



STATE OF TEXAS §
§
COUNTY OF JEFFERSON §

Pursuant to Section 312.401 of the Texas Tax Code, this Tax Abatement Agreement (hereinafter referred to as the "AGREEMENT") is made and entered into by and between Jefferson County (hereinafter referred to as the "COUNTY"), and Crescent Bayou LLC (hereinafter referred to as the "OWNER").

1. RECITALS

WHEREAS, OWNER possesses interests in taxable real property located within the Energy Reinvestment Zone #1, the designation of which was implemented by the COUNTY by the Order dated May 27, 2025 (hereinafter referred to as the "REINVESTMENT ZONE"); and

WHEREAS, this AGREEMENT is limited to the project to be constructed on various parcels of land located within the Reinvestment Zone, which is described with particularity in Exhibit A ("Description of Project") attached hereto and which will involve construction of an industrial scale facility focused on the production, conversion, transportation, storage, and export of low-carbon hydrogen and ammonia and related improvements (hereinafter referred to collectively as the "PROJECT"); and

WHEREAS, the COUNTY wishes to encourage OWNER to select Jefferson County as the site for the PROJECT; and

WHEREAS, the REINVESTMENT ZONE is an area within Jefferson County, Texas, generally described as being partially within the limits of and partially within the extraterritorial jurisdiction of the City of Port Arthur, Texas, which has been designated by the Order of this Court, the legal description for which is attached hereto as Exhibit C ("Reinvestment Zone Order"). It is understood and agreed that the REINVESTMENT ZONE boundary is subject to revision based on the final construction plan of the

PROJECT, and the COUNTY agrees to take the steps necessary to amend the Reinvestment Zone boundary, consistent with such final PROJECT, upon request of OWNER.

NOW, THEREFORE, for the mutual consideration set forth below, the Parties hereto agree as follows:

2. AUTHORIZATION

THIS AGREEMENT IS AUTHORIZED BY THE TEXAS PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT, TEXAS TAX CODE CHAPTER 312, AS AMENDED, AND BY ORDER OF THE JEFFERSON COUNTY COMMISSIONERS COURT ESTABLISHING AND ADOPTING THE ENERGY REINVESTMENT ZONE #1.

3. DEFINITIONS

For purposes of this AGREEMENT, the following terms shall have the meanings set forth below:

“Abatement” means the full or partial exemption from ad valorem taxes of the value of certain property to be located in the REINVESTMENT ZONE designated for economic development purposes.

“Abatement Period Notice” has the meaning given in Section 4.

“Affiliate” of any specified person or entity means any other person or entity which, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with such specified person or entity. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting securities, by contract or otherwise.

“Base Year Value” means the taxable value of all industrial realty improvements owned by the OWNER and/or its Affiliates within REINVESTMENT ZONE on January 1 immediately preceding the Effective Date. OWNER will, in consultation with the Jefferson County Central Appraisal District, provide the COUNTY with a list of the Jefferson County Central Appraisal District account numbers identifying the industrial realty improvements owned by the OWNER and/or its Affiliates and the taxable value thereof on January 1 immediately preceding the Effective Date for use in preparing the schedule to be attached as Exhibit A-1 (“Tax Abatement Schedule”) to this AGREEMENT before execution specifying the Base Year Value for all purposes of this AGREEMENT.

“Base Year”, for the parties to this AGREEMENT, is defined as the calendar year in which this AGREEMENT is executed (signed) by all parties hereto.

“Effective Date” has the meaning given in Section 4.

“Ineligible Property” is fully taxable and ineligible for the Abatement and includes (i) land; (ii) supplies; (iii) inventory; (iv) housing; (v) vehicles; (vi) improvements for the generation or transmission of electrical energy not substantially consumed (a) by facilities constructed within the REINVESTMENT ZONE or (b) for the purposes of providing critical services or materials to facilities constructed within the REINVESTMENT ZONE; (vii) any improvements, including those to produce, store or distribute natural gas, fluids or gasses, which are not integral to the operation of the facility (for avoidance of doubt, improvements related to feedstock are integral to the operation of the facility); (viii) deferred maintenance on otherwise Eligible Property as of the Effective Date; (ix) property to be rented or leased; (x) property which has a productive life of less than ten years; or (xi) any other property for which the Abatement is not allowed by state law.

