

A. Settlement Statement

U.S. Department of Housing and Urban Development

OMB No. 2502-0265

B. Type of Loan					
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> Conv Unins	6. File Number	7. Loan Number	8. Mortgage Ins Case Number
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv Ins.	6. <input type="checkbox"/> Seller Finance	21642-24	2180040962	
7. <input type="checkbox"/> Cash Sale.					

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower Corintos Construction & Design Inc. 1919 E. Saunders St. Laredo, TX 78041	E. Name & Address of Seller Halle E. Herrera 4920 Palmito Dr. Laredo, TX 78046	F. Name & Address of Lender International Bank of Commerce 1200 San Bernardo Ave. Laredo, TX 78040
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G. Property Location Eastern Division, Block 335, SO 37.23' OF Lot 1 & N 1/2 of 8, Webb County 2707 Sanders Ave Laredo, TX 78040	H. Settlement Agent Name Laredo Title & Abstract, Ltd. 415 Shiloh Drive Laredo, TX 78045 Tax ID: 20-4645958 Underwritten By: Fidelity Place of Settlement Laredo Title & Abstract LTD 415 Shiloh Dr. Laredo, TX 78045	I. Settlement Date 4/9/2024 Fund: 4/9/2024
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J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due from Borrower		400. Gross Amount Due to Seller	
101. Contract Sales Price	\$55,000.00	401. Contract Sales Price	\$55,000.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to borrower	\$8,667.99	403.	
104.		404.	
105. Held for Construction	\$344,000.00	405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City property taxes		406. City property taxes	
107. County property taxes		407. County property taxes	
108. Annual assessments		408. Annual assessments	
109. School property taxes		409. School property taxes	
110. MUD Taxes		410. MUD Taxes	
111. HOA Dues		411. HOA Dues	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
120. Gross Amount Due From Borrower	\$407,667.99	420. Gross Amount Due to Seller	\$55,000.00
200. Amounts Paid By Or in Behalf Of Borrower		500. Reductions in Amount Due to Seller	
201. Deposit or earnest money	\$2,000.00	501. Excess Deposit	
202. Principal amount of new loan(s)	\$344,000.00	502. Settlement Charges to Seller (line 1400)	\$3,929.00
203. Existing loan(s) taken subject to		503. Existing Loan(s) Taken Subject to	
204. Loan Amount 2nd Lien		504. Payoff of first mortgage loan to	
205.		505. Payoff of second mortgage loan to	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City property taxes 01/01/24 thru 04/09/24	\$467.84	510. City property taxes 01/01/24 thru 04/09/24	\$467.84
211. County property taxes		511. County property taxes	
212. Annual assessments		512. Annual assessments	
213. School property taxes		513. School property taxes	
214. MUD Taxes		514. MUD Taxes	
215. HOA Dues		515. HOA Dues	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	\$346,467.84	520. Total Reduction Amount Due Seller	\$4,396.84
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross Amount due from borrower (line 120)	\$407,667.99	601. Gross Amount due to seller (line 420)	\$55,000.00
302. Less amounts paid by/for borrower (line 220)	\$346,467.84	602. Less reductions in amt. due seller (line 520)	\$4,396.84
303. Cash From Borrower	\$61,200.15	603. Cash To Seller	\$50,603.16

Section 5 of the Real Estate Settlement Procedures Act (RESPA) requires the following: • HUD must develop a Special Information Booklet to help persons borrowing money to finance the purchase of residential real estate to better understand the nature and costs of real estate settlement services; • Each lender must provide the booklet to all applicants from whom it receives or for whom it prepares a written application to borrow money to finance the purchase of residential real estate; • Lenders must prepare and distribute with the Booklet a Good Faith Estimate of the settlement costs that the borrower is likely to incur in connection with the settlement. These disclosures are mandatory.

Section 4(a) of RESPA mandates that HUD develop and prescribe this standard form to be used at the time of loan settlement to provide full disclosure of all charges imposed upon the borrower and seller. These are third party disclosures that are designed to provide the borrower with pertinent information during the settlement process in order to be a better shopper. The Public Reporting Burden for this collection of information is estimated to average one hour per response, including the time for reviewing instructions searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information requested does not lend itself to confidentiality.

L. Settlement Charges				Paid From	Paid From
700. Total Sales/Broker's Commission based on price		\$55,000.00	@5 % = \$2,750.00	Borrower's Funds at Settlement	Seller's Funds at Settlement
Division of Commission (line 700) as follows:					
701.	\$1,375.00	to	Exit Realty Laredo		
702.	\$1,375.00	to	Exit Realty Laredo		
703.	Commission Paid at Settlement			\$0.00	\$2,750.00
704.	The following persons, firms or	to			
705.	corporations received a portion	to			
706.	of the real estate commission amount	to			
707.	shown above: Split premium Flor Gonzalez	to			
708.	Split Premium Damaris Terrazas	to			
800. Items Payable in Connection with Loan					
801.	Loan Origination Fee 1%	to	International Bank of Commerce	\$3,440.00	
802.	Loan Discount %	to			
803.	Appraisal Fee	to	Salazar Appraisal	\$700.00	
804.	Appraisal Review Fee	to	International Bank of Commerce	\$125.00	
805.	Lender's Inspection Fee	to			
806.	Mortgage Insurance Application	to			
807.	Flood Determination Fee	to	International Bank of Commerce	\$12.00	
808.	Processing Fee	to			
809.	Administration Fee	to			
810.	Tax Services	to			
811.	Yield Spread Premium	to			
900. Items Required by Lender To Be Paid in Advance					
901.	Interest from 4/9/2024 to 5/1/2024 @ \$0/day				
902.	Mortgage Insurance Premium for months	to			
903.	Hazard Insurance Premium for years	to			
1000. Reserves Deposited With Lender					
1001.	Hazard insurance	months @	per month	\$0.00	
1002.	Mortgage insurance	months @	per month	\$0.00	
1003.	City property taxes	months @	per month	\$0.00	
1004.	County property taxes	months @	per month	\$0.00	
1005.	Annual assessments	months @	per month	\$0.00	
1006.	School property taxes	months @	per month	\$0.00	
1007.	MUD Taxes	months @	per month	\$0.00	
1008.	HOA Dues	months @	per month	\$0.00	
1011.	Aggregate Adjustment				
1100. Title Charges					
1101.	Settlement or closing fee	to			
1102.	Abstract or title search	to			
1103.	Title examination	to			
1104.	Title insurance binder	to			
1105.	Document preparation	to	Freeman & Castillon	\$850.00	
1106.	Notary fees	to			
1107.	Attorney's fees WD/VL	to	Kazen, Meurer & Perez, LLP		\$250.00
(includes above items numbers:)					
1108.	Title insurance	to	Laredo Title & Abstract LTD	\$1,689.00	\$529.00
(includes above items numbers:)					
1109.	Lender's coverage	\$344,000.00/\$1,689.00			
1110.	Owner's coverage	\$55,000.00/\$529.00			
1111.	Escrow fee	to	Laredo Title & Abstract LTD	\$340.00	\$340.00
1112.	State of Texas Policy Guaranty Fee	to	State of Texas Policy Guaranty Fee	\$2.00	\$2.00
1113.	Photocopies Fee	to	Laredo Title & Abstract LTD		
1114.	Recording E Filing Fee	to	Laredo Title & Abstract - Recording Account	\$15.99	
1115.	Messenger Fee/Wire Fee	to	Laredo Title & Abstract LTD	\$25.00	
1116.	Guaranty Assessment Recoupment	to	State of Texas Policy Guaranty Fee		
1200. Government Recording and Transfer Charges					
1201.	Recording Fees	Deed \$41.00, Mortgage \$89.00, Rel	to Laredo Title & Abstract - Recording Account	\$130.00	
1202.	City/county tax/stamps	Deed ; Mortgage	to		
1203.	State tax/stamps	Deed ; Mortgage	to		
1204.	Tax certificates Service	to	Zarcast Tax Data, Inc.		\$58.00
1205.	Recording Fees Affidavit of Commencement	to	Laredo Title & Abstract - Recording Account	\$25.00	
1206.	Recording Fee-UCC	to	State of Texas UCC Filing	\$15.00	
1300. Additional Settlement Charges					
1301.	Survey	to	Sanchez Engineering, Inc	\$1,299.00	
1302.	Pest Inspection	to			
1303.	City Taxes	to			
1304.	County Taxes	to			
1305.	LISD School Taxes	to			
1306.		to			
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)				\$8,667.99	\$3,929.00

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.

Corntios Construction & Design Inc.

Hallie Herrera

Hallie E. Herrera

By

SETTLEMENT AGENT CERTIFICATION

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.

[Signature]
Settlement Agent

Date

4/8/24

Warning: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Previous Editions are Obsolete

Page 2

form HUD-1 (3/86)
Handbook 4305.2

Corintio Construction & Design Inc.

Hallie Herrera

Hallie E. Herrera

By

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Page 2

form HUD-1 (3/86)
Handbook 4305.2

GF#: 21642-24

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

WARRANTY DEED WITH VENDOR'S LIEN

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF WEBB §

That HALLIE E. HERRERA (hereinafter referred to as "Grantor"), for and in consideration of the sum of TEN AND NO/100THS (\$10.00) DOLLARS and other valuable consideration to the undersigned paid by the Grantee herein named, the receipt of which is hereby acknowledged, and the further consideration of the execution and delivery by the Grantee herein of that certain Promissory Note of even or near even date herewith in the original principal sum THREE HUNDRED FORTY FOUR THOUSAND AND NO/100THS (\$344,000.00), payable to the order of INTERNATIONAL BANK OF COMMERCE, 1200 San Bernardo Ave., Laredo, Texas 78040 ("Lender"), the payment of which note is secured by a Deed of Trust to Dennis Nixon, Trustee, said note representing a portion of the purchase price of the Property, and bearing interest as therein provided, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY unto CORINTIOS CONSTRUTION & DESIGN, INCORPORATED ("Grantee", whether one or more), whose mailing address is 5411 McPherson Rd., Ste. 102, Laredo, Texas 78041, subject to the matters, reservations from and exceptions to conveyance and warranty hereinafter made, all of the following described real property, to-wit (the "Property"):

Situated in Webb County, Texas and being the South 37.23 feet of Lot Number One (1) and the North One-half of Lot Number Eight (N.1/2 of 8), in Block Number Three Hundred Thirty-five (335), EASTERN DIVISION, situated in the City of Laredo, as per the original map or plat of said city.

This conveyance is made and accepted subject to the following matters, reservations from, and exceptions to conveyance and warranty:

1. Any and all easements, rights of way, and prescriptive rights, whether of record or not; rights of adjoining owners in any fences situated on a common boundary; any discrepancies, conflicts, or shortages in area or boundary lines; any encroachments, or protrusions or any overlapping of improvements; all presently recorded restrictions, reservations, set back lines, plats, easements, covenants, conditions, oil and gas leases, mineral severances, royalty interests, and other instruments that are still in force and effect and affect the Property, and all building and zoning laws, regulations and ordinances of municipal and/or other governmental authorities, if any, but only to the extent that such matters are still in effect, relating to the hereinabove described Property.
2. Current taxes on the Property having been prorated the payment thereof and of all subsequent taxes on the Property is assumed by Grantee.
3. **GRANTOR HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES (OTHER THAN THE WARRANTY OF TITLE AS SET OUT HEREIN), PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER, WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO (A) THE VALUE, NATURE, QUALITY OR CONDITION OF THE PROPERTY (AND IMPROVEMENTS), INCLUDING, WITHOUT LIMITATION, THE WATER, SOIL AND GEOLOGY, (B) THE INCOME TO BE DERIVED FROM THE PROPERTY, (C) THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH GRANTEE MAY CONDUCT THEREON; (D) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY, OR (H) ANY OTHER MATTER WITH RESPECT TO**

THE PROPERTY AND IMPROVEMENTS; GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, GRANTEE IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED BY GRANTOR AND GRANTEE ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION, GRANTEE, FOR ITSELF, AND ITS HEIRS, SUCCESSORS AND ASSIGNS FOREVER WAIVES ALL OBJECTIONS OR CLAIMS AGAINST GRANTOR (INCLUDING, BUT NOT LIMITED TO, ANY RIGHT OR CLAIM OF CONTRIBUTION) ARISING FROM OR RELATED TO THE PROPERTY OR SOIL CONDITION ON THE PROPERTY, HEREBY AGREEING TO INDEMNIFY GRANTOR AGAINST, AND HOLD GRANTOR HARMLESS FROM, ANY AND ALL CLAIMS, COSTS (INCLUDING ATTORNEY'S FEES), DEMANDS AND CAUSES OF ACTION ASSERTED BY ANY PERSON WITH RELATION TO THE PROPERTY OR ANY IMPROVEMENTS CONSTRUCTED THEREON, INCLUDING ALL SUCH CLAIMS, DEMANDS AND/OR CAUSES OF ACTION WHICH ARISE OR RESULT FROM, OR ARE ALLEGED TO ARISE OR HAVE RESULTED FROM GRANTOR'S NEGLIGENCE, IN WHOLE OR IN PART. GRANTOR IS NOT LIABLE OR BOUND IN ANY MANNER BY ANY VERBAL OR WRITTEN STATEMENTS, REPRESENTATIONS, OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, FURNISHED BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE, SERVANT OR OTHER PERSON. THE SALE OF THE PROPERTY AS PROVIDED FOR HEREIN IS MADE ON AN "AS IS" AND "WHERE IS" CONDITION AND BASIS AND WITH "ALL FAULTS."

TO HAVE AND TO HOLD the above described Property, together with all and singular the rights and appurtenances thereto in anyway belonging unto the said Grantee, Grantee's heirs, personal representatives, successors and assigns forever; and, except as to the reservations from and exceptions to conveyance and warranty, Grantor hereby binds Grantor and Grantor's heirs, personal representatives, successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto the said Grantee, Grantee's heirs, personal representatives, successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

But it is expressly agreed that the vendor's lien, as well as the superior title in and to the above described Property is retained against the Property, premises and improvements, until the above described note, and all interest thereon, are fully paid according to the face, tenor, effect and

reading thereof, when this Deed shall become absolute.

