding

the foregoing the County's right to foreclose this lien shall be subject to the County's compliance with the notice and right to cure provisions of Section 6.8 below.

6.6 Mortgagee Protection. Notwithstanding any other provision hereof, County agrees that Owner may, without any further consent from the County, mortgage, pledge, or otherwise encumber its interest in this Agreement, the Project, and Owner's lease and easement agreements related to the land on which the Improvements are located (**Leases**), to any lender or to any Commissioner or beneficiary under a deed of trust or to any master or special services (**Mortgagee**) for the purpose of financing operations of the Project, constructing the Improvements or acquiring additional equipment for the Project following any initial phase of construction (**Financing**). Any Mortgagee shall be entitled to receive the same written notice of any default as County is required to provide Owner hereunder so long as County has been provided notice of the identity and address of such Mortgagee, and such Mortgagee shall be entitled to cure or commence cure of any such defaults in the same manner as Owner. This provision shall not be construed to limit or diminish the County's lien priority for taxes owed pursuant to the Texas Tax Code.

6.7 LIMITATION OF LIABILITY. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, TERMINATION OF THE AGREEMENT (RESULTING IN A FORFEITURE OF ANY RIGHT TO ABATEMENT HEREUNDER BEYOND THE CANCELLATION DATE), RECAPTURE OF PROPERTY TAXES ABATED ONLY AS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED IN THIS AGREEMENT, AND/OR RECOVERY OF THE AMOUNTS PROVIDED FOR AND ONLY UNDER THE CIRCUMSTANCES DEFINED HEREIN, 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 MAKE THE SPECIFIED IMPROVEMENTS OR TAKE OTHER 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 SECTION 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.

Section 7

ASSIGNMENT or TRANSFER OF OWNERSHIP

7.1 Assignment or Transfer of Ownership. So long as no default exists and is continuing at the time of the proposed assignment or transfer, Owner may, without the consent of the County, assign or transfer, in whole or in part, any of its rights or obligations under the terms of this Agreement or in the Improvements, Leases or the Project. Owner shall provide written notice of any assignment or Transfer to the County and comply with Section 7 hereof, and a penalty of \$250.00 per day will be assessed if any notices required by this Section 7 are provided late. The consent of the County for any other purported assignment or transfer may only be withheld under those circumstances described in this section. After an assignment that is completed in accordance with the requirements of this Agreement, Owner shall have no further rights, duties, or obligations under this Agreement to the extent such rights, duties, and obligations have been assumed by the assignee.

7.2 Information on Assignee or transferee to be Provided to County, Timing of Consent: In the event Owner proposes to assign all or any portion of its interest in the Project in a transaction that requires the County's consent, Owner agrees to provide the County the Background Information on the proposed assignee. Owner agrees to reimburse the County, up to a maximum of \$5,000 for any expenses incurred by the County in obtaining or analyzing any of the Background Information.

7.3 County May Withhold Consent: To the extent that the consent of the County is required for a purported transfer or assignment by Owner other than as provided in Section 7.1 (above), the County may withhold its consent to a proposed assignment or transfer in its reasonable discretion only if: (i) the proposed assignee cannot demonstrate that it reasonably can expect to have, during the term of this Agreement, annual revenues sufficient to comply with the Agreement and pay the ad valorem tax assessments from Clay County as they are made, or the proposed assignee cannot otherwise reasonably demonstrate its financial ability to abide by all terms and conditions set forth herein, (ii) the proposed assignee has a record of violations or defaults with respect to its operations of similar projects such that the assignee does not have the capability and reliability to perform the requirements of the Agreement, and (iii) the assignee does not comply with each of the conditions to assignment set forth in Section 7 below.

If the County reasonably requests additional information of the Owner, in order to satisfy this obligation, the Owner and the prospective assignee/transferee agree to negotiate in good faith regarding what information will, and will not, be made available to the County and any conditions to the disclosure of such information. The County shall advise Owner in writing of its objection to the proposed assignment or transfer not later than ten (10) business days from the date the County is provided with all Background Information.