“Eligible Property” means the realty improvements, the on-site buildings, structures, fixed machinery and equipment, facilities, storage tanks, process units (including all integral components necessary for operations), site improvements, and infrastructure and the permanent office space and related fixed improvements, as defined by the Texas Tax Code.

“New Eligible Property” means Eligible Property, the construction of which commences subsequent to the Effective Date. The OWNER may make such changes to the New Eligible Property as are, in its sole discretion, reasonably necessary to accomplish its intended use. It is expressly understood that, notwithstanding anything to the contrary written herein, energy, electricity, manufacturing supplies (e.g., foreign manufactured catalysts), feedstocks, freight, and direct materials that physically become a part of the end product manufactured by the PROJECT are not subject to the terms of this AGREEMENT.

“Prime Contractor” as used herein, shall mean, construction or EPC contractors engaged directly by OWNER to perform construction services for the PROJECT and vendors engaged directly by OWNER to supply significant equipment or materials or labor for use in construction of the PROJECT.

“Taxable Value” is determined by deducting from the Market Value (as defined in the Texas Tax Code) of all realty improvements and tangible personal property located in REINVESTMENT ZONE of OWNER and/or its Affiliates the amount of any applicable exemptions and abatements granted for that tax year.

“Completion” as used herein, shall mean, the successful commissioning and performance testing of the PROJECT and the attainment of reliable commercial operations. OWNER shall certify in writing to the COUNTY when such Completion is attained.

“Full-time Job”, as used herein, shall mean a permanent full-time position that requires at least 1,600 hours of work per year, is not transferred from another area of the state, is not created to replace a previous employee, and is covered by or qualified to enroll in a group health benefit plan, and pays an average of \$64,647 (which is 110% of the annualized county average weekly wage for jobs in Jefferson County, as published by the U.S. Bureau Labor of Statistics for the Beaumont-Port Arthur Metropolitan Statistical Area for the 3rd quarter of 2024 or the most recent wage data available as of the Effective Date. Permanent position, as used herein, shall mean a long-term position with no predetermined end date.

“Local Labor” is defined as those qualified laborers or craftsmen who are residents and domiciliaries of the nine county regions comprised of Jefferson, Orange, Hardin, Jasper, Newton, Liberty, Tyler and Chambers Counties, as well as the Bolivar Peninsula area of Galveston County.

“Local Subcontractors” means businesses providing construction services which are located in or having a principal place of business in Jefferson County.

“Local Vendors” means equipment and material vendors or suppliers located in or having a principal place of business in Jefferson County.

“Payment in Lieu of Taxes”. If, during the Term of Abatement, any Federal or State law provides an additional county ad valorem tax exemption for the property that is already the subject of this AGREEMENT, OWNER agrees to decline that tax exemption during the Term of Abatement. If OWNER is unable to decline that tax exemption, OWNER agrees to pay the taxes, or payment in lieu of taxes, on the reduction of property tax revenue to the COUNTY that is the result of said exemption. Any payment in lieu of taxes shall be due on or before November 15 of the year in which payment is due.

“Term of Abatement” has the meaning given in Section 4.

4. TERM OF ABATEMENT

This AGREEMENT shall be effective and enforceable upon execution by all parties (which date is herein referred to as the “**Effective Date**”). The term of the Abatement pursuant to this AGREEMENT shall be a period of ten (10) consecutive tax years beginning on January 1 of the tax year following Completion of the PROJECT, as specified by OWNER in a written notice to the COUNTY (“**Abatement Period Notice**”), unless sooner terminated pursuant to other provisions of this AGREEMENT (“**Term of Abatement**”).

Construction of the PROJECT shall begin by the “Construction Commencement Date”, which shall be December 31, 2029. OWNER shall have the option to request, at least ninety (90) days prior to the then-current Construction Commencement Date, one-year extension(s) to the then-current Construction Commencement Date, with approval from the COUNTY of such request not to be unreasonably withheld or delayed.

