P. R. No. 24270
4/24/2025 TS

RESOLUTION NO. 25-193

A RESOLUTION APPROVING AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION AND CGLR PROPERTIES, LLC IN AN AMOUNT NOT TO EXCEED $400,000.00; FUNDS AVAILABLE IN EDC ACCOUNT NO. 120-80-625-5478-00-00-000

WHEREAS, the City Council of the City of Port Arthur deems it in the public interest to authorize the Port Arthur Economic Development Corporation (the "PAEDC") to enter into an Economic Development Performance Agreement (the "Agreement") with CGLR Properties, LLC ("CGLR"); and

WHEREAS, PAEDC has reviewed CGLR's incentive application, accompanying financial statements, and proposals for capital investment and job creation as a result of the renovation of an existing building located at 2545 Lakeshore Dr. in Port Arthur for the purpose of the relocation of CGLR's corporate office and other commercial office space; and

WHEREAS, the PAEDC Board of Directors and its legal advisors have concluded that CGLR's proposed project qualifies as a Type 4A economic development project as set forth in the Economic Development Act; and

WHEREAS, PAEDC agrees to a conditional incentive to CGLR in the amount of $400,000.00; and

WHEREAS, in consideration of the Agreement, CGLR shall be obligated to achieve a total capital investment of $985,500.00 plus the creation of two jobs to be filled by Port Arthur residents and maintained over a three-year term; and

WHEREAS, CGLR has reviewed and approved the Agreement attached hereto as **Exhibit "A"**.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR, TEXAS:

<u>Section 1</u>. That the facts and opinions in the preamble are true and correct.

<u>Section 2</u>. That the City Council of the City of Port Arthur authorizes the Port Arthur Economic Development Corporation to enter into the Economic Development Performance Agreement with CGLR Properties, LLC, and the President and Secretary of the PAEDC are authorized to sign the Agreement in substantially the same form attached hereto as **Exhibit "A"**.

<u>Section 3</u>. That a copy of the caption of this Resolution shall be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this 6th day of May A.D., 2025, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote: AYES:

Mayor Bartie,

Councilmembers M.P.T. Beckcom, Doucet,

Kinlaw, Lewis, Frank,

Hamilton Everfield;

NOES: None.

Thurman Bartie, Mayor

ATTEST:

Sherri Bellard, City Secretary

APPROVED:

Terry Stokes, PAEDC CEO

APPROVED AS TO FORM:

Stanley Springerley, PAEDC Attorney

APPROVED AS TO FORM:

Roxann Pais Cotroneo, City Attorney

APPROVED AS TO AVAILABILITY OF FUNDS:

Lynda Boswell, Finance Director

P.R. 24270

Exhibit “A”

ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT
CGLR PROPERTIES LLC.

This Performance Agreement (this "Agreement") is entered into to be effective as of the Effective Date (as defined in Article III below), by and between the Port Arthur Economic Development Corporation, located in Jefferson County, Texas, a Texas non-profit industrial development corporation under the Development Corporation Act and governed by TEX. LOC. GOV. CODE chapters 501, 502 and 504 and the Texas Non-Profit Corporation Act (the "Act") (hereinafter called "PAEDC"), created by, and for the benefit of the City of Port Arthur, Texas (hereinafter the called the "City"), and CGLR Properties LLC, a corporation registered in the state of Texas and authorized to do business in the State of Texas (hereinafter called "Company"; the PAEDC and the Company collectively known as the "Parties" to this Agreement).

RECITALS

WHEREAS, the Texas Local Government Code, Title 12, Subtitle C1, (the "Act") authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires a performance agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by a corporation under an agreement and to specify the terms under which reimbursement will be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, the Company is seeking to expand by renovating an existing building located within the City of Port Arthur ("Facility") by undertaking property acquisition and new capital improvements while also committing to a minimum capital investment of $985,500.00 for said property acquisition and new capital improvements for Company operational purposes; and

WHEREAS, the Company also intends to create an additional two (2) full-time jobs with an average annual salary of $80,000; and

WHEREAS, the Company is seeking a Performance-Based Cash Incentive from the PAEDC to help offset certain costs associated with its proposed Facility and additional payroll; and