7.4 Conditions to Assignment: Owner's assignment or transfer shall also be conditioned on the following:

Delivery to the County of an assignment and assumption agreement by and between Owner and the assignee, pursuant to which: (i) in the case of a partial assignment, each of Owner and assignee assume and agree to timely discharge all covenants and obligations under the terms of this Agreement (as applicable), and (ii) in the case of a full assignment, assignee assumes and agrees to timely discharge all covenants and obligations undertaken by Owner under the terms of this Agreement;

Proof reasonably acceptable to the County (which may be in the form of an opinion of legal counsel) that the assignee is authorized to sign the addendum and perform the covenants and obligations thereby undertaken;

The absence of any event of default under the terms of this Agreement for which a notice of default has been given and the cure period has expired; and

Proof that the proposed assignee has obtained or will obtain the insurance coverage required by this Agreement.

7.5 Sale or Transfer to Non-taxable Entity:

If, during the Abatement Period or the period of time during which Owner is required to maintain continued operations pursuant to Section 2.4(f) above, the Owner proposes a Transfer to a Non-taxable entity, Owner shall pay to the County an amount equal to: (i) for the five tax years preceding the year in which the Transfer to a Non-taxable Entity occurs,

all ad valorem taxes abated under the terms of this Agreement but giving credit to Owner for the sum of all PILOTs made to the date of the proposed assignment, and (ii) all ad valorem taxes which would be due and owing for the year during which the Transfer to a Non-taxable Entity is made, even though such taxes may not yet be billed or finally assessed. Such payment shall be made prior to or on the effective date of any such assignment to a Non-taxable Entity.

Any Transfer to a Non-taxable Entity by Owner without compliance with Section 6.5(a) above shall be considered a default under the terms of this Agreement without the requirement of any notice by the County to Owner or opportunity to cure. Following any such default the County will be entitled to: (i) recapture the taxes abated pursuant to this Agreement in accordance with Section 6.5(a) above and/or (ii) pursue, without election of remedies, any other remedy available to it under this Agreement or applicable law.

As used in this Agreement, a "Transfer to a Non-taxable Entity" shall mean any sale, transfer or assignment, in whole or in part, of the Project under circumstances where the assignee is exempt from property taxation, under applicable law, with respect to the Improvements or the Project, or any portion thereof, sold, transferred or assigned to the assignee.

If Owner Transfers to a Non-taxable Entity only a portion of the Project, then this Section, including any recapture obligation, shall apply pro rata only to those the portion of the Project that is Transferred to a Non-taxable Entity, and the Agreement will remain in effect with respect to the portion of the Project not Transferred to a Non-taxable Entity, subject to a pro rata reduction in the PILOT to reflect the Capacity retained by Owner.

7.6 Change in Control. Owner shall, at least 30-day prior to such event, notify the County in writing of any actual or anticipated change in the control or ownership of the Owner.

DEFINITIONS

As used in this Agreement, the following terms shall have the respective meanings assigned to them below:

"Background Information" shall include, without limitation, in the case of a proposed assignee or partial assignee and any specific Affiliate or Affiliates of a proposed assignee or partial assignee identified by the County and reasonably pertinent to the County's consent under Section 6.3 hereof:

its legal name or identity;

the address of its local office in the County, if applicable, its registered office and address maintained with the Secretary of State of the State of Texas and its principal or home office;

the state in which it was chartered and its registered office and agent in that state, the name and address of its registered agent and office in the State of Texas, and the names and addresses of all governing persons (as that term is defined by the Texas Business Organizations Code);

all public filings made in the year of the proposed assignment and the preceding two years with the Securities and Exchange Commission of the United States or with the agency of any state regulating securities transactions, if any; and

a report from an independent financial rating firm selected by the County, such as Dunn and Bradstreet or Moody's, if such report exists.

"Base Year" shall mean the calendar year this Agreement is entered into.

"Certified Appraised Value" shall mean the appraised value of property that is subject to property taxation under the Texas Tax Code determined and certified by the Chief Appraiser of the Clay County Central Appraisal County for each taxable year.

"Term" shall mean the period from the Effective Date through the last day of the Abatement Period.