INTERNATIONAL BANK OF COMMERCE, at the instance and request of the Grantee herein, having advanced and paid in cash to the Grantor that portion of the purchase price of the Property as is evidenced by the hereinabove described notes, the vendor's lien, together with the superior title to the Property, is retained herein for the benefit of INTERNATIONAL BANK OF COMMERCE, and the same are hereby TRANSFERRED AND ASSIGNED to INTERNATIONAL BANK OF COMMERCE.

When the context requires, singular nouns and pronouns include the plural.

EXECUTED this 8th day of April, 2024.

GRANTOR(S):

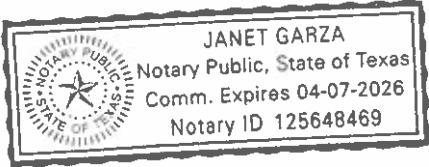
Hallie Herrera
HALLIE E. HERRERA

STATE OF TEXAS §

COUNTY OF WEBB §


This instrument was acknowledged before me this 8th day of April, 2024 by HALLIE E. HERRERA.

Janet
Notary Public, State of Texas



AGREED AND ACCEPTED:

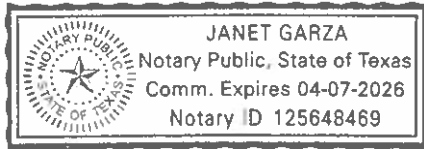
CORINTIOS CONSTRUCTION & DESIGN,
INCORPORATED

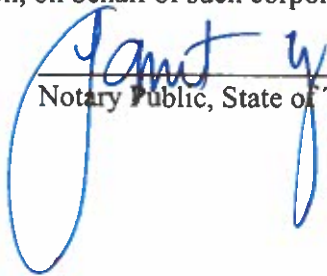
By: 
SERGIO ESTEBAN SANDOVAL GARCIA
Title: President

STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me this 8th day of April, 2024 by SERGIO ESTEBAN SANDOVAL GARCIA, President of CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED, a Texas corporation, on behalf of such corporation.




Notary Public, State of Texas

REAL ESTATE LIEN NOTE



Principal	Loan Date	Maturity	Loan Number	Officer	Initial
\$344,000.00	4/8/2024	1/8/2025	2180040962	Armando Gonzalez	

Borrower(s): Corintios Construction & Design, Incorporated

Lender: International Bank of Commerce

For value received, the receipt and sufficiency of which is hereby acknowledged, the undersigned, jointly and severally, (hereinafter "Borrower", whether one or more) promise to pay to the order of International Bank of Commerce (hereinafter "Lender"), at 1200 San Bernardo Avenue, Laredo, Texas 78040, or such other address as Lender may specify from time to time, the sum of Three Hundred Forty-Four Thousand Dollars and No Cents (\$344,000.00), in legal and lawful money of the United States of America, with interest as it accrues on the outstanding principal balance from date of advance of such principal until paid.

The interest rate shall be floating at 0.00% per annum above International Bank of Commerce Prime Rate (Prime Rate) (described below) as it fluctuates from time to time; provided, however, that in no event shall the rate of interest to be paid on the unpaid principal of this Note be less than 8.75% per annum, nor more than the maximum legal rate allowed by applicable law. The starting interest rate on this Note shall be 9.50% per annum. The rate of interest due hereunder shall be recomputed as of the date of any change in the Prime Rate

The INTERNATIONAL BANK OF COMMERCE PRIME RATE shall mean the annual lending rate of interest announced from time to time by International Bank of Commerce, as its prime rate.

Use of the term Prime Rate is not to be construed as a warranty or representation that such rate is more favorable than another rate or index, that rates on other loans or credit facilities may not be based on other indices or that rates on loans to others may not be made below such prime rate.

At Lenders sole discretion, any interest rate increase will take the form of higher periodic payments, a greater balloon payment (if applicable), and/or an increase in the number of periodic payments. The periodic payment amount will not increase more than once per month, with no limitation on such increase. Any new periodic payment amount will be due and payable only after timely and proper notice of such new payment amount from Lender. This paragraph is inapplicable if the maturity of the outstanding indebtedness under this Note is accelerated and/or demanded in full.

MULTIPLE ADVANCE NON-REVOLVING

1. Note. This Note is a multiple advance non-revolving credit facility for the Borrower. Borrower acknowledges that the original principal amount of this Note as stated therein has been advanced to Borrower at the time of execution of the Note or may be advanced at various times to Borrower by Lender. As used herein, the term Loan Documents means, collectively, this Note and any other document or instrument executed in connection with this Note by Borrower, any guarantor of this Note, and any party pledging property as security for the repayment of this Note (Pledgor).

2. Principal and Interest. Borrower shall be obligated to repay only that portion of the principal amount which has actually been advanced and not repaid, and interest shall accrue as set forth in this Note on the unpaid outstanding principal balance from date of the advance of such principal until repaid. All advances are subject to the conditions set forth herein and in all other Loan Documents and agreements between the parties hereto.

3. Advances. The advances shall be made pursuant to and subject to the terms and conditions hereof and of the other Loan Documents and agreements between the parties, and if and only if (i) all conditions precedent to an advance have been fulfilled, (ii) there has been no Event of Default which is continuing, and (iii) the aggregate amount of the outstanding unpaid principal on this Note, plus the amount of any prior advances of principal, whether or not repaid, plus the amount of any and all pending requests for an advance, plus the amount of any and all advances in process, plus the amount of any and all advances that have been authorized, plus all accrued and unpaid interest and accrued and unpaid late charges, and plus any amounts advanced by Lender on Borrower's behalf, does not exceed the original principal balance of the Note. Borrower, may at any time, and from time to time, pay the outstanding unpaid balance of the Note, or a portion thereof, and all accrued and unpaid interest due. The non-revolving feature of this Note expires on, and no additional advances of principal will be made after, Final Maturity.

4. Continuation of Lien. Lender and Borrower contemplate that by reason of payments of this Note, there may be times when no indebtedness is owing on the Note, but notwithstanding such occurrences, this Note, all liens securing this Note, and the other Loan Documents shall remain in full force and effect unless same be released in writing by Lender, at the request of Borrower or the Pledgor of the property subject to the lien or liens; otherwise this Note and the other Loan Documents and all liens securing same shall remain in full force and effect to secure any and all advances, and any other indebtedness of Borrower, regardless of any additional security that may be taken as collateral for the repayment of any future indebtedness, and shall be unaffected by any renewals, extensions, rearrangements, modifications and/or partial releases hereunder.

The indebtedness evidenced by this Note was evaluated, analyzed and ultimately priced based upon (i) Borrower's representation that it would establish and maintain its primary deposit relationship with Lender, and/or (ii) the entire banking relationship between Borrower and Lender. Therefore, (i) if Borrower's primary deposit relationship is not established and maintained with Lender, and/or (ii) if there is a material adverse change in the deposit relationship between Borrower and Lender, then Lender, in its sole and absolute discretion, may, after ninety (90) days written notice, increase the interest rate charged in connection with this credit facility by up to 2% above the interest rate as set forth above, as it may float from time to time.

In the event that a tax lien with respect to any real property, or any part thereof, securing the repayment of this Note under a deed of trust, is transferred without the express prior written consent of Lender in violation of the provisions of such deed of trust, Lender may, in its sole and absolute discretion, increase the interest rate charged in connection with this credit facility by up to 2% above the interest rate as set forth above, as it may float from time to time. The effective date of such increase will be at Lender's sole discretion; provided that the effective date will not be prior to the date the tax lien is transferred.

If Lender elects to initiate the rate increase described above in the event of a tax lien transfer, such action shall not constitute an election of remedies and Lender may at any time exercise any and all other remedies available to Lender under this Note and/or any instrument securing this Note (or that otherwise might be available at law or in equity), including, without limitation, charging interest on this Note at the default rate herein set forth, accelerating the maturity of this Note, and proceeding with foreclosure under any instrument securing the repayment of this Note, all at Lender's sole and absolute discretion.

Interest shall be calculated on a 360-day factor applied on a 365-day year, or a 366-day year, in the event that the year is a leap year, on the unpaid principal to the date of each installment paid; provided, however, that in the event the interest rate reaches the maximum rate allowed by applicable law, said maximum legal rate shall be computed on a full calendar year 365/365 days basis or on a 366/366 days basis, in the event that the year is a leap year. The interest charged and herein contracted for will not exceed the maximum allowed by law.

To the extent allowed by law, any and all matured unpaid amounts will bear interest computed on a full calendar year 365/365 days basis or on a 366/366 days basis, in the event that the year is a leap year, at the highest legal rate of interest allowed by applicable state law, unless federal law allows a higher interest rate, in which case, Borrower agrees to pay the rate allowed by federal law. If applicable state or federal law does not set a maximum rate of interest for matured unpaid amounts, then Borrower agrees that the maximum rate for such amounts shall be eighteen percent (18%) per annum.

To the extent allowed by law, as the late payment charge under this Agreement, Bank may in its sole discretion (i) increase the interest on the principal portion of any payment amount that is not received by the payment due date to the maximum rate allowed by law, computed on a full calendar year basis from the payment due date until paid, or (ii) should any payment not be made within ten (10) days of the due date, require Borrower to pay a one time "late charge" per late payment equal to five percent (5%) of the amount of the past due principal and interest of such payment, with a minimum of \$10.00 and a maximum of \$1,500.00 per late payment. The "late charge" may be assessed without notice, and shall be immediately due and payable. No late charge will be assessed on any payment which is current and is a full payment of principal and/or interest then due regardless of whether a late charge(s) is due for any prior payments. This provision is inapplicable if the outstanding indebtedness under the Note is accelerated and/or demanded in full.

Notwithstanding anything contained herein to the contrary, if the Loan is subject to the provisions of 24 Code of Federal Regulations Part 201 (Title 1 Property Improvement and Manufactured Home Loans), then the late charge provisions of this paragraph shall be applicable to the exclusion of any other late charge and/or default interest provisions in any instrument relating to any past due installment of principal and/or interest due under this Note. Borrower agrees to pay to Lender a late charge for installments of principal and interest which are in arrears for fifteen (15) calendar days or more. The late charge shall be in an amount equal to the lesser of: (a) five percent (5%) of each late installment of principal and interest, up to a maximum of \$10.00 per installment for any property improvement loan and \$15.00 per installment for any manufactured home loan, or (b) the maximum amount permitted by applicable federal or state law.

The outstanding and unpaid principal of this Note and all accrued and unpaid interest are payable as follows:

NUMBER OF PAYMENTS	FREQUENCY	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE
8	Monthly	Interest Only	Beginning May 8, 2024
1	Final	Principal balance plus accrued and unpaid interest	At Final Maturity

FINAL MATURITY DATE: January 8, 2025

Any outstanding and unpaid principal, all accrued and unpaid interest, and all fees, accrued and unpaid late charges and/or other charges incurred by, or on behalf of, Borrower in connection with this Note which remain due and owing on the Final Maturity Date are due and payable on such date.

Each payment shall be applied as of its scheduled due date and in the order of application as the Lender in its sole discretion may from time to time elect.

Lender may, at its discretion, adjust the amount of the periodic payments described above to ensure that the remaining payments will fully amortize the unpaid principal by the Final Maturity Date, or, if the payment schedule provides for a Balloon Payment (as hereinafter defined), Lender may adjust the amounts of remaining periodic payments so that the Agreed Amortization Amount (as hereinafter defined) will not be reduced. As used herein, (i) the term "Balloon Payment" means a payment of principal (together with any accrued unpaid interest) required on the Final Maturity Date when the scheduled periodic payments do not fully amortize the principal hereof by the Final Maturity Date, and (ii) the term "Agreed Amortization Amount" means the amount of principal that will be repaid prior to the Final Maturity Date assuming all initially scheduled payments are made in a timely manner and the interest rate in effect on the date hereof does not change. Any new monthly payment amount will be paid from the first monthly payment date after the change date until the amount of the monthly payment changes again.

THIS OBLIGATION HAS THE FOLLOWING DEMAND FEATURE:

At any time, and from time to time, whether or not prior to and/or during said schedule payment dates, Lender may, in its sole and absolute discretion, reschedule, rearrange and/or accelerate, in whole or in part, the outstanding and unpaid principal balance, and all accrued and unpaid interest and all accrued and unpaid late charges under this Note. Borrower agrees and promises to pay Lender all accelerated principal and all accrued and unpaid interest and all accrued and unpaid late charges on such principal and all accrued and unpaid late charges. No notice of intent to accelerate shall be required of Lender and Borrower expressly waives any right to notice of Lender's intent to accelerate. The foregoing right to make demand for immediate payment of this Note, in whole or in part, may be exercised by Lender for any reason whatsoever, whether or not Borrower is in default hereunder and in advance of the Final Maturity Date.

THIS OBLIGATION HAS A BALLOON PAYMENT PROVISION:

THIS LOAN IS PAYABLE IN FULL ON THE FINAL MATURITY DATE SET FORTH HEREIN IF NO PRIOR DEMAND HAS BEEN MADE. ON THE FINAL MATURITY DATE YOU MUST REPAY THE ENTIRE OUTSTANDING UNPAID PRINCIPAL BALANCE, ALL ACCRUED AND UNPAID INTEREST, AND ALL FEES, LATE CHARGES, AND/OR OTHER CHARGES INCURRED BY, OR ON BEHALF OF, BORROWER IN CONNECTION WITH THIS LOAN, WHICH REMAIN UNPAID. LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN, OR ANY PORTION THEREOF, AT THAT TIME. YOU WILL THEREFORE BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THIS LENDER, WHICH AGREES TO LEND YOU THE MONEY TO REFINANCE. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN, EVEN IF YOU OBTAIN REFINANCING FROM THIS LENDER.