5. OWNER REPRESENTATIONS/OBLIGATIONS

In order to receive the Abatement with respect to a tax year listed on Exhibit A-1 (Tax Abatement Schedule), OWNER shall comply with the following:

- a. As a result of the PROJECT, and upon its Completion, OWNER shall maintain a level of not less than 100 new Full-time Jobs (consisting of both direct employee jobs and contractor jobs), using headcount as of January 31 of each tax year during the Term of Abatement, relating to the PROJECT during the remaining Term of Abatement under this AGREEMENT; provided, however that OWNER may reduce employment levels due to improved efficiencies or changing economic conditions during the term of this AGREEMENT. In the event that such employment falls below 100 Full-time Jobs for total on site employment, the Abatement shall be reduced (or restored) proportionate to such employment decline (or increase) for the tax year in which such decline or increase occurs (provided that the Abatement shall never exceed 100% of the values on the Exhibit A-1 (Tax Abatement Schedule) per the example calculation cited below where:

A1 = initial Abatement \$\$

A2 = revised Abatement \$\$

E1 = 100 Full-time Jobs

E2 = revised employee count (as of January 31 of such tax year)

A2 = A1 x (E2/E1)

- b. OWNER shall certify the requisite job levels annually to the COUNTY, within 60 days after the end of the first tax year following Completion and each tax year thereafter during the Term of the Abatement, that OWNER is in compliance with each applicable term of this AGREEMENT;
 - c. OWNER shall construct the PROJECT with an estimated capital investment of at least US \$5 Billion;
 - d. Make available to the COUNTY certain information concerning the Project procurement process, every quarter, during the construction phase of the PROJECT under the express understanding that OWNER is providing the COUNTY such contractor procurement information on a strictly confidential basis so as to maintain the integrity of the competitive procurement process and will provide this information in a format similar to that attached as Exhibit F.
 - e. OWNER shall report and certify to the COUNTY the requisite cost of the PROJECT within 120 days after the Completion;
 - f. OWNER shall include provisions in OWNER's contract(s) with its Prime Contractor(s) that requires such Prime Contractor(s) to:

- i. use commercially reasonable efforts to ensure that qualified Local Labor, Local Vendors, and Local Sub-contractors are given a timely opportunity to bid or make proposals with respect to contracts for the provision of supplies, goods and services (including construction services, e.g., piping, electrical, civil, fabrication) in connection with construction of the PROJECT and any turnaround project which is undertaken as part of or in connection with the PROJECT during the Term of Abatement. Such consideration shall be made in good faith without discrimination.
- ii. give preference and priority to qualified Local Vendors, Local Subcontractors and Local Labor, all other factors being equal;
- iii. provide reasonable notice and sufficient information regarding the PROJECT to qualified Local Vendors and Local Subcontractors to enable them to submit bids or proposals for materials or services in the initial procurement processes, including but not limited to PROJECT information provided in job fairs to be conducted by OWNER or on OWNER's behalf by local, regional or state workforce development organizations or agencies in connection to the PROJECT.

g. OWNER agrees to:

- i. offer to assist qualified Local Vendors and Local Subcontractors in being added to any "Approved Vendor List" so that they are eligible for entering into subcontracts with OWNER's Prime contractor(s);
- ii. offer to consult with chambers of commerce, local business associations, trade associations and other regional economic development organizations, and local workforce development organizations to identify local labor, vendors, suppliers and subcontractors;
- iii. offer to host a trade show for Local Vendors and Local Subcontractors for the purpose of introducing them to OWNER and Prime Contractor(s) purchasing personnel and providing them with opportunities to showcase products and services to OWNER;
- iv. offer to meet with local educational or vocational institutions and apprenticeship programs upon their request to discuss necessary training for the Local Labor force in advance of plant start-up; and
- v. offer to provide information on a webpage advising Local Vendors and Local Subcontractors how to do business with OWNER in Jefferson County.

h. OWNER shall report and certify to the COUNTY, quarterly the total number of dollars spent on Local Labor, Local Subcontractors and Local Vendors, as total and percentage compared to total dollars spent in connection with the PROJECT.