WHEREAS, the PAEDC desires to provide funding to the Company pursuant to the Performance-Based Cash Incentive ("PBC Incentive"), as an incentive for the new improvements and payroll to be undertaken by Company; and

WHEREAS, the Parties are executing and entering into this Agreement to set forth certain terms and obligations of the Parties; and

WHEREAS, the Parties recognize that all agreements of the Parties hereto and all terms and provisions hereof are subject to the laws of the State of Texas and all rules, regulations and interpretations of any agency or subdivision thereof at any time governing the subject matters hereof; and

WHEREAS, the Parties agree that all conditions precedent for this Agreement to become a binding agreement have occurred and been complied with, including all requirements pursuant to the Texas Open Meetings Act and all public notices and hearings; if any, have been conducted in accordance with Texas law; and

WHEREAS, on the Effective Date, the commitments contained in this Agreement shall become legally binding obligations of the Parties.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and agreements described and contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

ARTICLE I
RECITALS

1. Recitals. The recitals set forth above are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

ARTICLE II
AUTHORITY AND TERM

1. Authority**.** The PAEDC's execution of this Agreement is authorized by the Act and constitutes a valid and binding obligation of the PAEDC upon approval by the PAEDC and the City of Port Arthur. The Company's execution of this Agreement is authorized by the appropriate authority and constitutes a valid and binding obligation of the Company.

2. Term. This Agreement shall become enforceable upon the Effective Date, hereinafter established, and shall continue until the Expiration Date, hereinafter established, unless terminated sooner or extended by written mutual agreement of the Parties in the manner provided for herein.

3. Purpose. The purpose of this Agreement is to formalize the agreements between the Company and the PAEDC and specifically state the covenants and representations of the Parties, and the incentives associated with the Company's commitment to abide by the provisions of the Act and to abide by the terms of this Agreement which has been approved by the PAEDC and the Company as complying with the specific requirements of the Act. It is expressly agreed that this Agreement constitutes a single transaction.

4. Administration of Agreement. Upon the Effective Date, the PAEDC delegates the administration and oversight of this Agreement to the Chief Executive Officer of the PAEDC. Any proposed amendments to the Agreement shall require the approval of the Board of Directors of the PAEDC.

ARTICLE III
DEFINITIONS

As used in this Agreement, the following terms shall have the meanings ascribed below. All undefined terms shall retain their usual and customary meaning as ascribed by common and ordinary usage.

"Bankruptcy" shall mean the dissolution or termination of a Party's existence as a going business, insolvency, appointment of receiver for any party of such Party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

"Building" shall mean that property and building located at 2545 Lakeshore Drive.

"Business Operations" shall mean professional commercial office space provided by Company, including the location of their corporate office that provides strategic support to business, industry, and government in a range of practice areas including site selection and economic development, environmental and regulatory affairs, criminal justice, business development, grant writing and grant management.

"Capital Investment" shall mean those items set forth in Article IV Section 1.

"City" shall mean the City of Port Arthur, Texas.

"Compliance Reporting Form" shall mean the certification by Company on the forms provided by the PAEDC, attached hereto as Exhibit B that the obligations outlined within this Performance Agreement have been fulfilled.

"Effective Date" shall be the date of the last signing by a Party to this Agreement.

"Expiration Date" shall mean the date of termination provided for under Article VII of this Agreement.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of a Party, including, without limitation, natural disasters or other acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action, fires, explosions, floods, strikes, lock-outs, slowdowns, work stoppages, unusual and unforeseeable delay that results from an interruption or failure of any public utilities, (e.g., electricity, gas, water), terrorism, bioterrorism, pandemic or epidemic.

"Full-Time" shall mean the number of the Company's employees (a) that have a regular work schedule of at least 36 hours per week as reported on the Texas Employers Quarterly Wage Report from the Texas Workforce, (b) are entitled to at least the customary employer-sponsored benefits package afforded by the Company to its similarly situated employees, (c) meet the minimum salary threshold for their respective roles based on the Beaumont-Port Arthur MSA wage data published by the Bureau of Labor Statistics (BLS) and (d) who are full-time residents of the City of Port

Arthur; and "Primary job" when applicable, shall mean a job that is available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy and is included in one of the sectors of the North American Industry Classification System defined in Section 501.002(12) of the Act.

"Incentive Funds" shall mean those payments as described in Article V, Section 1.