The occurrence of any of the following events shall constitute an event of default ("Event of Default") under this Note:

- (a) Borrower fails to pay any of the indebtedness evidenced by this Note when the same shall become due and payable; or
- (b) Borrower (i) fails to perform any of Borrower's other obligations under this Note or the other Loan Documents, or any other event of default or breach occurs under this Note or the other Loan Documents, or (ii) to the extent allowed by law, and except as to loans for homestead, homestead equity, home equity lines of credit, and/or household or other consumer goods, fails to perform any of Borrower's obligations under any other promissory note, security agreement, loan agreement or other agreement between Lender and Borrower or any other event of default or breach occurs thereunder; or

(c) any (i) statement, representation or warranty made by Borrower in this Note, the other Loan Documents, or in any other agreement between Lender and Borrower, or (ii) any information contained in any financial statement or other document delivered to Lender by or on behalf of Borrower contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement, representation or warranty therein not misleading in light of the circumstances in which they were made; or

(d) Borrower: (i) dies or becomes physically or mentally incapacitated; or (ii) in the case of a Borrower who is not a natural person, dissolves, terminates or in any other way ceases to legally exist or has its entity powers or privileges suspended or revoked for any reason; or (iii) makes an assignment for the benefit of creditors, or enters into any composition, marshalling of assets or similar arrangement in respect of its creditors generally; or (iv) becomes insolvent or generally does not pay its debts as such debts become due; or (v) conceals, removes, or permits to be concealed or removed, any part of Borrower's property, with intent to hinder, delay or defraud its creditors or any of them, or makes or suffers a transfer of any of Borrower's property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law, or makes any transfer of Borrower's property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or

(e) a trustee, receiver, agent or custodian is appointed or authorized to take charge of any property of Borrower for the purpose of enforcing a lien against such property or for the purpose of administering such property for the benefit of its creditors; or

(f) an order (i) for relief as to Borrower is granted under Title 11 of the United States Code or any similar law, or (ii) declaring Borrower to be incompetent is entered by any court; or

(g) Borrower files any pleading seeking, or authorizes or consents to, any appointment or order described in subsections (e) or (f) of this paragraph above, whether by formal action or by the admission of the material allegations of a pleading or otherwise; or

(h) application is made for or there is an enforcement of any lien, levy, seizure, garnishment or attachment of any property of the Borrower for the purposes of collecting a lawful debt; or

(i) any action or proceeding seeking any appointment or order described in subsections (e) or (f) of this paragraph above is commenced without the authority or consent of Borrower, and is not dismissed within thirty (30) days after its commencement; or

(j) Borrower shall become involved (whether as plaintiff or defendant) in any material litigation (including, without limitation, matrimonial litigation) or arbitral or regulatory proceedings that, if determined adversely to Borrower, could materially and adversely affect Borrower's financial position, or could affect Borrower's ability to repay the indebtedness evidenced by this Note, or could adversely affect the Collateral or any portion thereof or Lender's security interest therein; or

(k) Borrower, in Lender's opinion, has suffered a material change in financial condition which, in Lender's opinion, impairs the ability of Borrower to repay the indebtedness evidenced by this Note or to properly perform Borrower's obligations under this Note or the other Loan Documents; or

(l) any of the events or conditions described in subsections (d) through (k) of this paragraph above happen to, by or with respect to any pledgor of the Collateral, grantor of the Deed of Trust, or Mortgage, or to any guarantor or other Obligor of the Note; or

(m) Lender believes, as a result of any material change in condition whether or not described herein, that Lender will be adversely affected, that this Note is inadequately secured, or that the prospect of payment of any of the indebtedness evidenced by this Note or performance of any of Borrower's obligations under the Loan Documents is impaired, or

(n) to the extent allowed by law, and except as to loans for homestead, homestead equity, home equity lines of credit, and/or household or other consumer goods, as to each Borrower with regard to any other credit facility with any other lender, any monetary default and/or any non-monetary default occurs which results in acceleration of the indebtedness by any such other lender; and each Borrower agrees to notify Lender of any such default within fifteen (15) days after the occurrence of the default.

Upon the occurrence of an Event of Default, Lender may, at its option, without notice to Borrower or any other Obligor except as otherwise expressly agreed by Lender in writing, declare the following amounts (or any portion thereof) at once due and payable (and upon such declaration, the same shall be at once immediately due and payable and may be collected forthwith), whether or not there has been a prior demand for payment and regardless of the stipulated date of maturity: (i) the remaining unpaid principal balance of this Note outstanding, (ii) the accrued and unpaid interest under this Note, (iii) the accrued and unpaid late charges under this Note, (iv) any Swap Related Loss Lender is entitled to collect as hereinafter provided, (v) all other sums advanced or otherwise payable under this Note or any other Loan Document and owed by Borrower to Lender and all interest thereon, and (vi) any other indebtedness of Obligor the repayment of which is secured by one or more of the Loan Documents.

BORROWER AND LENDER INTEND THAT THE LOAN EVIDENCED BY THIS NOTE (THE "LOAN") SHALL BE IN STRICT COMPLIANCE WITH APPLICABLE USURY LAWS. IF AT ANY TIME ANY INTEREST CONTRACTED FOR, CHARGED OR RECEIVED UNDER THIS NOTE OR OTHERWISE IN CONNECTION WITH THE LOAN WOULD BE USURIOUS UNDER APPLICABLE LAW, THEN REGARDLESS OF THE PROVISIONS OF THIS NOTE OR THE DOCUMENTS AND INSTRUMENTS EVIDENCING, SECURING OR OTHERWISE EXECUTED IN CONNECTION WITH THE LOAN OR ANY ACTION OR EVENT (INCLUDING, WITHOUT LIMITATION, PREPAYMENT OF PRINCIPAL

HEREUNDER OR ACCELERATION OF MATURITY BY THE LENDER) WHICH MAY OCCUR WITH RESPECT TO THIS NOTE OR THE LOAN, IT IS AGREED THAT ALL SUMS DETERMINED TO BE USURIOUS SHALL BE IMMEDIATELY CREDITED BY THE LENDER AS A PAYMENT OF PRINCIPAL HEREUNDER, OR IF THIS NOTE HAS ALREADY BEEN PAID, IMMEDIATELY REFUNDED TO THE BORROWER. ALL COMPENSATION WHICH CONSTITUTES INTEREST UNDER APPLICABLE LAW IN CONNECTION WITH THE LOAN SHALL BE AMORTIZED, PRORATED, ALLOCATED AND SPREAD OVER THE FULL PERIOD OF TIME ANY INDEBTEDNESS IS OWING BY BORROWER, TO THE GREATEST EXTENT PERMISSIBLE WITHOUT EXCEEDING THE APPLICABLE MAXIMUM RATE ALLOWED BY APPLICABLE LAW IN EFFECT FROM TIME TO TIME DURING SUCH PERIOD.

IN NO EVENT SHALL THE PROVISIONS OF CHAPTER 346 OF THE TEXAS FINANCE CODE, (WHICH REGULATES CERTAIN REVOLVING LOAN ACCOUNTS AND REVOLVING TRI-PARTY ACCOUNTS) APPLY TO THE LOAN.

IN THE EVENT ANY ITEM, ITEMS, TERMS OR PROVISIONS CONTAINED IN THIS INSTRUMENT ARE IN CONFLICT WITH THE LAWS OF THE APPLICABLE STATE OR FEDERAL LAW, THIS INSTRUMENT SHALL BE AFFECTED ONLY AS TO ITS APPLICATION TO SUCH ITEM, ITEMS, TERMS OR PROVISIONS, AND SHALL IN ALL OTHER RESPECTS REMAIN IN FULL FORCE AND EFFECT. IT IS UNDERSTOOD AND AGREED THAT IN NO EVENT AND UPON NO CONTINGENCY SHALL THE BORROWER OR ANY PARTY LIABLE HEREON, OR HEREFOR BE REQUIRED TO PAY INTEREST IN EXCESS OF THE RATE ALLOWED BY APPLICABLE STATE LAW OR FEDERAL LAW, IF SUCH FEDERAL LAW PERMITS A GREATER RATE OF INTEREST. THE INTENTION OF THE PARTIES IS TO CONFORM STRICTLY TO THE APPLICABLE USURY LAWS AS NOW OR HEREINAFTER CONSTRUED BY THE COURTS HAVING JURISDICTION.

THE BORROWER, ENDORSERS, SURETIES, GUARANTORS AND ALL PERSONS TO BECOME LIABLE ON THIS NOTE (THE "OBLIGORS") HEREBY, JOINTLY AND SEVERALLY, WAIVE EXPRESSLY ALL NOTICES OF OVERDUE INSTALLMENT PAYMENTS AND DEMANDS FOR PAYMENT THEREOF, NOTICES OF INTENTION TO ACCELERATE MATURITY, NOTICES OF ACTUAL ACCELERATION OF MATURITY, PRESENTMENT, DEMAND FOR PAYMENT, NOTICES OF DISHONOR, PROTEST, NOTICES OF PROTEST, AND DILIGENCE IN COLLECTION HEREOF. EACH OBLIGOR AGREES THAT THE LENDER MAY AT ANY TIME, AND FROM TIME TO TIME, UPON REQUEST OF OR BY AGREEMENT WITH ANY OF THEM, RENEW THIS NOTE AND/OR EXTEND THE DATE OF MATURITY HEREOF OR CHANGE AND/OR REARRANGE THE TIME OR METHOD OF PAYMENTS WITHOUT NOTICE TO ANY OF THE OTHER OBLIGORS WHO SHALL REMAIN BOUND FOR THE PAYMENT HEREOF. OBLIGORS WAIVE EXPRESSLY THE LATE FILING OR ANY SUIT OR CAUSE OF ACTION HEREON, OR ANY DELAY IN THE HANDLING OF ANY COLLATERAL. OBLIGORS AGREE THAT LENDER'S ACCEPTANCE OF PARTIAL OR DELINQUENT PAYMENTS OR FAILURE OF LENDER TO EXERCISE ANY RIGHT OR REMEDY CONTAINED HEREIN OR IN ANY INSTRUMENT GIVEN AS SECURITY FOR THE PAYMENT OF THIS NOTE SHALL NOT BE A WAIVER OF ANY OBLIGATION OF THE OBLIGORS OR CONSTITUTE A WAIVER OF ANY PRIOR OR SUBSEQUENT DEFAULT. THE LENDER MAY REMEDY ANY DEFAULT WITHOUT WAIVING THE DEFAULT REMEDIED AND MAY WAIVE ANY DEFAULT WITHOUT WAIVING ANY OTHER PRIOR OR SUBSEQUENT DEFAULT.

To the extent allowed by law, as security for this Note, and all other indebtedness which may at any time be owing by Borrower (and any endorsers and/or guarantors hereof) to Lender, Borrower (and any endorsers and/or guarantors hereof), grants to Lender (i) a security interest and contractual lien in and to all of the Borrower's (and any such endorser's and/or guarantor's) collateral securing other indebtedness of Borrower (or of any such endorsers and/or guarantors) to Lender, and (ii) a security interest, contractual lien and contractual right of set-off in and to all of the Borrower's (and any such endorser's and/or guarantor's) money, credits, deposit accounts, accounts and/or other property including repurchase agreements and other non-depository obligations now in, or at any time hereafter coming within, the custody or control of Lender or any member bank or branch bank of International Bancshares Corporation, whether held in general or special account or deposit, or for safekeeping or otherwise, excluding however, IRA, KEOGH and all trust accounts upon which the grant of a security interest or right of set-off would be prohibited. Every such security interest, lien and right of set-off may be exercised without demand or notice to Borrower (or to any endorsers and/or guarantors hereof). No security interest, lien or right of set-off to enforce such security interest or lien shall be deemed to have been waived by any act or conduct on the part of the Lender, or by any failure to exercise such right of set-off or to enforce such security interest or lien, or by any delay in so doing. Every right of set-off and security interest shall continue in full force and effect until such right of set-off, security interest or lien is specifically waived or released by an instrument in writing executed by Lender. The foregoing provisions of this paragraph are in addition to and not in lieu of any rights of set-off allowed by law.

To the extent allowed by law, in connection with any transaction between Borrower and Lender at any time in the past, present or future, in the event Borrower, individually or jointly with others, has granted or grants Lender

a lien on any real and/or personal property, Borrower agrees that the lien on such real and/or personal property to the extent of Borrower's interest shall also secure the indebtedness of Borrower to Lender evidenced by this Note and all renewals, extensions, rearrangements and modifications hereof. This paragraph is inapplicable to a homestead and/or homestead equity loan in the State of Texas.

If this Note, or any part hereof, is not paid according to its terms, is placed in the hands of an attorney for collection, or is collected through probate, bankruptcy or other judicial or non-judicial proceedings, whether matured by expiration of time or by the exercise of the option given to the Lender to mature it, Borrower and all parties now or hereafter liable hereon hereby agree to pay an additional amount equal to reasonable and necessary attorney's fees and associated costs for collection. Said attorney's fees and costs of collection, once liquidated and paid by Lender, will bear interest at the rate of interest applied to the matured and past-due principal balance of this Note as such rate may change from time to time from the date advanced by Lender until paid.

Financing Statements: If the repayment of this Note is secured by any personal property or fixtures ("Collateral"), then at Lender's request Borrower will promptly sign all other documents, including financing statements and certificates of title, to perfect, protect, and continue Lender's security interest in the Collateral at the sole cost of Borrower. Debtor hereby authorizes Lender to file a Financing Statement, an Amended Financing Statement and a Continuation Financing Statement (collectively referred to as the "Financing Statement") describing the Collateral. Where Collateral is in the possession of a third party, Borrower will join with Lender in notifying the third party of Lender's security interest and obtaining a Control Agreement from the third party that it is holding the collateral for the benefit of Lender.

In the event any legal action or proceeding, by arbitration or otherwise, is commenced in connection with the enforcement of, or declaration of rights under, this Note and/or any instrument or written agreement required or delivered under, in connection with, or pursuant to the terms of this Note (collectively, the "Loan Documents"), and/or any controversy or claim, whether sounding in contract, tort or statute, legal or equitable, involving in any way the financing or the transaction(s) evidenced by this Note, or any other proposed or actual loan or extension of credit, the prevailing party shall be entitled to recover reasonable and necessary attorney's fees and paralegal costs (including allocated costs for in-house legal services), costs, expenses, expert witness fees and costs, and other necessary disbursements made in connection with any such action or proceeding, in the amount determined by the fact-finder.