- i. Notwithstanding anything in Section 5, or elsewhere in this AGREEMENT, OWNER and its Prime Contractors shall not be obligated (i) to amend or otherwise change, or attempt to amend or otherwise change, any agreement to which OWNER is a party as of the Effective Date, or (ii) to hire or retain any person, or to award any contract for materials, supplies, equipment or services to any manufacturer, supplier, vendor, professional, contractor or subcontractor, unless, in OWNER's reasonable discretion, (A) such person is qualified, is willing to perform the work, and satisfies all of OWNER's normal standards for employment, and (B) such manufacturer, vendor, supplier, professional, contractor or subcontractor is qualified, financially sound, has an adequate safety record, is willing to perform the work, or provide the materials, supplies, equipment or services, in the time required and in a competitive manner, and, if applicable, is the best qualified responsive bidder who meets all the applicable bid specifications.
- j. OWNER will make all reasonable efforts and where applicable by Law to invoice purchases locally to ensure that sales/use taxes are credited to the benefit of Jefferson County, Texas. OWNER will make commercially reasonable efforts to include in the contracts with its Prime Contractors in relation to the PROJECT an obligation to make commercially reasonable efforts to invoice purchases locally to ensure that sales/use taxes are credited to the benefit of Jefferson County, Texas.

Additionally, in case the OWNER pursues lump sum contracts (as defined in Section 3.291(a)(8) of Title 34 of the Texas Administrative Code) with its Prime Contractors, the OWNER will not seek sales and use tax exemption for the eligible costs in accordance with Section 151.318 of the Texas Tax Code.

Furthermore, OWNER will consider obtaining a Texas Direct Payment Permit (DPP) in accordance with Section 3.288 of Title 34 of the Texas Administrative Code to remit use taxes on taxable purchases of supplies and services related to the ongoing operation and maintenance of the PROJECT (for avoidance of doubt, not construction) directly to the State of Texas on its monthly Texas Direct Payment Return for both state and county taxes at the applicable rates. The State of Texas collects limited, sales, excise and use taxes for both state and local tax jurisdictions. The State is responsible for distributing the local taxes it collects to the applicable local jurisdiction.

The OWNER will provide the COUNTY on a quarterly basis, within 30 days, copies of invoices issued by Prime Contractors to the OWNER as evidence of sales taxes paid to Prime Contractors in relation to the PROJECT under the express understanding that OWNER is providing the COUNTY such copies of invoices on a strictly confidential basis as it is commercially sensitive information.

- k. OWNER will not in any way discriminate against or treat disparately union contractors who choose to participate in the competitive bid process relating to

work on the PROJECT, nor discriminate against or treat disparately union members who seek employment on the PROJECT; and

1. OWNER shall include provisions in OWNER's contract(s) with its Prime Contractor(s) that requires such Prime Contractor(s) to:
 - i. Use commercially reasonable efforts to encourage and promote the utilization of businesses identified in Texas Statute Section 2161 and Texas Administrative Code, Title 34, Chapter 20, Subchapter D, Division 1, Sections 20.281 to 20.298 ("Encouraged Texas Business") by the Prime Contractors engaged by OWNER to construct the PROJECT and any turnaround project which is undertaken as part of or in connection with the PROJECT during the Term of Abatement by providing such qualified businesses with a timely opportunity to bid or make proposals with respect to contracts for supplies, goods, and services (including constructing services, e.g. piping, electrical, civil, fabrication), and
 - ii. Provide reasonable notice and information regarding the PROJECT to Encouraged Texas Businesses to enable them to submit bids or proposals for materials or services in the initial procurement processes, including but not limited to PROJECT information provided in job fairs to be conducted by OWNER or on OWNER's behalf by local, regional or state workforce development organizations or agencies in connection to the PROJECT.
- m. OWNER agrees to:
 - i. offer to assist qualified local Encouraged Texas Businesses in being added to any "Approved Vendor List" so that they are eligible for hiring by OWNER's Prime contractor(s);
 - ii. offer to consult with chambers of commerce, local business associations, trade associations and other regional economic development organizations to identify Encouraged Texas Businesses;
 - iii. offer to host a trade show for Encouraged Texas Businesses for the purpose of introducing them to OWNER and Prime Contractor(s) purchasing personnel and providing them with opportunities to showcase products and services to OWNER;
 - iv. offer to provide information on a webpage advising Encouraged Texas Businesses how to do business with OWNER in Jefferson County.
- n. Following at least seven days written notice to OWNER, OWNER will provide reasonable access to and authorize the inspection of the Eligible Property by the County's personnel to ensure that the improvements or repairs thereto are made

