

STATE OF TEXAS                   §  
  §  
COUNTY OF FORT BEND       §

FIRST AMENDMENT TO  
TAX ABATEMENT AGREEMENT BETWEEN  
FORT BEND COUNTY DRAINAGE DISTRICT AND TEKMANNA, LLC

This FIRST AMENDMENT of the Tax Abatement Agreement is made and entered into by and between FORT BEND COUNTY DRAINAGE DISTRICT acting herein by and through its Board of Directors and TEKMANNA, LLC (hereinafter referred to as "Owner").

RECITALS

WHEREAS, on or about February 6, 2018, the Parties entered into a Tax Abatement Agreement, attached hereto as Exhibit "One" and incorporated by reference;

WHEREAS, the Parties now desire to amend a certain portion of the Agreement; and

WHEREAS, both the Original Agreement and this First Amendment are executed as authorized by and in accordance with the Property Redevelopment and Tax Abatement Act, Chapter 312, TEXAS PROPERTY TAX CODE, and the Guidelines and Criteria for Granting Tax Abatements in Reinvestment Zones located in Fort Bend County, Texas

NOW THEREFORE, for and in consideration of the mutual benefits to be derived by the parties hereto, District, and Owner agree as follows:

I. Amendments

a. Section 4, Responsibility of Owner is amended as follows:

4. Responsibility of Owner

In consideration of receiving the tax abatement granted herein, the Owner represents and agrees:

- (a) That construction of the Improvements shall be completed on or before December 2019. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$1,100,000.00 project costs with respect to the Improvements within sixty (60) days after completion of the Improvements to be constructed by Owner.
- (b) That the combined Certified Appraised Value of the Improvements, Inventory and Eligible Property on January 1, 2020 and on each and every January 1, thereafter during the term of this Agreement will not be less than \$4,000,000. Failure to meet the requirements of this section will invalidate the tax abatement for that year.

- (c) That Owner shall provide the District's Tax Assessor/Collector with a copy of the Certificate of Occupancy for the Improvements on or before December 31, 2019. Owner's failure to present a copy of the Certificate of Occupancy to District may result in a forfeiture of the tax abatement of tax year 2020.

b. Section 5, Value and Term of Abatement is amended as follows:

- (a) This Agreement shall be effective on the date executed by District or Owner, whichever is later. The start of the actual tax abatement period has been deferred, with the first year of the abatement period to be 2020. This Agreement shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, 2029. The tax abatement shall not extend beyond December 31, 2029. This Agreement shall terminate on the completion of the abatements, unless earlier terminated as provided elsewhere herein. Owner's obligation upon default to pay to District any taxes abated under this Agreement shall not terminate until the abated taxes are paid.
- (b) In each year of the tax abatement period, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Improvements and Eligible Personal Property (equipment and machinery).
- (c) Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 4 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the value of the Improvements and Eligible Personal Property:

Tax Year	Percentage Abatement
2020-2029	50% each year

- II. Except as modified herein, any prior executed document remains in full force and effect and has not been modified or amended. In the event of conflict, the contents of this First Amendment shall prevail.

*Remainder left blank*

*Execution page to follow*

III. Execution

IN TESTIMONY OF WHICH, THIS AMENDMENT shall be effective upon execution of all parties.

FORT BEND COUNTY  
DRAINAGE DISTRICT

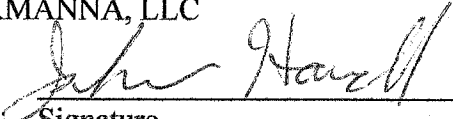
By: \_\_\_\_\_  
Robert E. Hebert

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Laura Richard, County Clerk

TEKMANNA, LLC

By:   
Signature  
John Howell President  
Printed name & title

Date: 12/6/18

ATTEST:




Exhibit One: TAX ABATEMENT AGREEMENT BETWEEN FORT BEND COUNTY DRAINAGE DISTRICT, AND TEKMANNA, LLC EXECUTED ON OR ABOUT FEBRUARY 2, 2018.

MTR/Tax/Abatements/Amendments/ TekManna, LLC