"Project" shall mean the Capital Investment for improvements, infrastructure, equipment, and job creation as provided herein.

ARTICLE IV
PERFORMANCE OBLIGATIONS OF COMPANY

The obligation of the PAEDC to pay funds from the PBC Incentive shall be conditioned upon the Company's continued compliance with and satisfaction of each of the Company's obligations under this Article IV (the "Performance Obligations").

1. Capital Investment. The Company shall make a new Capital Investment of at least **nine hundred eighty-five thousand five hundred dollars ($985,500.00)** for the property acquisition of, and Building improvements for, the operations of the Company and as specifically depicted in Exhibit "A," on or before December 31, 2026.

2. New Full Time Primary Jobs. The Company shall create two (2) new Full-Time Primary Jobs within the first year of operation in exchange for the Incentive Funds as provided in Article V and shall maintain those jobs throughout the term of this Agreement. Employees filling these positions must be residents of the City.

New Full-Time Primary Job Certification. By February 15 of each following Calendar Year the Company shall submit to the PAEDC a certification, in the form attached hereto as Exhibit "A" that the Company has complied with the New Full-Time Primary Job creation requirements.

3. Company shall begin Business Operations in the Building within eighteen (18) months of the effective date and shall, within five (5) business days after having received a certificate of occupancy, provide the PAEDC with a copy of the certificate of occupancy.

4. Company shall continue Business Operations in the Building for a period of five (5) years from the date that Company receives a certificate of occupancy for the Building from the City of Port Arthur and shall provide the PAEDC with annual property tax payment receipts as verification.

ARTICLE V
PAEDC OBLIGATIONS

1. Incentive Funds. Subject to the conditions provided herein, the PAEDC shall release the Incentive funds pursuant to the following schedule:

(a) Distribution 1 –A cash incentive in the amount of up to three hundred and ninety-four thousand dollars ($394,000.00) shall be paid to the Company no later than 30 days following the PAEDC's receipt of confirmation of Company's completion of capital investment, said confirmation to be in the form of proof of expenditures and project verification by way of an on-site inspection.

(b) Distribution 2 – Optional Employment and Payroll Incentive 1: A cash incentive in the amount of $1,000 for each of the two Full-Time Jobs created and maintained by December 31, 2027 (Year 1), the total amount of which shall not exceed **$2,000.00**, and which shall be paid to the Company no later than 30 days following the receipt by the PAEDC of the Compliance Reporting Form (including W-2s and other information as may be required by the PAEDC to confirm compliance).

(c) Distribution 3 – Optional Employment and Payroll Incentive 2: A cash incentive in the amount of $1,000 for each of the two Full-Time Jobs maintained through December 31, 2028 (Year 2), the total amount of which shall not exceed **$2,000.00**, and which shall be paid to the Company no later than 30 days following the receipt by the PAEDC of the Compliance Reporting Form (including W-2s and other information as may be required by the PAEDC to confirm compliance).

(d) Distribution 4 – Optional Employment and Payroll Incentive 3: A cash incentive in the amount of $1,000 for each of the two Full-Time Jobs maintained through December 31, 2029 (Year 3), the total amount of which shall not exceed **$2,000.00**, and which shall be paid to the Company no later than 30 days following the receipt by the PAEDC of the Compliance Reporting Form (including W-2s and other information as may be required by the PAEDC to confirm compliance).

2. The Company shall, within thirty (30) days of a written request of the PAEDC, provide any internal backup that the PAEDC may request to verify compliance of the Performance Obligations of Company.

ARTICLE VI
COVENANTS AND DUTIES

1. Covenants and Duties. The Company makes the following covenants and warranties to the PAEDC and agrees to timely and fully perform the obligations and duties contained in Article IV of this Agreement.

(a) The Company is authorized to do business and is in good standing in the State of Texas and shall remain in good standing in the State of Texas during any term of this Agreement.

(b) The execution of this Agreement has been duly authorized by the Company, and the individual signing this Agreement is authorized to execute such Agreement and bind the Company. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of the Company's organizational documents, or of any agreement or instrument to which the Company is a party to or by which it may be bound.

(c) The Company is not a party to any Bankruptcy proceedings currently pending or contemplated, and the Company has not been informed of any potential involuntary Bankruptcy proceedings.