according to the specifications and conditions of this AGREEMENT. Any such inspection must comply with the facility's safety training and PPE requirements and other safety and security procedures and guidelines.

6. VALUE OF ABATEMENT

For each tax year under this AGREEMENT, the abatement percentage received by OWNER under this AGREEMENT with respect to the value of New Eligible Property, is set forth on Exhibit A-1 (Tax Abatement Schedule).

The Abatement during each tax year covered by this AGREEMENT shall be the value attributable to the New Eligible Property multiplied by the respective percentages in the Exhibit A-1 (Tax Abatement Schedule, adjusted by the Base Year Value as set forth in Section 9.

7. QUARTERLY MONITORING MEETINGS

OWNER shall, if requested by the COUNTY, hold quarterly monitoring meetings with the County Judge, County Commissioners, or their designee(s), who shall be allowed to attend such annual monitoring meetings on the express condition that they execute a confidentiality agreement prepared by OWNER so as to protect confidential information which may be disclosed to them during or as a result of such monitoring meetings. OWNER will provide the COUNTY, if requested in writing, with quarterly reports which summarize procurement of services, equipment and labor utilized in construction in accordance with Section 5(d) of this AGREEMENT.

8. TAXABILITY

During the period that this AGREEMENT is effective, taxes shall be payable as follows:

- a. The value of Ineligible Property shall be fully taxable;
- b. The Taxable Value of Eligible Property (excluding New Eligible Property) as determined each year shall be fully taxable; and
- c. The value of New Eligible Property shall be abated as set forth in Section 6, hereinabove.

9. ADJUSTMENTS TO ABATEMENT FOR BASE YEAR VALUE DECLINE

The Jefferson County Central Appraisal District will establish the certified values of Eligible Property as of January 1, 2025 (year of Effective Date), which is immediately

preceding Effective Date as set forth on attached Exhibit B (“Base Year Property”), and such values shall be the values used to calculate the Base Year Value as herein defined. If on January 1 of any tax year listed on Exhibit A-1 (Tax Abatement Schedule) the Taxable Value is less than the Base Year Value, then the Abatement of value otherwise available shall be reduced by one dollar for each dollar that the Taxable Value is less than the Base Year Value, except that no such reduction of OWNER’s Abatement shall be made should any reduction to Taxable Value of OWNER’s Eligible Property result from a Force Majeure event.

In the event OWNER reduces its ad valorem taxes on Eligible Property otherwise payable to the COUNTY by participating in a foreign trade zone, then the amount of abated value otherwise available shall be reduced by one dollar for each dollar of tax value reduction attributable to special treatment from trade zone participation. The parties hereto stipulate and agree that they have received certified appraisal value for this property, as calculated by the Jefferson County Central Appraisal District.

It is specifically understood and agreed by OWNER that, if at any time during the effective dates of this agreement relating to abatement, OWNER files or prosecutes an action in district court to contest the appraised value of any property of OWNER or OWNER’s affiliates within Jefferson County for unequal appraisal or revision thereof pursuant to Section 42.26, Texas Tax Code, any and all abatements granted by the COUNTY to OWNER or its affiliates shall become null and void and cancelled.