Lender, in its sole discretion and without obligation on Lender to do so, may advance and pay sums on behalf and for the benefit of Borrower for costs necessary for the protection and preservation of the Collateral or the Property and other costs that may be appropriate, in Lender's sole discretion, including but not limited to insurance premiums, ad valorem taxes, and attorney's fees. Any sums which may be so paid out by Lender and all sums paid for insurance premiums, as aforesaid, including the costs, expenses and attorney's fees paid in any suit affecting said property when necessary to protect Lender's lien therein shall bear interest from the dates of such payments at the interest rate applied to the matured and past-due principal balance of this Note and shall be paid by Borrower to Lender upon demand, at the same place at which this Note is payable, and shall be deemed a part of the debt evidenced hereby and recoverable as such in all aspects.

Subject to the provisions of this Note pertaining to Swap Transactions as hereinafter set out, Borrower reserves the right to prepay, prior to maturity, all or any part of the principal of this Note without penalty, and interest shall immediately cease on any amount so prepaid. All prepayments shall be applied to the last maturing installments of principal, without interrupting the regular installment payments. Borrower will provide Lender written notice of any prepayment of principal together with such prepayment.

Any assumption hereof, if permitted by Lender, by any other person, partnership, corporation, organization or any other entity shall not, without an express written release signed by Lender, release the liability of Borrower or any other Obligors for the payment of this Note.

Current Financial And Operating Statements. Borrower agrees to provide to Lender, at least on an annual basis, a Financial Statement, a Profit And Loss/Net Income Statement, copies of U.S. Tax Returns, and any other information that may be reasonably requested by Lender.

The parties intend to conform strictly to the applicable federal, state, and local laws as now or hereafter construed by the courts having jurisdiction. All agreements between the parties hereto (or any other party liable with respect to any portion of the indebtedness under this Note or any instrument executed in connection herewith) are hereby limited by the provisions of this paragraph, which shall override and control all such agreements, whether now existing or thereafter arising and whether written or oral. If from a construction of any document related to any agreement between the parties hereto (or any other party liable with respect to any portion of the indebtedness under this Note or any instrument executed in connection herewith), any term(s) or provision(s) of the document is in conflict with, or in violation of, applicable laws, any such construction shall be subject to the provisions of this paragraph and such document shall be automatically reformed as to comply with applicable law, without the necessity of execution of any amendment or new document.

In the event that the Property (as hereinafter defined) is sold, transferred, conveyed, or otherwise disposed of without the prior written consent of Lender, the maturity of this Note may, at the option of the Lender, be accelerated and Lender may immediately demand payment of the then outstanding principal sum together with all accrued and unpaid interest due thereon.

Borrower and Lender hereby expressly acknowledge and agree that in the event of a default under this Note or under any document executed by Borrower in connection with, or to secure the payment of, this Note (1) Lender shall not be required to comply with Article 6132b- 3.05(d) of the Texas Revised Partnership Act or Subsection 152.306 of the Texas Business Organizations Code, if applicable, and (2) Lender shall not be required to proceed against or exhaust the assets of Borrower before pursuing any remedy directly against one or more of the partners of Borrower or the property of such partners.

If Borrower is an entity formed under and/or governed by the Texas Business Organizations Code ("BOC") the following shall apply: (i) Notice to known claimants under BOC Section 11.052(a)(2) [or any similar statute of Borrower's domiciliary state if Borrower is not domiciled in the State of Texas] shall not be effective with respect to Lender unless it is delivered by certified mail, return receipt requested and addressed to Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 within thirty (30) days following the occurrence of the event requiring the winding up of Borrower, (ii) to the extent allowed by applicable law, Borrower agrees that BOC Section 11.359 [or any similar statute of Borrower's domiciliary state if Borrower is not domiciled in the State of Texas] shall have no force or effect on the existence or validity of the indebtedness evidenced by the Loan Documents and Borrower hereby waives all rights under said statutory provision, and (iii) in the event any portion of the indebtedness evidenced by the Loan Documents shall be deemed to be extinguished pursuant to the provisions of BOC Section 11.359 [or any similar statute of Borrower's domiciliary state if Borrower is not domiciled in the State of Texas], such extinguishment shall have no effect on the existence, validity, or enforceability of the Loan Documents other than Lender's ability to obtain a judgment against Borrower for repayment of the extinguished portion of such indebtedness.

Swap Transactions and Swap Related Loss: The term "Swap Transaction", as used herein, means (i) any transaction effected pursuant to one or more agreements now existing or hereafter entered into between Borrower and Lender and/or any financial institution affiliated with International BancShares Corporation (a "Lender Affiliate") which is a rate swap, swap option, interest rate option or other financial instrument or interest (including one or more options with respect to any such transaction), (ii) any type of transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, recurrently entered into in the financial markets and which is a forward swap, future, option or other derivative on one or more rates, or any combination of the foregoing transactions, or (iii) any transaction that is similar to any transaction referred to in clause (i) or (ii) above except that it is between Lender and/or a Lender Affiliate and any party or entity other than Borrower and is entered into by Lender and/or such Lender Affiliate on account of a corresponding Swap Transaction that is described in clause (i) or (ii) above.

Notwithstanding anything to the contrary contained in this Note or any other Loan Document, during any time that any Swap Transaction is in effect, Borrower shall have no right whatsoever to make any prepayment of all or any part of the principal owing under this Note without Lender's prior written approval, which Lender may grant or withhold in Lender's sole and absolute discretion,

For purposes hereof, "prepayment" shall mean any instance wherein the principal under this Note is satisfied in full or in part in advance and/or in excess of scheduled installments in any manner prior to the Final Maturity Date, whether voluntarily or involuntarily. Prepayment shall include, but not be limited to: (i) payment upon or following acceleration of the maturity of this Note by Lender pursuant to any applicable provision of this Note or any of the other Loan Documents, (ii) any payment of principal made prior to the Final Maturity Date pursuant to any demand provisions of this Note, (iii) application of insurance or condemnation proceeds to discharge all or any portion of the outstanding principal of this Note, (iv) payment of principal to Lender by any holder of a subordinate or superior interest in the Collateral, or (v) any payment of principal after the Final Maturity Date is accelerated for any reason permitted hereunder or under any of the other Loan Documents, including, without limitation, any acceleration of the Final Maturity Date resulting from any sale or transfer of the Collateral pursuant to foreclosure, sale under power of sale, judicial order or trustee's sale under the Loan Documents; any payment of principal by sale, transfer or offsetting credit in connection with or under any bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or receivership proceedings under any statute of the United States or any State thereof involving Borrower and/or the Collateral.

In the event of any prepayment during any time that any Swap Transaction is in effect, whether or not approved by Lender, Borrower shall be obligated to pay to Lender upon demand, in addition to all other amounts due and payable to Lender under the Loan Documents at the time of such prepayment, an amount determined by Lender to be the loss, cost and expense incurred by Lender and/or a Lender Affiliate under, related to or arising from such Swap Transaction that is attributable to such prepayment (the "Swap Related Loss"). Lender's determination

of the Swap Related Loss incurred by Lender or a Lender Affiliate shall be conclusive and binding upon Borrower absent manifest error.

Borrower agrees that any resale by Lender of the Property described in the Deed of Trust or Mortgage after foreclosure may be made for a price below the fair market value (i.e. at wholesale) and that Lender is not required to re-sell the Property for a price equal to or above fair market value (i.e. retail). Borrower agrees that the sales price obtained by Lender at any such resale will not be used in determining the fair market value of the Property for the purposes of determining value under Section 51.003 of the Texas Property Code or under applicable Oklahoma law. To the greatest extent permitted by law, (i) if the Property is situated in Texas, Borrower hereby waives all rights and remedies created under Section 51.003 of the Texas Property Code including, without limitation, the right to introduce evidence of the amount of the sales price of the Property sold by Lender following any foreclosure of the liens pursuant to the terms of the Deed of Trust, and (ii) if the Property is situated in Oklahoma, Borrower waives all rights or defenses by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Lender from bringing any action against Borrower, including a claim for deficiency to the extent Lender is otherwise entitled to a claim for deficiency, before or after Lender's commitment or completion of any foreclosure action, either judicially or by exercise of power of sale.

ARBITRATION.

BINDING ARBITRATION AGREEMENT PLEASE READ THIS CAREFULLY. IT AFFECTS YOUR RIGHTS.

BORROWER AND LENDER AGREE TO ARBITRATION AS FOLLOWS (hereinafter referred to as the "Arbitration Provisions"):

I. Special Provisions and Definitions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- (a) **Informal Resolution of Customer Concerns.** Most customer concerns can be resolved quickly and to the customer's satisfaction by contacting your account officer, branch manager or by calling the Customer Service Department in your region. The region and numbers are:

1.	Laredo	956-722-7611
2.	Austin	512-397-4506
3.	Brownsville	956-547-1000
4.	Commerce Bank	956-724-1616
5.	Corpus Christi	361-888-4000
6.	Eagle Pass	830-773-2313
7.	Houston	713-526-1211
8.	McAllen	956-686-0263
9.	Oklahoma	405-841-2100
10.	Port Lavaca	361-552-9771
11.	San Antonio	210-518-2500
12.	Zapata	956-765-8361

In the unlikely event that your account officer, branch manager or the customer service department is unable to resolve a complaint to your satisfaction or if the Lender has not been able to resolve a dispute it has with you after attempting to do so informally, you and the Lender agree to resolve those disputes through binding arbitration or small claims court instead of in courts of general jurisdiction.

- (b) **Sending Notice of Dispute.** If either you or the Lender intend to seek arbitration, then you or the Lender must first send to the other by certified mail, return receipt requested, a written Notice of Dispute. The Notice of Dispute to the Lender should be addressed to: Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 or if by email, ibcchairman@ibc.com. The Notice of Dispute must (a) describe the nature and basis of the claim or dispute; and (b) explain specifically what relief is sought. You may download a copy of the Notice of Dispute at www.ibc.com or you may obtain a copy from your account officer or branch manager.
- (c) **If the Dispute is not Informally Resolved.** If you and the Lender do not reach an agreement to resolve the claim or dispute within thirty (30) days after the Notice of Dispute is received, you or the Lender may commence a binding arbitration proceeding. During the binding arbitration proceeding, any settlement offers made by you or the Lender shall not be disclosed to the

Arbitrator.

- (d) **“DISPUTE(S)”**. As used herein, the word **“DISPUTE(S)”** includes any and all controversies or claims between the **PARTIES** of whatever type or manner, including without limitation, any and all claims arising out of or relating to this Note, compliance with applicable laws and/or regulations, any and all services or products provided by the Lender, any and all past, present and/or future loans, lines of credit, letters of credit, credit facilities or other form of indebtedness and/or agreements involving the **PARTIES**, any and all transactions between or involving the **PARTIES**, and/or any and all aspects of any past or present relationship of the **PARTIES**, whether banking or otherwise, specifically including but not limited to any claim founded in contract, tort, fraud, fraudulent inducement, misrepresentation or otherwise, whether based on statute, regulation, common law or equity.
- (e) **“CONSUMER DISPUTE”** and **“BUSINESS DISPUTE”**. As used herein, **“CONSUMER DISPUTE”** means a **DISPUTE** relating to an account (including a deposit account), agreement, extension of credit, loan, service or product provided by the Lender that is primarily for personal, family or household purposes. **“BUSINESS DISPUTE”** means any **DISPUTE** that is not a **CONSUMER DISPUTE**.
- (f) **“PARTIES”** or **“PARTY”**. As used in these Arbitration Provisions, the term **“PARTIES”** or **“PARTY”** means Borrower, Lender, and each and all persons and entities signing this Note or any other agreements between or among any of the **PARTIES** as part of this transaction. **“PARTIES”** or **“PARTY”** shall be broadly construed and include individuals, beneficiaries, partners, limited partners, limited liability members, shareholders, subsidiaries, parent companies, affiliates, officers, directors, employees, heirs, agents and/or representatives of any party to such documents, any other person or entity claiming by or through one of the foregoing and/or any person or beneficiary who receives products or services from the Lender and shall include any other owner and holder of this Note. Throughout these Arbitration Provisions, the term **“you”** and **“your”** refer to Borrower, and the term **“Arbitrator”** refers to the individual arbitrator or panel of arbitrators, as the case may be, before which the **DISPUTE** is arbitrated.
- (g) **BINDING ARBITRATION**. The **PARTIES** agree that any **DISPUTE** between the **PARTIES** shall be resolved by mandatory binding arbitration pursuant to these Arbitration Provisions at the election of either **PARTY**. **BY AGREEING TO RESOLVE A DISPUTE IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO A JURY TRIAL OR TO LITIGATE IN COURT** (except for matters that may be taken to small claims court for a **CONSUMER DISPUTE** as provided below).
- (h) **CLASS ACTION WAIVER**. The **PARTIES** agree that (i) no arbitration proceeding hereunder whether a **CONSUMER DISPUTE** or a **BUSINESS DISPUTE** shall be certified as a class action or proceed as a class action, or on a basis involving claims brought in a purported representative capacity on behalf of the general public, other customers or potential customers or persons similarly situated, and (ii) no arbitration proceeding hereunder shall be consolidated with, or joined in any way with, any other arbitration proceeding. **THE PARTIES AGREE TO ARBITRATE A CONSUMER DISPUTE OR BUSINESS DISPUTE ON AN INDIVIDUAL BASIS AND EACH WAIVES THE RIGHT TO PARTICIPATE IN A CLASS ACTION.**
- (i) **FEDERAL ARBITRATION ACT AND TEXAS LAW**. The **PARTIES** acknowledge that this Note evidences a transaction involving interstate commerce. The Federal Arbitration Act shall govern (i) the interpretation and enforcement of these Arbitration Provisions, and (ii) all arbitration proceedings that take place pursuant to these Arbitration Provisions. **THE PARTIES AGREE THAT, EXCEPT AS OTHERWISE EXPRESSLY AGREED TO BY THE PARTIES IN WRITING, OR UNLESS EXPRESSLY PROHIBITED BY LAW, TEXAS SUBSTANTIVE LAW (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) WILL APPLY IN ANY BINDING ARBITRATION PROCEEDING OR SMALL CLAIMS COURT ACTION REGARDLESS OF WHO INITIATES THE PROCEEDING, WHERE YOU RESIDE OR WHERE THE DISPUTE AROSE.**

II. Provisions applicable only to a **CONSUMER DISPUTE**:

- (a) Any and all **CONSUMER DISPUTES** shall be resolved by arbitration administered by the American Arbitration Association (“AAA”) under the Commercial Arbitration Rules and the Supplemental Procedures for Resolution of Consumer Disputes and Consumer Due Process Protocol (which are incorporated herein for all purposes). It is intended by the **PARTIES** that these Arbitration Provisions meet and include all fairness standards and principles of the American Arbitration Association’s Consumer Due Process Protocol and due process in predispute

arbitration. If a **CONSUMER DISPUTE** is for a claim of actual damages above \$250,000 it shall be administered by the AAA before three neutral arbitrators at the request of any **PARTY**.