(d) To its current, actual knowledge, the Company has acquired and maintained all necessary rights, licenses, permits, and authority to carry on its business in the City and will continue to use its best efforts to maintain all necessary rights, licenses, permits, and authority.

(e) The Company agrees to obtain or cause to be obtained, all necessary permits and approvals from City and/or all other governmental agencies having jurisdiction over the Project.

(f) The Company shall be responsible for paying, or causing to be paid, to the City and all other governmental agencies the cost of all applicable permit fees and licenses required for construction of the Project. The Company agrees to develop the Project in accordance with the ordinances, rules, and regulations of the City in effect on the date the Project was designed, unless specified otherwise in this Agreement or in another agreement between the Parties.

(g) The Company agrees to commence and complete the Project in strict accordance with this Agreement.

(h) The Company shall cooperate with the PAEDC in providing all necessary information to assist the PAEDC in complying with this Agreement. Cooperation shall include, but not be limited to, providing evidence and copies of construction contracts, payments for construction, permits, construction supply purchases, and any other documentation deemed necessary by PAEDC to substantiate the reported Capital Investment.

(i) During the term of this Agreement, Company agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a (1), Company shall be in Default (as defined below). Company is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts, provided however that identical federal law requirements provided for herein shall be included as part of any agreement or contract which Company enters into with any subsidiary, assignee, affiliate, or franchisee for which the PBC Incentive provided herein will be used.

(j) Company shall not be in arrears and shall be current in the payment of all City taxes and fees.

(k) During the term of this Agreement, Company agrees to not knowingly employ any undocumented workers as part of the Project, and, if convicted of a violation under 8 U.S.C. Section 1324a (1), Company shall be in Default (as defined herein).

2. PAEDC's Covenants and Duties.

(a) The PAEDC represents and warrants to the Company that the execution of this Agreement has been duly authorized by the PAEDC, and the individual signing this Agreement is empowered to execute such Agreement and bind the PAEDC. Said authorization, signing, and binding effect is not in contravention of any law, rule, regulation, or of the provisions of the PAEDC's organizational documents, or of any agreement or instrument to which the PAEDC is a party to or by which it may be bound.

(b) PAEDC shall cooperate with the Company in providing all necessary information and documentation to assist the Company in complying with this Agreement.

ARTICLE VII
TERMINATION

1. Termination**.** This Agreement shall terminate upon the earliest occurrence of any one or more of the following:

(a) The mutual agreement of the Parties, as reflected in writing signed by the Parties;

(b) The Company satisfying all the Performance Obligations set forth in Article IV, but in no event later than April 1, 2032 or

(c) The PAEDC electing to terminate this Agreement by written notice to the Company following an Event of Default by the Company, as defined by and in accordance with Article VIII.

ARTICLE VIII
DEFAULT

1. The Company's Events of Default. The following shall be considered a "Default" by the Company:

(a) Failure of the Company to timely perform any term, covenant, obligation, duty, or agreement contained in this Agreement, including without limitation its Performance Obligations; or

(b) PAEDC determines that any representation or warranty contained herein in or in any financial statement, certificate, report or opinion prepared and submitted to PAEDC in connection with or pursuant to the requirements of this Agreement was false, incorrect or misleading in any material respect when made; or

(c) Any judgment is assessed against the Company or any attachment or other levy against the property of the Company with respect to a claim remains unpaid, unstayed on appeal, not discharged, not bonded or not dismissed for a period of one hundred eighty (180) days; or

(d) The Company makes an assignment for the benefit of creditors; files a petition in bankruptcy; is adjudicated insolvent or bankrupt; commences any action relating to the Company under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect; or if there is commenced against the Company any such action and such action remains undismissed or unanswered for a period of ninety (90) days from such filing.

2. PAEDC Events of Default. PAEDC failure to fulfill any obligation set forth within the terms and conditions of this Agreement shall be deemed a "Default" by the PAEDC.