10. POLLUTION CONTROL EXEMPTION

The COUNTY understands that OWNER plans (i) to request from the TCEQ a determination under Section 11.31 of the Texas Tax Code that certain property included in the New Eligible Property is pollution control property, and (ii) to apply for an exemption from ad valorem taxes under Section 11.31 of the Texas Tax Code with respect to all or a portion of such property determined by the TCEQ to be pollution control property. The maximum dollar value for equipment that OWNER intends to claim to the TCEQ as exempt from taxation under Section 11.31 is fifteen percent (15%) of cost (“Intended Maximum”), though that number could change as current estimated project costs are refined. It is understood that the COUNTY would not have agreed to this abatement percentage if it were known that the actual exempt property claimed by OWNER would exceed the Intended Maximum. In the event OWNER ultimately obtains an amount in excess of the Intended Maximum in any tax year under this AGREEMENT (such amount the “Exempt Property Excess”), the percentage of abatement described in the Exhibit A-1 (Tax Abatement Schedule) shall be reduced pro rata so as to reimburse the COUNTY for the total decrease in COUNTY tax revenue during the Term of Abatement which is expected to result from the Exempt Property Excess. It is understood and agreed that OWNER will not seek a local property tax exemption for any equipment or portion of the facility which merely reduces the pollution characteristics of the finished product produced

by the facility and that an exemption will only be sought for equipment and technology utilized to reduce pollution at or around the facility.

11. EVENT OF DEFAULT

- a. Events of Default: During the Term of Abatement, the COUNTY may declare a default hereunder by OWNER if (i) OWNER fails to attain Completion, (ii) OWNER refuses or neglects to comply with any of the terms of this AGREEMENT in any material respect, (iii) any representation made by OWNER in this AGREEMENT is false or misleading in any material respect, or (iv) OWNER allows its property taxes on the PROJECT owed to the COUNTY to become delinquent, unless OWNER has timely and properly followed the procedures for the protest, appeal and/or contest of such taxes, subject to the Cure Period as further described in the subsection below.
- b. Notice and Cure: if the COUNTY declares OWNER to be in default of this AGREEMENT, the COUNTY shall notify OWNER in writing within a reasonable time after discovery of the alleged default and prior to the end of the Term of Abatement, and if such default is not cured within sixty (60) days from the date of such notice (such sixty (60) day period, or such longer period as is provided for in this Section 11(b), is referred to herein as the "**Cure Period**"), then this AGREEMENT may be terminated or modified; provided, however, that if the default is of such a nature that it cannot, with the exercise of reasonable diligence, be cured within such sixty (60) day period, the Cure Period shall be deemed extended if OWNER (i) shall promptly, upon the receipt of such notice, advise the COUNTY of OWNER's intention to institute all steps necessary to cure such default, and (ii) shall thereafter proceed to use commercially reasonable efforts to cure such default.
- c. Termination: If after notice of default and failure to cure, the COUNTY terminates this AGREEMENT, it shall provide OWNER written notice of such termination. If OWNER believes that such termination was improper, OWNER may file suit in Jefferson County District Court appealing such termination.
- d. In addition, if a party (the "**Affected Party**") shall become unable to timely perform any of its obligations under this AGREEMENT, other than any obligation to pay money, as a consequence of a Force Majeure Event, the Affected Party shall be relieved of such obligation (and such failure to timely perform such obligation shall not constitute a default) to the extent that and for so long as (but only to the extent that and only for so long as) it is unable to timely perform such obligation as a consequence of such Force Majeure Event. A "**Force Majeure Event**" means any of the following: (i) acts of God, earthquakes, tidal waves, lightning, floods, and storms; (ii) explosions and fires; (iii) strikes and lockouts; (iv) wars, riots, acts of the public enemy, civil disturbances, hostilities, sabotage, blockades, insurrections, terrorism, and epidemics; (v) acts of expropriation, confiscation, nationalization, requisitioning, or other taking; and (vi) any other event, condition, or circumstance beyond the reasonable control of the party claiming relief as a consequence thereof; provided, however, that Force Majeure Event does not include the inability to make payment or financial distress.