Section 8 NOTICES

8.1 Notices. All notices or other communications required or permitted by this Agreement shall be in writing and shall be deemed to be properly given when delivered personally to any of the hereinafter designated addresses or the named representatives thereof, or when mailed by prepaid certified mail, return receipt requested, addressed to such party at the respective addresses set forth below:

If to the County:
Clay County, Texas
Attn: County Judge
P.O. Box 548
214 N. Main St.,
Henrietta, Texas 76365

If to the Owner:
Soleil Solar, LLC
3402 Pico Blvd
Santa Monica, CA 90404
Attn: General Counsel
310-581-6299
legal@ccrenew.com

and

Steven L. Van Dyck
713-266-4456 ext 104
svandyck@cwlp.net

Either party may change the address for notices by a written notice forwarded in accordance with the foregoing.

Section 9
MISCELLANEOUS

9.1 Governing Law; Venue. This Agreement shall be construed and governed in accordance with the laws of the State of Texas without giving effect to its conflict of law rules. Venue for any action relating to the interpretation or performance of this Agreement or to enforce any right or obligation relating to this Agreement shall be in a court of competent jurisdiction in Clay County, Texas, or in a United States County Court of Texas having Clay County within its original jurisdiction. Venue may not be assigned or transferred elsewhere.

9.2 Relationship of Parties. Under no circumstances shall Owner, or any of Owner's employees, look to Clay County as his/her employer, or as a partner, agent or principal. Neither Owner nor any of Owner's employees shall be entitled to any benefits accorded to Clay County's employees, including without limitation worker's compensation, disability insurance, vacation or sick pay. Owner shall be responsible for providing, at Owner's expense and election, and in Owner's name, unemployment, disability, worker's compensation and other insurance that Owner elects to provide, as well as all licenses and permits that are usual or necessary in connection with the Project and Improvements.

9.3 Waiver. The failure of either party to enforce any right or demand strict performance of any obligation of the other party under this Agreement shall not operate as, or be construed to be, a waiver of such right or obligation.

9.4 Entire Agreement; Interpretation. This Agreement, including Exhibits attached hereto and which are incorporated herein by reference, collectively constitute the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous discussions, representations, correspondence or agreements, written or oral. This Agreement may only be amended by a written instrument signed by both parties or their duly authorized officers or representatives. The language of this Agreement shall be construed as a whole according to its fair and common meaning and shall not be construed for or against either of the parties hereto. All titles or headings to sections or other divisions of this Agreement are only for the convenience of the parties and shall not be construed to have any effect or meaning with respect to the content of this Agreement, such content being controlling as to the agreement between the parties hereto.

9.5 Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of any other provision of this Agreement.

9.6 Owner as Party to Litigation. In the event any litigation is initiated questioning or challenging the validity of this Agreement or any part hereof or any of the underlying orders or the Commissioners Court actions authorizing the same, the County agrees not to object to the Owner's joinder or intervention in such litigation.

9.7 Force Majeure. If Owner's performance of any obligation or obligations under this Agreement is interrupted, delayed, or prevented by any contingency or cause beyond the control of Owner, then Owner shall be excused from the performance of any such obligation or obligations during the period of time that Owner is reasonably unable to perform such obligation or obligations as a result of such contingency or cause, and no default will have occurred with respect to such circumstances. 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. Contingencies or causes beyond the control of Owner include, without limitation: wars, blockades, insurrections, riots, epidemics, 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.

9.8 Multiple Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes and all of which constitute, collectively, one agreement. Once all parties to this Agreement have signed a counterpart, this Agreement shall be binding upon all parties in accordance with the terms hereof.

9.9 Creation of Agreement. The County agrees that any other taxing unit eligible to enter into agreements relating to the abatement of taxes may adopt all or any portion of this Agreement.

9.10 Further Acts. The parties each agree to cooperate fully with the other and to take such further action and execute such other documents or instruments as necessary or appropriate to implement the terms of this Agreement.

9.11 Conflict with Guidelines. To the extent this Agreement modifies any requirement or procedure set forth in the Guidelines, those Guidelines are deemed amended for purposes of this Agreement only.

9.12 Indemnity. Owner agrees to indemnify, defend, and hold County harmless against and from all liabilities, damages, claims, and expenses, including without limitation reasonable attorneys' fees, that may be imposed upon or asserted against County by any third party in connection with Owner's alleged breach of this Agreement. Owner shall not be required to indemnify, defend, and hold County harmless against third party claims asserting procedural defects relating to the County's creation of this Agreement or other acts or omissions of the County related to this Agreement. Owner will reimburse the County for all costs, including reasonable and necessary legal fees, in any final disposition of a claim that is subject to indemnification by Owner under the first sentence of this Section, whether by adjudication in court or alternative dispute resolution procedures, provided that Owner shall not be responsible for reimbursement of County for any matter that the County agrees to settle without the approval of Owner.