3. Remedies for Default.

(a) In the event of Default by the Company, the PAEDC shall give the Company written notice of such Default and if the Company has not cured such Default within 60 days after receipt of such Notice, an "Event of Default" by the Company shall have occurred. Upon the occurrence and during the continuance of an Event of Default by the Company, the PAEDC shall have the right to terminate this Agreement, and pursue all rights and remedies provided by applicable law. After such termination by the PAEDC, the PAEDC shall have no further obligation to the Company under this Agreement. The PAEDC also retains the right, at its sole discretion, to withhold payment of any Incentive funds during the continuance of any such Default, or, following termination of this Agreement in accordance with this paragraph 3, require repayment of all or any portion of Incentive funds already paid, as may be appropriate in consideration of the circumstances leading to such termination and whether such Incentive funds already paid due to valid compliance with one or more Performance Obligations as provided in Article IV, and as certified with the PAEDC.

(b) In the event of Default by the PAEDC, the Company shall give the PAEDC written notice of such Default and if the PAEDC has not cured such Default within 60 days after receipt of such Notice, an "Event of Default" by the PAEDC shall have occurred. Upon the occurrence and during the continuance of an Event of Default by the PAEDC, the Company shall have the right to terminate this Agreement, and pursue all rights and remedies provided by applicable law. After such termination by the Company, the

Company shall have no further obligation to the PAEDC under this Agreement.

(c) Recapture. Specifically, in the event of Default by the Company, the PAEDC shall, as a remedy for Default hereunder, after providing Company notice and an opportunity to cure, have the right to discontinue all future Incentive Funds and recapture all amounts previously paid under this Agreement (as applicable, the "Recaptured Amount"). The Recaptured Amount shall be paid by the Company, to the PAEDC, within sixty (60) days after the date Company is notified by the PAEDC of such Default (the "Payment Date") provided said Default was not cured. In the event the Recaptured Amount is not repaid by the applicable Payment Date, the unpaid portion thereof shall accrue interest at the rate of seven percent (7.00%) per annum from the Effective Date until paid in full.

ARTICLE IX
MISCELLANEOUS

1. Binding Agreement. The terms and conditions of this Agreement shall be binding on and inure to the benefit of the Parties, and their respective successors and assigns. This Agreement is not binding until it has been approved by the Port Arthur Economic Development Corporation and the City of Port Arthur; upon said approval, the Chief Executive Officer of the PAEDC shall be responsible for the administration of this Agreement and shall have the authority to execute any instruments, duly approved by the PAEDC, on behalf of the Parties related thereto.

2. Mutual Assistance. The Parties will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

3. Independent Contractors.

(a) It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, Company at no time will be acting as an agent of the PAEDC and that all consultants or contractors engaged by Company respectively will be independent contractors of Company; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed the Parties hereto understand and agree that the PAEDC will not be liable for any claims that may be asserted by any third party occurring in connection with services performed by Company respectively under this Agreement, unless any such claims are due to the fault of the PAEDC.

(b) By entering into this Agreement, except as specifically set forth herein, the Parties do not waive, and shall not be deemed to have waived, any rights, immunities, or defenses either may have, including the defense of parties, and nothing contained herein shall ever be construed as a waiver of sovereign or official immunity by the PAEDC, with such rights being expressly reserved to the fullest extent authorized by law and to the same extent which existed prior to the execution hereof.

(c) No employee of the PAEDC, or any board member or agent of the PAEDC, shall be personally responsible for any liability arising under or growing out of this Agreement.

4. Notice. Any notice required by or permitted under this Agreement must be in writing. Notice may be given by certified or registered mail, personal delivery, courier delivery, or e-mail and will be effective when received, provided that (a) any notice received on a Saturday, Sunday, or holiday will be deemed to have been received on the next day that is not a Saturday, Sunday, or holiday and (b) any notice received after 5:00 P.M. local time at the place of delivery on a day that is not a Saturday, Sunday, or holiday will be deemed to have been received on the next day that is not a Saturday, Sunday, or holiday. Any address for notice may be changed by not less than ten days' prior written notice given as provided herein.

If intended for PAEDC:

Port Arthur Economic Development Corporation
Attention: Chief Executive Officer
501 Procter Street, Suite 100.
Port Arthur, TX 77640

With a copy to:
Denton, Navarro, Rocha, Bernal, & Zech, PC
Attention: Charles E. Zech
2500 W. William Cannon, Suite 609
Austin, Texas 78745

If to Company:

CGLR Properties, LLC
Attention: Carl Griffith
26985 Interstate 10
Winnie, TX 77665

5. Governmental Records. All invoices, records and other documents required for submission to the PAEDC pursuant to the terms of this Agreement are Governmental Records for the purposes of Texas Penal Code Section 37.10.