- (b) Instead of proceeding in arbitration, any **PARTY** hereto may pursue its claim in your local small claims court, if the **CONSUMER DISPUTE** meets the small claims court's jurisdictional limits. If the small claims court option is chosen, the **PARTY** pursuing the claim must contact the small claims court directly. **The PARTIES agree that the class action waiver provision also applies to any CONSUMER DISPUTE brought in small claims court.**
- (c) For any claim for actual damages that does not exceed \$2,500, the Lender will pay all arbitration fees and costs provided you submitted a Notice of Dispute with regard to the **CONSUMER DISPUTE** prior to initiation of arbitration. For any claim for actual damages that does not exceed \$5,000, the Lender also agrees to pay your reasonable attorney's fees and reasonable expenses your attorney charges you in connection with the arbitration (even if the Arbitrator does not award those to you) plus an additional \$2,500 if you obtain a favorable arbitration award for your actual damages which is greater than any written settlement offer for your actual damages made by the Lender to you prior to the selection of the Arbitrator.
- (d) Under the AAA's Supplemental Procedures for Consumer Disputes, if your claim for actual damages does not exceed \$10,000, you shall only be responsible for paying up to a maximum of \$125 in arbitration fees and costs. If your claim for actual damages exceeds \$10,000 but does not exceed \$75,000, you shall only be responsible for paying up to a maximum of \$375 in arbitration fees and costs. For any claim for actual damages that does not exceed \$75,000, the Lender will pay all other arbitrator's fees and costs imposed by the administrator of the arbitration. With regard to a **CONSUMER DISPUTE** for a claim of actual damages that exceeds \$75,000, or if the claim is a non-monetary claim, the Lender agrees to pay all arbitration fees and costs you would otherwise be responsible for that exceed \$1,000. The fees and costs stated above are subject to any amendments to the fee and cost schedules of the AAA. The fee and cost schedule in effect at the time you submit your claim shall apply. The AAA rules also permit you to request a waiver or deferral of the administrative fees and costs of arbitration if paying them would cause you financial hardship.
- (e) Although under some laws, the Lender may have a right to an award of attorney's fees and expenses if it prevails in arbitration, the Lender agrees that it will not seek such an award in a binding arbitration proceeding with regard to a **CONSUMER DISPUTE** for a claim of actual damages that does not exceed \$75,000.
- (f) To request information on how to submit an arbitration claim, or to request a copy of the AAA rules or fee schedule, you may contact the AAA at 1-800-778-7879 (toll free) or at www.adr.org.

III. Provisions applicable only to a **BUSINESS DISPUTE**:

- (a) Any and all **BUSINESS DISPUTES** between the **PARTIES** shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the AAA in effect at the time of filing, as modified by, and subject to, these Arbitration Provisions. A **BUSINESS DISPUTE** for a claim of actual damages that exceeds \$250,000 shall be administered by AAA before at least three (3) neutral arbitrators at the request of any **PARTY**. In the event the aggregate of all affirmative claims asserted exceeds \$500,000, exclusive of interest and attorney's fees, or upon the written request of any **PARTY**, the arbitration shall be conducted under the AAA Procedures for Large, Complex Commercial Disputes. If the payment of arbitration fees and costs will cause you extreme financial hardship you may request that AAA defer or reduce the administrative fees or request the Lender to cover some of the arbitration fees and costs that would be your responsibility.
- (b) The **PARTIES** shall have the right to (i) invoke self-help remedies (such as setoff, notification of account debtors, seizure and/or foreclosure of collateral, and nonjudicial sale of personal property and real property collateral) before, during or after any arbitration, and/or (ii) request ancillary or provisional judicial remedies (such as garnishment, attachment, specific performance, receiver, injunction or restraining order, and sequestration) before or after the commencement of any arbitration proceeding (individually, and not on behalf of a class). The **PARTIES** need not await the outcome of the arbitration proceeding before using self-help remedies. Use of self-help or ancillary and/or provisional judicial remedies shall not operate as a waiver of either **PARTY**'s right to compel arbitration. Any ancillary or provisional judicial remedy which would be available from a court at law shall be available from the Arbitrator. The **PARTIES** agree that the AAA Optional Rules for Emergency Measures of Protection shall apply in an arbitration proceeding where emergency interim relief is requested.

- (c) Except to the extent the recovery of any type or types of damages or penalties may not be waived under applicable law, the Arbitrator shall not have the authority to award either **PARTY** (i) punitive, exemplary, special or indirect damages, (ii) statutory multiple damages, or (iii) penalties, statutory or otherwise.
- (d) The Arbitrator may award attorney's fees and costs including the fees, costs and expenses of arbitration and of the Arbitrator as the Arbitrator deems appropriate to the prevailing **PARTY**. The Arbitrator shall retain jurisdiction over questions of attorney's fees for fourteen (14) days after entry of the decision.

IV. General provisions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- (a) The Arbitrator is bound by the terms of these Arbitration Provisions. The Arbitrator shall have exclusive authority to resolve any **DISPUTES** relating to the scope or enforceability of these Arbitration Provisions, including (i) all arbitrability questions, and (ii) any claim that all or a part of these Arbitration Provisions are void or voidable (including any claims that they are unconscionable in whole or in part).
- (b) **These Arbitration Provisions shall survive any modification, renewal, extension, repayment (whether partial or full), or discharge (whether partial or full) of this Note, unless all of the PARTIES otherwise expressly agree in writing.**
- (c) If a **PARTY** initiates legal proceedings, the failure of the initiating **PARTY** to request arbitration pursuant to these Arbitration Provisions within 180 days after the filing of the lawsuit shall be deemed a waiver of the initiating **PARTY'S** right to compel arbitration with respect to the claims asserted in the litigation. The failure of the defending **PARTY** in such litigation to request arbitration pursuant to these Arbitration Provisions within 180 days after the defending **PARTY'S** receipt of service of judicial process, shall be deemed a waiver of the right of the defending **PARTY** to compel arbitration with respect to the claims asserted in the litigation. If a counterclaim, cross-claim or third party action is filed and properly served on a **PARTY** in connection with such litigation, the failure of such **PARTY** to request arbitration pursuant to these Arbitration Provisions within ninety (90) days after such **PARTY'S** receipt of service of the counterclaim, cross-claim or third party claim shall be deemed a waiver of such **PARTY'S** right to compel arbitration with respect to the claims asserted therein. The issue of waiver pursuant to these Arbitration Provisions is an arbitrable dispute. Active participation in any pending litigation described above by a **PARTY** shall not in any event be deemed a waiver of such **PARTY'S** right to compel arbitration. All discovery obtained in the pending litigation may be used in any subsequent arbitration proceeding.
- (d) Any **PARTY** seeking to arbitrate shall serve a written notice of intent to any and all opposing **PARTIES** after a **DISPUTE** has arisen. The **PARTIES** agree a timely written notice of intent to arbitrate by either **PARTY** pursuant to these Arbitration Provisions shall stay and/or abate any and all action in a trial court, save and except a hearing on a motion to compel arbitration and/or the entry of an order compelling arbitration and staying and/or abating the litigation pending the filing of the final award of the Arbitrator.
- (e) Any Arbitrator selected shall be knowledgeable in the subject matter of the **DISPUTE** and be licensed to practice law.
- (f) For a one (1) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrator from the AAA neutral list, such that at least one arbitrator remains after the **PARTIES** exercise all of their respective strikes. For a three (3) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrators from the AAA neutral list, such that at least three arbitrators remain after the **PARTIES** exercise all of their respective strikes. After exercising all of their allotted respective strikes, the **PARTIES** shall rank those potential arbitrators remaining numerically in order of preference (with "1" designating the most preferred). The AAA shall review the **PARTIES** rankings and assign a score to each potential arbitrator by adding together the ranking given to such potential arbitrator by each **PARTY**. The arbitrator(s) with the lowest score total(s) will be selected. In the event of a tie or ties for lowest score total and if the selection of both or all of such potential arbitrators is not possible due to the required panel size, the AAA shall select the arbitrator(s) it believes to be best qualified.
- (g) The **PARTIES** and the Arbitrator shall treat all aspects of the arbitration proceedings, including, without limitation, any documents exchanged, testimony and other evidence, briefs and the award, as strictly confidential; provided, however, that a written award or order from the Arbitrator may be filed with any court having jurisdiction to confirm and/or enforce such award or order.

- (h) Any statute of limitation which would otherwise be applicable shall apply to any claim asserted in any arbitration proceeding under these Arbitration Provisions, and the commencement of any arbitration proceeding tolls such statute of limitations.
- (i) If the AAA is unable for any reason to provide arbitration services, then the PARTIES agree to select another arbitration service provider that has the ability to arbitrate the DISPUTE pursuant to and consistent with these Arbitration Provisions. If the PARTIES are unable to agree on another arbitration service provider, any PARTY may petition a court of competent jurisdiction to appoint an Arbitrator to administer the arbitration proceeding pursuant to and consistent with these Arbitration Provisions.
- (j) The award of the Arbitrator shall be final and Judgment upon any such award may be entered in any court of competent jurisdiction. The arbitration award shall be in the form of a written reasoned decision and shall be based on and consistent with applicable law.
- (k) Unless the PARTIES mutually agree to hold the binding arbitration proceeding elsewhere, venue of any arbitration proceeding under these Arbitration Provisions shall be in the county and state where Lender is located, which is Lender's address set out in the first paragraph on page 1 hereof.
- (l) If any of these Arbitration Provisions are held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

JURY WAIVER: IF A DISPUTE BETWEEN YOU AND LENDER PROCEEDS IN COURT RATHER THAN THROUGH MANDATORY BINDING ARBITRATION, THEN YOU AND LENDER BOTH WAIVE THE RIGHT TO A JURY TRIAL, AND SUCH DISPUTE WILL BE TRIED BEFORE A JUDGE ONLY.

THE TERM LENDER INCLUDES ANY OTHER OWNER AND HOLDER OF THIS NOTE AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THIS NOTE IS GOVERNED BY APPLICABLE TEXAS LAW, EXCEPT TO THE EXTENT THE USURY LAWS OF TEXAS ARE PRE-EMPTED BY FEDERAL LAW, IN WHICH CASE SUCH FEDERAL LAW SHALL APPLY.

VENUE OF ALL ACTIONS ON THIS NOTE, SHALL LIE IN WEBB COUNTY, TEXAS, AND ALL OBLIGATIONS REQUIRED HEREIN ARE PERFORMABLE IN WEBB COUNTY, TEXAS.

If the proceeds of this Note are to be used primarily for personal, family or household use, the following notice shall apply:

NOTICE TO CONSUMERS: UNDER TEXAS LAW IF YOU CONSENT TO THIS AGREEMENT YOU MAY BE SUBJECT TO A FUTURE RATE AS HIGH AS TWENTY-FOUR PERCENT (24%) ANNUAL PERCENTAGE RATE, OR THE STATE USURY CEILING, WHICHEVER IS LESS.

If this Note is to be secured by a lien on a dwelling located on the hereinafter described property, then the following notice shall apply:

THE MAXIMUM INTEREST RATE SHALL NOT EXCEED TWENTY-FOUR PERCENT (24%) PER ANNUM, OR THE USURY CEILING, WHICHEVER IS LESS.

Payment hereof is secured by (i) if the Property is situated in Texas, a Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement of even date herewith, executed by the Borrower and/or grantors thereof to Dennis Nixon, Trustee, of International Bank of Commerce, 1200 San Bernardo Avenue, Laredo, Texas 78040, Trustee (the "Deed of Trust"), or (ii) if the Property is situated in Oklahoma, a Mortgage of even date herewith executed by Borrower and Lender (the "Mortgage"), upon the following described real property (the "Property"):

Situated in Webb County, Texas, and being the South 37.23 feet of Lot Number One (1) and the North One-Half of Lot Number Eight (N. 1/2 of 8), in Block Number Three Hundred Thirty-Five (335), Eastern Division, situated in the City of Laredo, as per the original map of plat of said City.

If the Property is being conveyed to the Borrower or other Grantor named in the Deed of Trust by Deed of even date herewith, payment hereof is additionally secured by a vendor's lien retained in said Deed.

Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: International Bank of Commerce, 1200 San Bernardo Avenue, Laredo, Texas 78040, ATTN: Dennis Nixon.

NO ORAL AGREEMENTS

THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

BORROWER(S):

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 

Name: Sergio Esteban Sandoval Garcia

Title: President

Address: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041

GF#: 21642-24

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

**DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FINANCING STATEMENT**

THE STATE OF TEXAS §
 §
COUNTY OF WEBB §

Section 1.

A. KNOW ALL PERSONS BY THESE PRESENTS, THAT I, WE, or EITHER OF US, Corintios Construction & Design, Incorporated, a Texas Corporation, whose address is, 5411 Mcpherson Rd Suite 102, Laredo, TX 78041 of the County of Webb, State of Texas, sometimes hereinafter called Grantors (whether one or more) for the purposes of securing the Indebtedness (as hereinafter defined), and in consideration of the sum of TEN DOLLARS (\$10.00) to us in hand paid by the Trustee hereinafter named, the receipt and sufficiency of which is hereby acknowledged, and for the further consideration of the uses, purposes and the trusts hereinafter set forth, have GRANTED, SOLD, AND CONVEYED, and by these presents do GRANT, SELL and CONVEY unto Dennis Nixon, Trustee, of International Bank of Commerce, 1200 San Bernardo Avenue, Laredo, Texas 78040 and his substitutes or successors, all of the following described property situated in Webb County, Texas (hereinafter the "Property"), to-wit:

Situated in Webb County, Texas, and being the South 37.23 feet of Lot Number One (1) and the North One-Half of Lot Number Eight (N. 1/2 of 8), in Block Number Three Hundred Thirty-Five (335), Eastern Division, situated in the City of Laredo, as per the original map of plat of said City.