9.13 Expenses of Negotiation and Compliance. Owner agrees to pay the County's reasonable expenses incurred as a result of the negotiation, including all costs of publication or other required procedures under applicable statutes, of this Agreement including all reasonable and necessary attorney fees incurred during the negotiation and preparation of this Agreement. Payment is to be made within 30 days of receipt by Company of invoice from Clay County, with supporting documentation sufficient to enable the Owner to verify such expenses. Notwithstanding anything in this paragraph, the maximum reimbursement to be paid by Owner under this Section is

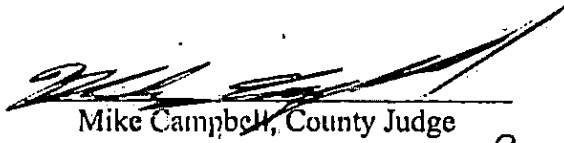
\$10,000.00 per abatement application.

9.14 Remediation. Pursuant to Chapter 301, Texas Utilities Code, Owner will, at the conclusion of the useful life of the project (including as and if subsequently repowered) and termination of the project leases (including as and if extended, whether by exercise of options or entering into amendments with the landowners party thereto), shall take such steps as necessary to reasonably remediate and return the property to its former state of usefulness, provided that if the project leases include terms for decommissioning of the project and restoring the property, then Owner shall not be required to return the property to a condition that exceeds the condition required under the terms of the leases. The County assumes no responsibility for remediation under this Agreement.

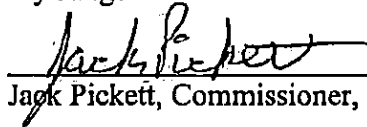
Signed and adopted this 13th day of NOVEMBER 2023.



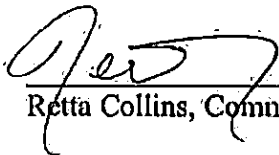
Ben Pharries, Commissioner, Pct. 1



Mike Campbell, County Judge



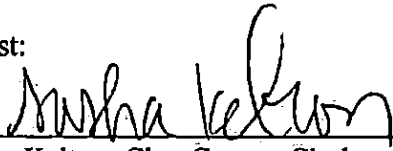
Jack Pickett, Commissioner, Pct. 2



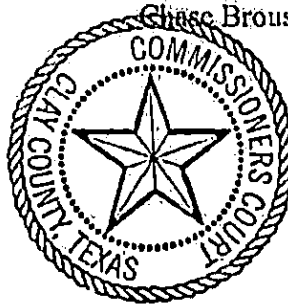
Retta Collins, Commissioner, Pct. 3

Chase Broussard, Commissioner, Pct. 4

Attest:

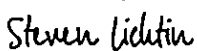


Sasha Kelton, Clay County Clerk



Solar 
Soleil Energy, LLC

DocuSigned by:

By: 
Printed Name: Steven Lichtin
Title: Authorized Person

Date: 11/15/2023

Attachments:

- Exhibit A: Order Creating Reinvestment Zone
- Exhibit B: Guidelines and Criteria for Tax Abatement and Other Economic Development Incentives
- Exhibit C: Application for Tax Abatement and Other Economic Development Incentives
- Exhibit D: Project Description, Site Map, Property List
- Exhibit E: Road Use Agreement
- Exhibit F: Restoration Obligations and Securities

FILED AND RECORDED

Instrument Number: 32398 B: OPR V: 220 P: 260

Filing and Recording Date: 11/29/2023 10:43:46 AM Recording Fee: 0.00

I hereby certify that this instrument was FILED on the date and time stamped heron and RECORDED in the OFFICIAL PUBLIC RECORDS of Clay County, Texas.



Sasha Kelton

Sasha Kelton, County Clerk
Clay County, Texas

ANY PROVISION CONTAINED IN ANY DOCUMENT WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE REAL PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR IS INVALID UNDER FEDERAL LAW AND IS UNENFORCEABLE.