6. Governing Law. The Agreement shall be governed by the laws of the State of Texas, and the venue for any action concerning this Agreement shall be in the Courts of Jefferson County, Texas, United States of America. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

7. Amendment. This Agreement may be amended by mutual written agreement of the Parties, as approved by the Board of Directors by the PAEDC and the City of Port Arthur.

8. Legal Construction. In the event 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 other provisions of this Agreement, and it is the intention of the Parties to this Agreement that, in lieu of each 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.

9. Interpretation. Each of the Parties has 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, whatever its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any Party.

10. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the Parties that, in any manner, relates to the subject matter of this Agreement, except as provided for in any Exhibits attached hereto or duly executed amendments to this Agreement.

11. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

12. Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

13. Exhibits. Any Exhibits attached hereto are incorporated by reference for all purposes.

14. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

15. Indemnification. **COMPANY SHALL RELEASE, HOLD HARMLESS, DEFEND AND INDEMNIFY THE PAEDC, INCLUDING ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND REPRESENTATIVES, AND THE CITY COUNCIL MEMBERS AND MAYOR INDIVIDUALLY AND ACTING IN THEIR CAPACITY OF REVIEWING AND APPROVING ACTIONS OF THE PAEDC (COLLECTIVELY "THE INDEMNITEES") FROM AND AGAINST ANY AND ALL SUITS, CLAIMS AND OTHER DEMANDS OF EVERY TYPE WHATSOEVER, INCLUDING ALL REASONABLE ATTORNEY'S FEES AND COSTS, ARISING FROM OR OTHERWISE RELATING TO THE PAEDC CONTRIBUTION (WHERE SUCH SUIT, CLAIM, OR DEMAND IS BASED ON COMPANY PROVIDING INCORRECT DATA) OR THE DESIGN, CONSTRUCTION OR OPERATION OF THE FACILITY, AND SUCH OBLIGATION SHALL NOT BE AFFECTED BY ANY ACTUAL OR ALLEGED NEGLIGENCE, CONTRIBUTORY NEGLIGENCE, OR STRICT LIABILITY ON THE PART OF THE INDEMNITEES (OTHER THAN AS A RESULT OF THE GROSS NEGLIGENCE, RECKLESS DISREGARD, OR WILLFUL MISCONDUCT OF THE INDEMNITEES).**

16. Additional Instruments. The Parties agree and covenant to cooperate, negotiate in good faith, and to execute such other and further instruments and documents as may be reasonably required to fulfill the public purposes provided for and included within this Agreement.

17. Force Majeure. Whenever a period of time is herein prescribed for action to be taken by Company, Company shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays due to causes of any kind whatsoever which are caused by Force Majeure.

18. Time Periods. Unless otherwise expressly provided herein, all periods for delivery or review and the like will be determined on a "calendar" day basis. If any date for performance, approval, delivery or Closing falls on a Saturday, Sunday or legal holiday (state or federal) in the State of Texas, the time therefor will be extended to the next day which is not a Saturday, Sunday or legal holiday.

19. Assignability. This Agreement may be assigned to a domestic owner, parent or subsidiary of the Company qualified to do business in the State of Texas, the assignment of which will be in writing and signed by the Company and Company's assignee.

20. Legal Fees in Preparation of Agreement. Each Party shall bear its own legal fees in connection with the negotiation of this Agreement. The Company commits to reimburse the PAEDC for the necessary legal fees in the preparation of any amendment to this Agreement, if and when such amendment is requested by the Company. Timely payment shall be made within sixty (60) days of submittal of invoice to the Company by the PAEDC or its assigns.

[SIGNATURE PAGE IMMEDIATELY FOLLOWING]

Executed on this ______day of _________________, 2025

COMPANY:

CGLR PROPERTIES LLC

By: ____________________________
Name: Carl Griffith
Title: Managing Member

Executed on this ______day of _________________, 2025

PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION

By: _______________________________
Name: Terry Stokes
Title: Chief Executive Officer

APPROVED AS TO FORM:

By: _____________________________________
PAEDC Attorney