TO HAVE AND TO HOLD the above described Property, together with the rights, privileges and appurtenances thereto belonging unto the said Trustee, and to his substitutes or successors forever, and Grantors do hereby bind themselves, their heirs, executors, administrators, successors and assigns to warrant and forever defend the said premises unto the said Trustee, his substitutes or successors and assigns forever, against the claim or claims of all persons claiming or to claim the same any part thereof.

B. This conveyance, however, is made in TRUST to secure payment of the following-described promissory note(s) (hereinafter referred to as the "Note(s)", whether one or more):

That certain Real Estate Lien Note/Promissory Note dated the 8th day of April, 2024, in the original principal sum of Three Hundred Forty-Four Thousand Dollars and No Cents (\$344,000.00), executed by the makers of said Note, Corintios Construction & Design, Incorporated, who, together with the above named Grantors and the guarantors, sureties and endorsers of said Note, shall hereinafter collectively and interchangeably be referred to as Grantors, payable to the order of International Bank of Commerce 1200 San Bernardo Avenue, Laredo, Texas 78040 hereinafter referred to as Beneficiary, in the City of Laredo, Webb County, Texas and payable as therein provided, including late charges; bearing interest as therein stipulated, providing for acceleration of maturity and for reasonable and necessary attorney's fees;

C. Should Grantors do and perform all of the covenants and agreements herein contained, and make payment of the Indebtedness as the same shall become due and payable, then this conveyance shall become null and void and of no further force and effect, and shall be released at the expense of Grantors, by the holder thereof, hereinafter called Beneficiary (whether one or more). All references herein to the "Note" shall mean the first promissory note listed above.

Section 2

A. Grantors COVENANT and AGREE as follows:

(1) That they are lawfully seized of said Property, in fee simple absolute, and have the right to convey the same; that said Property is free from all liens and encumbrances, except as herein provided.

(2) To protect the title and possession of said Property, and to pay when due all taxes and assessments now existing or hereafter levied or assessed upon said Property, or the interest therein created by this Deed Of Trust, and to preserve and maintain the lien hereby created as a first and prior lien on said Property including any improvements hereafter made a part of the realty.

(3) To keep the improvements on said Property in good repair and condition, and not to permit or commit any waste thereof; to keep the buildings thereon occupied so as not to impair the insurance carried thereon.

(4) To insure and keep insured all improvements now located upon or hereafter erected upon said Property against loss or

damage by fire and windstorm, and any other hazard or hazards as may be reasonably required from time to time by Beneficiary during the term of the Indebtedness, to the extent of the total amount of the Indebtedness, or to the extent of the full insurable value of said improvements, whichever is the lesser, containing a standard mortgagee clause in favor of Beneficiary; and Grantors agree that any proceeds which Beneficiary may receive under such policy or policies may be applied by Beneficiary, at its option, to reduce the Indebtedness, whether then matured or to mature in the future, and in such manner as Beneficiary may elect, or Beneficiary may permit Grantors to use said proceeds to repair or replace all improvements damaged or destroyed and covered by said policy or policies. Grantors shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Beneficiary may request with Beneficiary being named as additional insured in such liability insurance policies. Additionally, Grantors shall maintain such other insurance, including but not limited to hazard, business interruption and boiler insurance as Beneficiary may require. Policies shall be written by such insurance companies and in such form as is approved by Beneficiary. Grantors shall deliver to Beneficiary certificates of coverage from each insurer containing a stipulation that coverage will not be cancelled or diminished without a minimum of thirty (30) days' prior written notice to Beneficiary and not containing any disclaimer of the insurer's liability for failure to give such notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Beneficiary will not be impaired in any way by any act, omission or default of Grantors or any other person. Should the Property be located in an area designated by the Director of the Federal Emergency Management Agency as a special flood hazard area, Grantors agree to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Beneficiary that the Property is located in a special flood hazard area, for full unpaid principal balance of the Loan and any prior liens on the property securing the Loan, up to the maximum policy limits set under the national Flood Insurance Program, or as otherwise required by Beneficiary, and to maintain such insurance for the term of the Loan. Upon Beneficiary's request Grantors shall deliver true and complete copies of any policies of insurance Grantors are required to maintain hereunder.

TEXAS FINANCE CODE SECTION 307.052 COLLATERAL PROTECTION INSURANCE NOTICE: (A) GRANTORS ARE REQUIRED TO (i) KEEP THE PROPERTY INSURED AGAINST DAMAGE IN THE AMOUNT SPECIFIED HEREIN; (ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER OR OTHERWISE AS PROVIDED HEREIN; AND (iii) NAME BENEFICIARY AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF A LOSS AS PROVIDED HEREIN; (B) SUBJECT TO THE PROVISIONS HEREOF, GRANTORS MUST, IF REQUIRED BY BENEFICIARY, DELIVER TO BENEFICIARY A COPY OF THE POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND (C) SUBJECT TO THE PROVISIONS HEREOF, IF GRANTORS FAIL TO MEET ANY REQUIREMENT LISTED IN THE FOREGOING SUBPARTS (A) OR (B), BENEFICIARY MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF GRANTORS AT GRANTORS' EXPENSE.

(5) That Beneficiary may employ counsel for advice or other legal service at Beneficiary's discretion in connection with (i) any dispute as to the Indebtedness hereby secured or lien securing same or this instrument, or (ii) any litigation or arbitration proceeding to which the Beneficiary may be made a party on account of this lien or which may affect the title to the Property on account of this lien or which may affect the title to the Property securing the Indebtedness hereby secured or which may affect said debt or lien. Any reasonable and necessary attorney's fees so incurred shall be added and be part of the Indebtedness hereby secured.

(6) In addition to the land and improvements above described, the lien of this Deed Of Trust covers and includes all abstracts and title papers furnished or to be furnished in connection with the making of the loan evidenced by said Note(s) (the "Loan"), the payment of which is secured hereby. The Note(s), this Deed Of Trust, and all other documents executed by Grantors in connection with the Loan are collectively referred to herein as the "Loan Documents".

(7) Grantors agree to pay on demand for all abstracts, title policies, appraisals, recording fees and attorney's fees incurred in connection with either the closing of the Loan or the renewal, extension, modification and/or rearrangement of any part of the Indebtedness, or, in the alternative, such amounts expended by Beneficiary shall be added to and be a part of the Indebtedness hereby secured.

(8) That in the event Grantors shall fail to keep the improvements on the Property hereby conveyed in good repair and condition, or to pay promptly when due all taxes and assessments thereon, as aforesaid, or to preserve the prior lien of this Deed Of Trust on said Property, or to keep the buildings and improvements thereon insured, as aforesaid, or to deliver the policy or policies of insurance or any renewals thereof to Beneficiary, as aforesaid, then Beneficiary may, at its option, but without being required to do so, make such repairs, pay such taxes and assessments, purchase any tax title thereon, remove any prior liens, and prosecute or defend any suits in relation to the preservation of the prior lien of this Deed Of Trust on said Property, or insure and keep insured the improvements thereon in any amount not to exceed that amount above stipulated (including, without limitation, to the extent allowed by law, the purchase of Single Interest Insurance which may provide coverage only for Beneficiary); that any sums which may be so paid out by Beneficiary, including the costs, expenses and attorney's fees paid in any suit affecting said Property when necessary to protect the lien hereof and all other expenses and costs agreed to be paid by Grantors under the Deed Of Trust which are not paid when due, shall bear interest from the dates of such payments at the prematurity interest rate stated in the Note hereby secured, shall be paid by Grantors to Beneficiary upon demand, at the same place at which the Note is payable, and shall be deemed a part of the Indebtedness hereby secured and recoverable as such in all respects.

(9) Grantors expressly agree to furnish Beneficiary annually validated receipts evidencing payment of all taxes assessed against, and insurance covering, the said Property. Such tax receipts shall be furnished on or before fifteen (15) days prior to the date such taxes become delinquent. The insurance receipt shall be furnished on or before ten (10) days prior to the date the then current insurance coverage expires. If Grantors fail to furnish such receipts, Beneficiary may require Grantors to deposit monthly with Beneficiary on the payment dates specified in the Note hereby secured, in addition to the monthly payment of principal and interest provided in the Note hereby secured, a sum equal to 1/12 of the estimated annual taxes and insurance premiums covering such Property, such estimates to be made by Beneficiary. Beneficiary shall hold such deposits, without bond and without accrual of interest thereon, to pay taxes and insurance premiums as they become due, until the Indebtedness is fully paid, and thereupon the balance shall be delivered to Grantors. Grantors shall not, without Beneficiary's prior written consent, authorize any person to pay ad valorem taxes assessed against the Property pursuant

Section 32.06 of the Texas Tax Code, as may be amended from time to time (the "Tax Lien Transfer Statute"), or any successor statute. Unless Beneficiary shall give prior written consent thereto, any such authorization given by Grantors shall be void and of no force or effect, and any transfer of tax lien under such authority, and/or any deed of trust executed by Grantors for the benefit of the transferee of any such tax lien (a "Transferee"), shall likewise be void and of no force or effect. In order to be effective, written consent by the Beneficiary under this subsection must be duly executed by an officer of Beneficiary and recorded prior to date of the authorization by Grantors to which it relates in the real property records of each county in which the Property, or any portion thereof, is located. The transfer of a tax lien with respect to the Property pursuant to the Tax Lien Transfer Statute in violation of this subsection shall constitute an Event of Default hereunder, and Beneficiary may immediately and without notice of any kind exercise any and all rights or remedies available under Section 3 hereof notwithstanding any agreement herein by Beneficiary to provide Grantors with notice of and an opportunity to cure an Event of Default prior to exercising such remedies. Grantors authorize Beneficiary to deal directly with any Transferee, and hereby irrevocably constitute and appoint Beneficiary (and all officers, employees or agents designated by Beneficiary), with full power of substitution, as Grantors' true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Grantors and in the name of Grantors or their own name, from time to time in Beneficiary's discretion, to take any and all appropriate action and to execute and deliver any and all documents and instruments which may be necessary or desirable to (a) deal in any manner with any Transferee; (b) pay or discharge any taxes, liens, or other encumbrances levied or placed on or threatened against Grantors or the Property or any portion thereof in connection with any transferred tax lien in connection with all or any portion of the Property, including, without limitation, payment to any Transferee; (c) defend any suit, action or proceeding brought against Grantors if Grantors do not defend such suit, action or proceeding or if Beneficiary believes that Grantors are not pursuing such defense in a manner that will maximize the recovery to Beneficiary, and settle, compromise or adjust any suit, action or proceeding and, in connection therewith, give such discharges or releases as Beneficiary may deem appropriate; (d) communicate in its own name with any Transferee with regard to the assignment of any tax lien in connection with the Property or any portion thereof, and other matters relating thereto, including, without limitation, requesting payoff statements from any Transferee; and (e) do, at Beneficiary's option and Grantors' expense, at any time or from time to time, all acts and other things that Beneficiary deems necessary in connection with this power of attorney, all as fully and effectively as Grantors might do. Grantors hereby ratify, to the extent permitted by law, all that said Beneficiary shall lawfully do or cause to be done by virtue hereof. No person to whom this power of attorney is presented, as authority for Beneficiary to take any action or actions contemplated hereby, shall be required to inquire into or seek confirmation from Grantors as to the authority of Beneficiary to take any action set forth herein, or as to the existence of or fulfillment of any condition to this power of attorney, which is intended to grant to Beneficiary unconditionally the authority to take and perform the actions contemplated herein, and Grantors irrevocably waive any right to commence any suit or action, in law or equity, against any person or entity which acts in reliance upon or acknowledges the authority granted under this power of attorney. The power of Beneficiary granted hereby is coupled with an interest, and may not be revoked or canceled by Grantors without Beneficiary's prior written consent recorded of record in the real property records of each county in which the Property, or any portion thereof, is located. Grantors acknowledge and agree that (i) a tax lien transfer which Beneficiary has not consented to in accordance with this section may result in Beneficiary increasing the interest rate charged by Beneficiary under the Note(s) in accordance with the terms thereof, and (ii) if Beneficiary elects to initiate any such interest rate increase, such action shall not constitute an election of remedies, and Beneficiary may at any time exercise any and all other remedies available to Beneficiary hereunder (or that otherwise might be available at law or in equity) at Beneficiary's sole and absolute discretion.

(10) Subject to applicable law and notwithstanding the preceding paragraph, at Beneficiary's option, and in its sole discretion, Beneficiary may require Grantors to pay Beneficiary on the day monthly payments are due under the Note, until the Indebtedness is paid in full, a sum (hereinafter referred to as "Funds") for (a) yearly taxes and assessments which may attain priority over the lien of this Deed Of Trust as a lien on the Property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; (e) yearly mortgage insurance premiums, if any; and (f) any sums payable by Grantors to Beneficiary, in accordance with the immediately preceding paragraph, in lieu of the payment of mortgage insurance premiums. The items described above in this paragraph are herein called "Escrow Items". Beneficiary may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Grantor's escrow account under the Federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. Section 2601, et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. In such event, Beneficiary may, at any time, collect and hold Funds in any amount not to exceed such lesser amount. Beneficiary may from time to time estimate the amount of Funds due on the basis of then current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

(11) The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Beneficiary, if Beneficiary is such an institution) or in any Federal Home Loan Bank. Beneficiary shall apply the Funds to pay the Escrow Items. Beneficiary may not charge Grantors for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Beneficiary pays Grantors interest on the Funds and applicable law permits Beneficiary to assess such a charge. However, Beneficiary may require Grantors to pay a one-time charge for an independent real estate tax reporting service used by Beneficiary in connection with the Loan, unless applicable law provides otherwise. Unless agreement is made or applicable law requires interest to be paid, Beneficiary shall not be required to pay Grantors any interest or earnings on the Funds. Grantors and Beneficiary may agree in writing, however, that interest shall be paid on the Funds. If required by law, Beneficiary shall give to Grantors, without charge, an annual accounting of the Funds, showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for all Indebtedness secured by this Deed Of Trust.