12. RECAPTURE OF TAXES

In the event the COUNTY terminates this AGREEMENT pursuant to the provisions of Section 11 as a result of any event of default by OWNER under such Section 11, including, for the avoidance of doubt, if OWNER fails to make the improvements described in Exhibit A of this AGREEMENT, the COUNTY shall be entitled, within one year of when such event of default occurs, to issue a notice of recapture to OWNER in order to recapture the value of any taxes previously abated in the year in which such event of default occurs. For example, if the value of the abatement granted pursuant to this AGREEMENT in the 2041 tax year is \$13,000,000 and the COUNTY terminates the AGREEMENT with the OWNER in 2041 under Section 11, then the OWNER shall pay the COUNTY \$13,000,000. The COUNTY shall be responsible for the calculation of the value of the abatement achieved pursuant to this AGREEMENT and shall include in the notice details of the calculation of the recapture payment. The OWNER shall pay such recapture payment of abated taxes within thirty (30) days of notice receipt, together with all penalties and interest required by the Texas Tax Code. If the COUNTY terminates the AGREEMENT with OWNER under Section 11 during a period within the applicable year before the value of the abatement pursuant to this AGREEMENT is achieved by the OWNER in the applicable year, then the COUNTY is not entitled to recapture any abated taxes.

13. TERMINATION

OWNER shall have the right to terminate this AGREEMENT at any time upon thirty (30) days' written notice to the COUNTY.

14. AMENDMENTS TO AGREEMENT: WAIVERS

This AGREEMENT may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties. Waiver of any term, condition or provision of this AGREEMENT by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition or provision, or a waiver of any other term, condition or provision of this AGREEMENT.

15. ASSIGNMENT

OWNER may assign this AGREEMENT, in whole or in part, to a new owner or lessee of the same PROJECT, or a portion thereof, or to an Affiliate of OWNER upon written notice of such assignment, and approval from COUNTY which shall not be unreasonably withheld or delayed. It shall not be unreasonable for the COUNTY to withhold approval if OWNER or the proposed assignee is liable to the COUNTY for outstanding taxes or other obligations. In the event of a partial assignment by OWNER to a new owner or lessee of

all or any portion of the land and/or the PROJECT, the COUNTY shall enter into a substantially similar agreement to this AGREEMENT with the assignee.

16. ENTIRE AGREEMENT

The Parties agree that this AGREEMENT contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence and preliminary understandings between the parties and others relating hereto are superseded by this AGREEMENT.

17. SUCCESSORS AND ASSIGNS

This AGREEMENT shall be binding on and inure to the benefit of the parties, their respective successors and assigns.

18. NOTICE

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses:

OWNER: Crescent Bayou Project Manager
Chevron New Energies
1500 Louisiana Street
Houston, Texas 77002

With a copy to: Property Tax Department
Chevron U.S.A. Inc.
1400 Smith Street
Houston, Texas 77002
uspropertytax@chevron.com

COUNTY: Hon. Jeff R. Branick, County Judge
Jefferson County Texas
P.O. Box 4025
Beaumont, Texas 77704
(409) 835-8466
(409) 839-2311 (facsimile)

With a copy to: Ms. Kathleen Kennedy, Chief Civil Attorney
Criminal District Attorney

1149 Pearl Street, 3rd Floor
Beaumont, Texas 77701
(409) 835-8550
(409) 835-8573 (facsimile)

Mr. Fred L. Jackson,
First Assistant: Staff Attorney
Jefferson County Courthouse
P. O. Box 4025,
Beaumont, Texas 77704
(409) 835-8466
(409) 839-2311 (facsimile)

19. MERGER

The Parties agree that this AGREEMENT contains all of the terms and conditions of the understanding of the parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence and preliminary understandings between the parties and others relating hereto are superseded by this AGREEMENT.

20. INTERPRETATION

The Parties acknowledge that both have been represented by counsel of their choosing in the negotiation and preparation of this AGREEMENT. Regardless of which party prepared the initial draft of this AGREEMENT, this AGREEMENT shall, in the event of any dispute over its meaning or application, be interpreted without reference to the principle of construction favoring the party who did not draft the AGREEMENT under construction.

