

THE STATE OF TEXAS
COUNTY OF HIDALGO

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**AMENDMENT OF
TAX ABATEMENT AGREEMENT BETWEEN HIDALGO COUNTY, TEXAS
AND
MONTE CRISTO WINDPOWER, LLC**

This Amendment of Tax Abatement Agreement (this “Amendment”) is entered into by **HIDALGO COUNTY, TEXAS, a political subdivision of the State of Texas** (the “County”), and **MONTE CRISTO WINDPOWER, LLC, a Delaware limited liability company** (the “Company”), for the purpose of making certain changes to that one certain Tax Abatement Agreement by and between the County and the Company, which was effective as of December 21, 2018.

RECITALS

WHEREAS, the County and the Company entered into a Tax Abatement Agreement dated December 21, 2018 (the “Agreement”), whereby the Company agreed to develop the Wind Farm (as that term is defined in the Agreement) and the County agreed to provide an abatement of a portion of the property taxes attributable to the Project (as that term is defined in the Agreement);

WHEREAS, Texas law provides that at any time before the expiration of a tax abatement agreement, such agreement may be modified by the parties to include other provisions that could have been included in the original agreement or to delete provisions not necessary to the original agreement so long as the modification does not extend the term of the tax abatement agreement beyond ten (10) years from the date of the original agreement;

WHEREAS, the parties desire to amend certain deadlines for performance by the Company provided for in the Agreement.

NOW, THEREFORE, in consideration of the hereinafter set forth agreements, covenants, and payments, the amount and sufficiency of which are acknowledged, the City, the County, and the Zone agree to the terms and conditions stated in this Amendment.

AGREEMENT

1. Amendment to Definition of Guidelines and Criteria. The term “Guidelines and Criteria” shall refer to the Guidelines and Criteria for Granting Tax Abatements in Hidalgo County, Texas, adopted to be effective December 22, 2020, by the Commissioners’ Court of Hidalgo County, Texas, a copy of which is attached hereto as **Exhibit “A”**.

2. Amendment to Deadline for Commencement of Construction. Section 2.04 is hereby deleted in its entirety and replaced with the following:

“2.04 Company covenants and agrees to begin constructing the Facility in the Zone on or before December 1, 2023.”

3. Amendment to the Abatement Period. Section 3.03 of the Agreement is hereby deleted in its entirety and replaced with the following:

“3.03 The abatement of ad valorem taxes shall be for a period (the “**Abatement Period**”) that shall

(a) commence on the commencement of the first ad valorem tax year after each of the following events have occurred:

(i) construction of the Facility has been completed;

(ii) Company has provided documentation confirming the Capital Cost of the Project and the number of Jobs created;

(iii) the Capital Cost meets or exceeds the minimum amount required by the Guidelines and Criteria for granting tax abatements to a Wind Farm Project; and

(iv) the Newly Created Value has been ascertained from the tax rolls of the Hidalgo County Appraisal District, and

(b) end on the earlier of:

(i) December 31, 2031;

(ii) the occurrence of any event which would terminate this Agreement by operation of law;

(iii) Company’s breach of any provision of this Agreement, which breach is not cured within the Cure Period, (as defined below); or

(iv) Company’s failure to comply with any provision of the Guidelines and Criteria as discussed in Article V of this Agreement.”

4. Amendment to Company’s Deadline to File Construction Plans. Section 4.01 of the Agreement is deleted in its entirety and replaced with the following:

“4.01 Company shall file construction plans for the Facility with County by November 1, 2023. The construction plans as filed shall be deemed to be incorporated herein by reference and made a part hereof for all purposes, and the Facility shall be completed in substantial conformity to said plans. Company may elect to amend or modify the construction plans, provided the amendments or modifications comply with all applicable codes, rules and ordinances, and are not otherwise contrary to this Agreement.”

5. Amendment to Breach Provision. Section 5.01 of the Agreement is deleted in its entirety and replaced with the following:

“5.01 In the event Company fails to commence constructing the Facility in the Zone on or before December 1, 2023, this Agreement shall terminate effective as of the original date of this Agreement and County shall be entitled to recapture and collect payment of all ad valorem taxes abated under this Agreement by any and all means allowed by law, and as provided herein.”

6. Amendment to the Tax Abatement Percentage. The chart attached to the Agreement as **Exhibit “E”** for the purpose of calculating the applicable Tax Abatement Percentage during each year of the Term is hereby deleted in its entirety and replaced with the chart attached hereto as **Exhibit “B”**.

7. Legal Authority. Each party warrants and represents that it possesses the legal authority to enter into this Amendment, that the Amendment has been duly authorized and approved by each party, and that the person or persons signing this Amendment on behalf of each party have been duly authorized by the respective party to bind that party validly and legally to all terms, performances, and provisions in this Amendment.

8. Ratification. The County and the Company hereby incorporate the Agreement into this Amendment. Except for the changes made in this Amendment, the County and the Company hereby ratify all of the terms and conditions of the Agreement. Defined terms used in this Amendment shall have the same meaning as in the Agreement, unless another meaning is clearly intended herein. The Agreement, with the changes made herein, constitutes the entire agreement between the parties and supersedes any prior undertaking or written or oral agreements or representations between the parties with respect to the subject matter hereof.

[Signature page follows.]

IN WITNESS WHEREOF, the County and the Company have made and executed this Amendment in triplicate originals on this ____ day of _____, 202__.

COUNTY:

HIDALGO COUNTY, TEXAS, a Political Subdivision of the State of Texas

By: _____
RICHARD F. CORTEZ, County Judge

ATTEST/SEAL

ARTURO GUAJARDO, JR., County Clerk

APPROVED AS TO FORM FOR COUNTY:

JONES, GALLIGAN, KEY & LOZANO, L.L.P.

By: _____
EUGENE R. VAUGHAN, III
For the Firm

COMPANY:

MONTE CRISTO WINDPOWER, LLC, a Delaware limited liability company

By: _____

Name: _____

Title: _____

Exhibit "A"
The Guidelines and Criteria