(12) If the Funds held by Beneficiary exceed the amounts permitted to be held by applicable law, Beneficiary shall account to Grantors for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Beneficiary at any time is not sufficient to pay the Escrow Items when due, Beneficiary may so notify Grantors in writing, and in such case Grantors shall pay to Beneficiary the amount necessary to make up the deficiency. Grantors shall make up the deficiency in no more than twelve (12) monthly payments, at Beneficiary's sole discretion.

(13) Upon payment in full of all Indebtedness secured by this Deed Of Trust, Beneficiary shall promptly refund to Grantors any Funds held by Beneficiary. If, under foreclosure proceedings, Beneficiary shall acquire or sell the Property, Beneficiary shall, upon the acquisition or sale of the Property, apply any Funds held by Beneficiary at the time of the acquisition or sale

as a credit against the indebtedness secured by this Deed Of Trust. Beneficiary, in its sole discretion, may apply any Funds to pay the balance of the indebtedness hereby secured if the principal balance of the indebtedness hereby secured falls below the amount of the Funds held by Beneficiary.

(14) Grantors shall not impose, or permit to be imposed, any restrictive covenants upon the Property herein described or execute or file, or permit to be filed, any subdivision plat or condominium declaration or other instrument affecting said Property without the prior written consent of Beneficiary.

(15) All agreements between any of the parties hereto are hereby limited by the provisions of this paragraph which shall override all such agreements, whether now existing or hereafter arising. If, from a construction of any document related to any transaction between Lender, Grantors and/or any other person or entity executing this Deed Of Trust, any term(s) or provision(s) of any document is in conflict with applicable law, such document shall be automatically reformed and modified so as to comply with applicable law, without the necessity of execution of any amendment or new document.

(16) GRANTORS AND EACH SURETY, ENDORSER AND GUARANTOR OF THE NOTE(S) HEREBY EXPRESSLY WAIVE ALL NOTICES OF NON-PAYMENT, PRESENTMENTS FOR PAYMENT, PRESENTATIONS FOR PAYMENT, DEMANDS FOR PAYMENT, NOTICES OF INTENTION TO ACCELERATE MATURITY, NOTICES OF ACTUAL ACCELERATION OF MATURITY, PROTESTS, AND NOTICES OF PROTEST, TO THE EXTENT PERMITTED BY LAW.

(17)(a) Subject to subparagraph 17(b), if the Loan finances a commercial real estate project, as such term is used in the definition of "high volatility commercial real estate (HVCRE) exposure" set out in 12 C.F.R. 3.2 and similar federal regulations (the "HVCRE Definition"), the following provision shall apply:

Grantors shall not withdraw any of the capital contributed by Grantors to the commercial real estate project, or any capital subsequently generated by the commercial real estate project, prior to the occurrence of any of the following events:

- (i) The Loan is converted to permanent financing satisfactory to Beneficiary in Beneficiary's sole discretion;
- (ii) The Property is sold and the Loan is paid in full; or
- (iii) The Loan is otherwise paid in full.

(b) Subparagraph (17)(a) shall not apply if the Loan is not a "high volatility commercial real estate (HVCRE) exposure" pursuant to paragraphs (1), (2) or (3) of the HVCRE Definition.

Section 3.

A. The occurrence of any of the following events shall constitute an event of default ("Event of Default") under this Deed of Trust:

- (1) Grantors, or any of them, fail to pay any of the indebtedness when the same shall become due and payable; or
- (2) Grantors, or any of them, (i) fail to perform any of Grantors' obligations under the Note(s) or other Loan Documents, or any other event of default or breach occurs under the Note(s) or the other Loan Documents, or (ii) to the extent allowed by law, and except as to loans for homestead, homestead equity, home equity lines of credit, and/or household or other consumer goods, fail to perform any of Grantors' obligations under any other promissory note, security agreement, loan agreement or other agreement between Beneficiary and Grantors or any other event of default or breach occurs thereunder; or
- (3) any (i) statement, representation or warranty made by Grantors in this Deed of Trust, the Note(s), the other Loan Documents, or in any other agreement between Beneficiary and Grantors, or (ii) any information contained in any financial statement or other document delivered to Beneficiary by or on behalf of Grantors contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement, representation or warranty therein not misleading in light of the circumstances in which they were made; or
- (4) Grantors, or any of them, (i) die or become physically or mentally incapacitated; or (ii) in the case of Grantors who are not natural persons, dissolve, terminate or in any other way cease to legally exist or have their entity powers or privileges suspended or revoked for any reason; or (iii) make an assignment for the benefit of creditors, or enter into any composition, marshalling of assets or similar arrangement in respect of their creditors generally; or (iv) become insolvent or generally do not pay their debts as such debts become due; or (v) conceal, remove, or permit to be concealed or removed, any part of Grantors' property, with intent to hinder, delay or defraud their creditors or any of them, or make or suffer a transfer of any of Grantors' property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law, or make any transfer of Grantors' property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or
- (5) a trustee, receiver, agent or custodian is appointed or authorized to take charge of any property of Grantors, or any of them, for the purpose of enforcing a lien against such property or for the purpose of administering such property for the benefit of its creditors; or
- (6) an order (i) for relief as to Grantors, or any of them, is granted under Title 11 of the United States Code or any similar law, or (ii) declaring Grantors, or any of them, to be incompetent is entered by any court; or
- (7) Grantors, or any of them, file any pleading seeking, or authorize or consent to, any appointment or order described in subsections A (5) or A (6) of this section, whether by formal action or by the admission of the material allegations of a pleading or otherwise; or
- (8) application is made for or there is an enforcement of any lien, levy, seizure, garnishment or attachment of any property of the Grantors, or any of them, for the purposes of collecting a lawful debt; or
- (9) any action or proceeding seeking any appointment or order described in subsections A (5) or A (6) of this section is commenced without the authority or consent of Grantors, and is not dismissed within thirty (30) days after its commencement; or
- (10) Grantors, or any of them, shall become involved (whether as plaintiff or defendant) in any material litigation (including, without limitation, matrimonial litigation) or arbitral or regulatory proceedings that, if determined adversely to Grantors, or any of them, could materially and adversely affect the financial position of Grantors, or any of them, or could affect the ability

of Grantors, or any of them, to repay the Indebtedness, or could adversely affect the Property or the Collateral or any portion thereof or Beneficiary's lien or security interest therein; or

(11) Grantors, or any of them, in Beneficiary's opinion, have suffered a material change in financial condition which, in Beneficiary's opinion, impairs the ability of Grantors, or any of them, to repay the Indebtedness or to properly perform Grantors' obligations under this Deed of Trust, the Note(s), or the other Loan documents; or

(12) Beneficiary believes, as a result of any material change in condition whether or not described herein, that Beneficiary will be adversely affected, that the Indebtedness is inadequately secured, or that the prospect of payment of any of the Indebtedness or performance of any of Grantors' obligations under the Loan Documents is impaired; or

(13) to the extent allowed by law, and except as to loans for homestead, homestead equity, home equity lines of credit, and/or household or other consumer goods, as to each of the Grantors with regard to any other credit facility with any other lender, any monetary default and/or any non-monetary default occurs which results in acceleration of the indebtedness by any such other lender; and Grantors agree to notify Beneficiary of any default on any credit facility with any other lender within fifteen (15) days after the occurrence of the default; or

(14) the Property or the Collateral (as hereinafter defined), or any portion thereof, is sold, conveyed, or otherwise disposed of without the prior written consent of the Beneficiary, or there occurs any levy, seizure or attachment thereof or thereon; or

(15) the Property or the Collateral becomes, in the judgment of Beneficiary, unsatisfactory or insufficient in character or value; or

(16) Grantors, or any of them, fail to timely deliver any and all financial statements, income tax returns, inventory reports, cash flow information, balance sheets, accounts receivable reports, or any other business, tax or financial information requested by Beneficiary.

B. Upon the occurrence of an Event of Default Beneficiary may, at Beneficiary's option, accelerate the maturity of all or any portion of the Indebtedness hereby secured and declare all such sums immediately due and payable, and in the event of default in the payment of any portion of the Indebtedness when due or declared due, it shall thereupon, or at any time thereafter, be the duty of the Trustee, or his successor or substitute as hereinafter provided, at the request of Beneficiary (which request is hereby conclusively presumed), to enforce this trust; and after advertising the time, place and terms of the sale of the above described and conveyed Property, then subject to the lien hereof, for at least twenty-one (21) days preceding the date of sale by posting written or printed notice thereof at the County Courthouse of the county where the Property is located and by filing a copy of such notice in the office of the County Clerk of the county where the Property is situated, which notice may be posted by the Trustee acting, or by any person acting for him, and the Beneficiary has, at least twenty-one (21) days preceding the date of sale, served written or printed notice of the proposed sale by certified mail on each person and/or entity(s) obligated to pay the Indebtedness secured by this Deed Of Trust according to the records of Beneficiary by the deposit of such notice, enclosed in a postpaid wrapper, properly addressed to such person(s) and/or entity(s) at such person's and/or entity(s) most recent address as shown by the records of Beneficiary, in a post office or official depository under the care and custody of the United States Postal Service, the Trustee shall sell the above described property, then subject to the lien hereof, at public auction in accordance with such notice at the Courthouse of said county where such Property is situated (provided where said Property is situated in more than one county, the notice to be posted as herein provided shall be posted at the Courthouse of each of such counties, and filed with the County Clerk of each of such counties where said Property is situated, and said above described and conveyed Property may be sold at the Courthouse of any one of such counties, and the notices so posted and filed shall designate the county where the Property will be sold), on the first Tuesday in any month between the hours of ten o'clock A.M. and four o'clock P.M., to the highest bidder for cash, selling all of the Property as an entirety or in such parcels as the Trustee acting may elect and make due conveyance to the Purchaser or Purchasers, with general warranty binding Grantors, their heirs, representatives, successors and assigns; and of the money arising from such sale, the Trustee acting shall pay first, all the expenses of advertising the sale and making the conveyance, including a reasonable commission to himself, which commission shall be due and owing in addition to the attorney's fees provided for in said Note(s), and then to Beneficiary the full amount of principal, interest, attorney's fees and late charges due and unpaid on said Note(s) and all other Indebtedness, rendering the balance of the sales price, if any, to Grantors, their heirs, representatives, successors or assigns; and the recitals in the conveyance to the Purchaser or Purchasers shall be full and conclusive evidence of the truth of the matters therein stated, and all prerequisites to said sale shall be presumed to have been performed, and such sale and conveyance shall be conclusive against Grantors, their heirs, representatives, successors and assigns.

C. Beneficiary may remedy any default, without waiving same, or may waive any default without waiving any prior or subsequent default.

D. It is agreed that in the event a foreclosure hereunder should be commenced by the Trustee, or his substitute or successor, Beneficiary may at any time before the sale of said Property direct the said Trustee to abandon the sale, and may then institute suit for the collection of said Note(s), and for the foreclosure of this Deed Of Trust lien; it is further agreed that if the Beneficiary should institute a suit for the collection thereof, and for a foreclosure of this Deed Of Trust lien, that Beneficiary may at any time before the entry of a final judgment in said suit dismiss same and require the Trustee, his substitute or successor, to sell the Property in accordance with the provisions of this Deed Of Trust. Beneficiary shall have the right to purchase at any sale of the Property, being the highest bidder, and to have the amount for which such Property is sold credited on the debt secured hereby.

E. Beneficiary, in any event, is hereby authorized to appoint a substitute trustee, or a successor trustee, to act in the place and stead of the Trustee named herein without other formality than the designation in writing of a substitute or successor trustee; and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the Indebtedness has been paid in full, or until said Property is sold hereunder, and each substitute and successor trustee shall succeed to all the rights and powers of the original trustee named herein.

F. In the event any sale is made of the above described Property, or any portion thereof, under the terms of this Deed Of Trust, Grantors, their heirs and assigns, shall forthwith upon making of such sale surrender and deliver possession of the Property so sold to the Purchaser at such sale, and in the event of their failure to do so they shall thereupon from and after the making of such sale be and continue as tenants at will of such Purchaser, and in the event of their failure to surrender possession of said Property upon demand, the Purchaser, his heirs, representatives, successors or assigns, shall be entitled to institute and maintain an action for forcible detainer of said Property in the Justice of the Peace Court in the Justice

Precinct in which such Property, or any part thereof, is situated.

G. Grantors agree that any resale by Beneficiary of the Property described in this Deed Of Trust after foreclosure may be made for a price below the fair market value (i.e. at wholesale) and that Beneficiary is not required to re-sell the Property for a price equal to or above fair market value (i.e. retail). Grantors agree that the sales price obtained by Beneficiary at any such resale will not be used in determining the fair market value of the Property for the purposes of determining value under Section 51.003 of the Texas Property Code.

H. To the greatest extent permitted by law, Grantors hereby waive all rights and remedies created under Section 51.003 of the Texas Property Code including, without limitation, the right introduce evidence of the amount of the sales price of the Property sold by Beneficiary following any foreclosure of the liens pursuant to the terms of this Deed Of Trust.

Section 4.

A. It is agreed that the lien hereby created shall take precedence over and be a prior lien to any other lien of any character, whether vendor's, materialmen's, or mechanic's lien hereafter created on the above described Property, and in the event the proceeds of the Indebtedness as set forth herein are used to pay off and satisfy any liens heretofore existing on said Property, then Beneficiary is, and shall be, subrogated to all of the rights, liens and remedies of the holders of the Indebtedness so paid.