21. APPLICABLE LAW AND VENUE

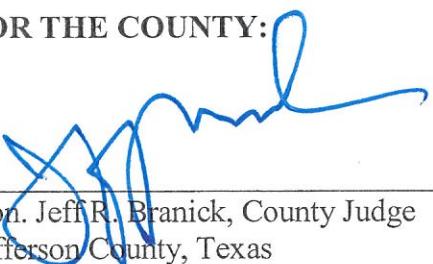
This AGREEMENT is made and shall be construed and interpreted under the laws of the State of Texas and venue shall lie in Jefferson County, Texas.

22. SEVERABILITY

In the event any provision of this AGREEMENT is illegal, invalid, or unenforceable under present or future laws, then, and in that event, it is the intention of the Parties hereto that the remainder of this AGREEMENT shall not be affected thereby, and it is also the intention of the Parties to this AGREEMENT that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable, a provision be added to this AGREEMENT which is legal, valid, and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

Executed in duplicate this the ____ day of _____, 20____.

FOR THE COUNTY:


Hon. Jeff R. Branick, County Judge
Jefferson County, Texas

FOR OWNER:



Jenny Liu

Jenny Liu
Vice President, Crescent Bayou LLC

EXHIBIT A “Description of Project”

The proposed PROJECT is a construction of industrial facility to produce lower-carbon hydrogen and ammonia using autothermal reforming, ammonia synthesis and carbon capture technologies. Significant components of the facility would include hydrogen and ammonia plants, ammonia pipeline, storage and marine terminal and related facilities.

EXHIBIT A-1 “Tax Abatement Schedule”

(Exact tax years are subject to Abatement Period Notice from OWNER to COUNTY)

Project Year	Projected Tax Year	Abatement Percentage
1	2033	100%
2	2034	100%
3	2035	100%
4	2036	100%
5	2037	100%
6	2038	100%
7	2039	100%
8	2040	100%
9	2041	100%
10	2042	100%

EXHIBIT B “Base Year Property”

This Base Year Value as certified will be attached, by consent of the parties, when same is calculated and adopted by the Jefferson County Central Appraisal District.

EXHIBIT C “Reinvestment Zone Order”

EXHIBIT D “Jefferson County Abatement Policy”

It is understood and agreed that all abatement agreements granted herein conform to this abatement policy and to the Texas Tax Code. In case of discrepancy, terms of this AGREEMENT shall prevail.

EXHIBIT E “Affiliates of OWNER”

(This Exhibit is Not Applicable)

EXHIBIT F “Template Quarterly Report During Construction Phase”

PROJECT:

PERIOD:

- 1) Total number of dollars spent on Local Labor, Local Subcontractors and Local Vendors (as defined in the Tax Abatement Agreement), as total and percentage compared to total dollars spent in connection with the PROJECT:
 - a) Total dollars spent on Local Labor, Local Subcontractors, and Local Vendors during reporting period: _____
 - b) Dollars spent on Local Labor, Local Subcontractors, and Local Vendors as a percentage of total dollars spent during reporting period: _____
- 2) Provide summary description of procurement of services, equipment and labor utilized for the PROJECT (Categorize by work/service type and report by category):
 - a) General project site services (e.g., trash collection, security, traffic management, etc.)
 - b) Construction subcontractors
 - c) Specialty construction services (e.g., hydro-excavation, line cleaning, etc.)
 - d) Construction materials & consumables (e.g., bulk and consumable materials, material logistics, etc.)
- 3) Describe steps taken to ensure that qualified Local Labor, Local Vendors, and Local Sub-contractors were given a timely opportunity to bid or make proposals with respect to contracts for the provision of supplies, goods and services in connection with construction of the PROJECT.
- 4) Describe steps taken to encourage and promote the utilization of Encouraged Texas Businesses (as defined in the Tax Abatement Agreement) with respect to contracts for the provision of supplies, goods and services in connection with construction of the PROJECT.

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