B. Grantors hereby transfer and assign unto Beneficiary, to be applied on the Indebtedness secured hereby: (i) all eminent domain or condemnation award moneys which may hereafter be awarded or paid for the condemnation of the hereinabove described Property, or any part thereof, or for any portion of the premises which may be appropriated for any public or quasi-public use, or by virtue of private sale in lieu thereof and any sums which may be awarded or become payable to Grantors for damages caused by public works or construction on or near the Property; (ii) all the bonuses, rents, royalties, damages and delay moneys that may be due or that may hereafter become due and payable to the Grantors or their assigns under any oil, gas, mining or mineral lease or leases of any kind now existing, or which may hereafter come into existence (including agricultural and/or hunting contracts of every kind) covering the above-described Property or any part thereof; and (iii) all proceeds from the sale of crops grown on the Property, as well as all pasturage and/or grazing or hunting fees. Grantors authorize and direct payment of such money to said Beneficiary until the debt secured hereby is paid. Such money may, at the option of the Beneficiary, be applied on the debt whether due or not. The Beneficiary shall not be obligated, in any manner to collect said moneys or any part thereof, and shall be responsible only for amounts received by the Beneficiary. Nothing herein contained shall be construed as a waiver or prejudice to the priority of this lien or the options hereunder in favor of said Beneficiary.

C. It is agreed that any extension or extensions may be made as to the time of payment of all or part of the Indebtedness secured hereby, and that any part of the above described Property may be released from this lien without altering or affecting the priority of the lien created by this Deed Of Trust in favor of any junior encumbrancer, mortgagee or purchaser, or any person acquiring an interest in the Property hereby conveyed, or any part thereof; it being the intention of the parties hereto to preserve this lien on the Property herein described and all improvements thereon, and that may be hereafter constructed thereon, first and superior to any liens that may be placed thereon, or that may be fixed, given or imposed by law thereon after the execution of this instrument, notwithstanding any such extension of the time of payment, or the release of a portion of said Property from this lien.

D. In the event any portion of the Indebtedness cannot be lawfully secured by this Deed Of Trust lien on said Property, it is agreed that the first payments made on the Indebtedness shall be applied to the discharge of that portion of the Indebtedness.

E. **Nothing contained herein or in the Note(s) or the other Loan Documents shall ever entitle Beneficiary, upon the arising of any contingency whatsoever, to receive or collect interest in excess of the highest rate allowed by the laws of the State of Texas, or to the extent Federal Law permits a greater rate, then such greater rate, on the principal Indebtedness or on any money obligation hereunder, and in no event shall Grantors be obligated to pay interest thereon in excess of such rate.**

F. If this Deed Of Trust is executed by only one person or by a corporation, the plural reference to Grantors shall be held to include the singular, and all of the covenants and agreements herein undertaken to be performed by and the rights conferred upon the respective Grantors named herein shall be binding upon and inure to the benefit of not only said parties respectively but also their respective heirs, executors, administrators, grantees, successors and assigns.

G. In the event Grantors should seek a temporary restraining order or an injunction or other legal action, be it temporary or permanent, to prevent, hinder or delay the exercise by Beneficiary of its rights and remedies under this Deed Of Trust, including, without limitation, its foreclosure rights upon the occurrence of a default as herein provided, then Grantors agree to pay and/or reimburse Beneficiary for all costs and expenses, including its reasonable and necessary attorney's fees, incurred by Beneficiary in connection with its defense, appearance and/or other action taken by Beneficiary with respect thereto, and such payment and/or reimbursement shall be made whether or not Beneficiary is the prevailing party in any such injunction or temporary restraining order or legal or arbitration proceeding. Grantors agree to contact, in writing, Dennis E. Nixon, at 1200 San Bernardo Avenue, Laredo, Texas 78042, prior to the institution of any such legal or arbitration proceedings so as to permit Beneficiary the opportunity to appear and defend itself.

H. Grantors hereby grant Beneficiary the right to protest any and all ad valorem taxes and special assessments made against the Property covered by this Deed Of Trust. In that regard, Grantors shall deliver to Beneficiary true and correct copies, when received, of all tax assessments, valuations, re-appraisals and other notices received by Grantors from all tax authorities. Beneficiary shall have the right to appear in all tax proceedings and file appeals concerning taxes affecting the Property or any portion thereof.

I. Grantors expressly represent that this Deed Of Trust and the Note(s) hereby secured are given for the following purpose(s), to-wit:

The Note hereby secured is given in part payment for certain improvements to be made and erected by Grantor at its special instance and request, upon the herein described real property, and the lien securing said note is an improvement lien against the said property. This Deed of Trust is a "construction mortgage" within the meaning of Chapter 9 of the Texas Uniform Commercial Code, for it secures an obligation incurred for the construction of an improvement on land.

J. To the extent allowed by law, this conveyance is also made in trust to secure and enforce the payment of any and all other indebtedness of Grantors, or any Grantor, to Beneficiary, whether presently existing or which may in any manner or means be hereafter incurred or created by Grantors and evidenced in any manner whatsoever, which other or future indebtedness Grantors acknowledge to be currently contemplated by Grantors including without limitation:

- (1) any commercial loan or indebtedness;
- (2) any credit card or other consumer type of loan;
- (3) any indebtedness relating to checking or savings accounts (overdrafts, fees, etc.);
- (4) any expenses incurred in the protection or maintenance of the collateral securing any of the liabilities, loans, and obligations described in this paragraph;
- (5) any expenses incurred in the collection of any indebtedness and/or obligation of the Grantors, or any of them, to Beneficiary whether arising out of this agreement or otherwise;
- (6) any letters of credit and/or indebtedness arising out of, or advanced to pay, letters of credit transactions;
- (7) any indebtedness, however evidenced, whether by promissory note, bookkeeping entry, electronic transfer or by any other manner or form;
- (8) any other indebtedness of Grantors, or any of them, to any financial institution affiliated with International Bancshares Corporation, jointly and/or severally, and in any capacity, whether as maker, guarantor, or otherwise, now or hereafter owing and regardless of how evidenced or arising; and
- (9) any and all extensions, modifications, substitutions and/or renewals of any of the indebtedness described in this paragraph

K. To the extent allowed by law, for purposes hereof it is intended that the Indebtedness secured hereby shall include all classes of indebtedness, whether evidenced by notes, open accounts, overdraft, or otherwise, and whether direct, indirect or contingent, regardless of class, form or purpose, and including but not limited to, loans for consumer, agricultural, business or personal purposes; provided that the indebtedness secured hereby does not include amounts owing pursuant to a homestead loan, homestead equity loan and/or home equity line of credit. The Note(s) and the other indebtedness secured by this Deed of Trust as described herein are collectively sometimes referred to herein as the "Indebtedness."

L. It is expressly agreed and understood that any and all sums now owed to or hereafter advanced by Beneficiary to Grantors shall be payable at the main offices of Beneficiary at 1200 San Bernardo Avenue, Laredo, Texas 78040, and shall bear interest as may be provided in the promissory notes or other evidences of indebtedness given by Grantors to Beneficiary; and this instrument is also executed for the purpose of securing and enforcing the payment of any renewal, extension and/or modification of any such promissory notes or other indebtedness or of any part thereof, and including any further loans and advancements made by Beneficiary to Grantors. To the extent allowed by law, repayment of all then existing Indebtedness shall not terminate this Deed Of Trust unless the same be so released by Beneficiary at the request of Grantors, but otherwise it shall remain in full force and effect to secure all future advances and Indebtedness, regardless of any additional security that may be taken as to any past or future Indebtedness, and shall be unaffected by any renewals, extensions or partial releases hereunder.

N. GRANTORS WILL NEITHER CREATE NOR PERMIT ANY JUNIOR OR SUBSEQUENT LIEN OR ENCUMBRANCE AGAINST THE PROPERTY OR THE COLLATERAL WITHOUT THE PRIOR WRITTEN CONSENT OF BENEFICIARY.

Section 5.

A. Applicable to Prior Liens. If this Deed Of Trust is or becomes subordinate to any other liens, security interests, assignments of leases or rents or any other encumbrances (collectively, the "Prior Liens") affecting any portion of the Property, all documents creating the Prior Liens and evidencing and governing the indebtedness secured thereby shall be collectively called the "Prior Lien Documents," and this paragraph shall apply. Grantors shall not enter into any renewal, extension, modification, increase or refinancing of any of the Prior Lien Documents or the indebtedness secured thereby without prior written consent of Beneficiary. Grantors shall pay when due all indebtedness evidenced and secured by the Prior Lien Documents and shall timely perform all other obligations of the Grantors under the Prior Lien Documents. Beneficiary may, but shall not be obligated to, pay any such indebtedness or perform any such obligations for the account of Grantors and any sum so expended shall be secured hereby. Grantors shall pay to Beneficiary on demand all amounts so expended by Beneficiary with interest on such amounts from the date and at the rate set forth in the Note, but not in excess of the highest rate permitted by applicable law. Beneficiary's cure of any default under any of the Prior Lien Documents shall not constitute a cure of the default under this Deed Of Trust. Grantors shall send to Beneficiary a copy of each notice of default or notice of acceleration or other notice received by Grantors from the holder of any of the Prior Lien Documents within one (1) business day after receipt thereof by Grantors. Notwithstanding the foregoing, Beneficiary does not consent to any Prior Lien unless otherwise expressly permitted in this Deed Of Trust.

B. Security Agreement/Financing Statement. This Deed Of Trust lien shall cover all property now or hereafter affixed or attached or incorporated into the Property now or hereafter owned by Grantors in which Grantors now or hereafter have an interest which, to the fullest extent permitted by law, shall be deemed fixtures and part of the Property. In addition, this Deed Of Trust lien shall cover, and Grantors, to the extent of any present or hereafter created rights of Grantors in such Property, hereby grant to Beneficiary to secure the repayment of the Indebtedness, a security interest in the following described

personal property (the "Collateral"): (i) all building materials, fixtures, equipment and other personal property to be incorporated into any improvements constructed on the Property; (ii) all goods, materials, supplies, fixtures, equipment, machinery, furniture and furnishings and other personal property which are now or may hereafter be appropriated for use on (whether such items are stored on the Property or elsewhere), located on or used in connection with the Property; (iii) all rents, issues and profits, proceeds, profits, renewals, income or other benefit derived from the payments received for lodging from interests and/or materials, and all inventory, accounts, accounts receivable, contract rights, general intangibles, causes of action, choses in action, intellectual property, chattel paper, instruments, documents, permits, plans, specifications, drawings, governmental approvals, notes, drafts, letters of credit, indebtedness arising from and/or to pay an advance on letters of credit, accounts due from credit, debit and/or charge card companies, insurance policies, insurance and condemnation awards and proceeds, trade names, trademarks and service marks arising from or related to the Property and any business conducted on the Property by Grantors; and (iv) all replacements and substitutions for or additions to, all products and proceeds of, and all books, records and files relating to any of the foregoing. This Deed Of Trust lien constitutes a security agreement and is intended to create a security interest in the Collateral in favor of Beneficiary to secure the repayment of the Indebtedness in accordance with the provisions of the Texas Business and Commerce Code (the "Code"). This Deed Of Trust shall be self-operative with respect to the Collateral, and upon the occurrence of an Event of Default Grantors expressly grant to Beneficiary the right to enter upon the property where the Collateral is located for the purpose of enforcing its rights to the Collateral, and Grantors agree to execute and deliver, on demand, such security agreements and other instruments as Beneficiary may request in order to impose the lien hereof made more specifically upon any of the Collateral. If the lien of this Deed Of Trust on any property shall be subject to any prior security agreement covering the Collateral, then upon the occurrence of an Event of Default, all the rights, title and interest of Grantors in and to any and all deposits made in connection with the transaction whereby such prior security agreement was made are hereby presently assigned to Beneficiary, together with the benefit of any payments now or hereafter made in connection with such transaction.

C. Financing Statements. In addition to Beneficiary's other rights set forth in this Deed Of Trust, Beneficiary shall have all rights of a secured party under the Code with respect to the Collateral. Beneficiary is authorized to file any and all financing statements, amendments thereto and continuations thereof that may be required by Beneficiary in its sole discretion to establish and maintain the validity and priority of Beneficiary's security interest in the Collateral, and Grantors shall bear all costs thereof and of any and all lien searches and Secretary of State reports required by Beneficiary in connection with the Collateral. If Beneficiary should dispose of any of the property covered by the security interest created under this Deed Of Trust pursuant to the Code, ten (10) days prior written notice by Beneficiary to Grantors shall be deemed to be reasonable notice of such disposition; provided however, Beneficiary may at its option dispose of such property in accordance with the foreclosure procedures of this Deed Of Trust in lieu of proceeding under the Code as provided in the Texas Property Code. Grantors further authorize Beneficiary to file any financing statements, amendments thereto and continuations thereof that may be required by Beneficiary in its sole discretion describing any agricultural liens or other statutory liens held by Beneficiary.

D. Beneficiary may sell, lease, or otherwise dispose of any of the Collateral in accordance with the rights, remedies, and duties of a Secured Party under Articles 2 and 9 of the Code after giving notice as required by those articles; unless the Collateral threatens to decline rapidly in value, is perishable, or would typically be sold on a recognized market, Beneficiary will give Grantors reasonable notice of any public sale of the Collateral or of a time after which it may be otherwise disposed of without further notice to Grantors; in this event, notice will be deemed reasonable if it is mailed, postage prepaid, to Grantors at the address for Grantors set forth on page 1 hereof at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Grantors. Grantors authorize Beneficiary to disclaim or modify any and all warranties set forth in Section 9.610(d) of the Code (or any successor statute) and stipulate and agree that such a disclaimer and/or modification will not render the sale commercially unreasonable. Beneficiary may retain all or part of the Collateral in full and/or partial satisfaction of the Indebtedness pursuant to Section 9.620 of the Code (or any successor statute).

Section 6.

A. Grantors agree that they will not, without the prior written consent of Beneficiary, until the Indebtedness secured hereby is paid in full: in one transaction or a series of related transactions, merge into or consolidate with any other entity, sell all or substantially all of its assets, or in any way jeopardize its existence as a corporation or other business entity; change the state of its incorporation, organization or registration; change its name; change the address and/or location of its Chief Executive Office (as defined in the Code); or file any instrument attempting to amend or terminate a Financing Statement, including without limitation a UCC-3 amendment or termination form.

B. Grantors shall give advance notice in writing to Beneficiary of any proposed change in Grantors' name, identity, organizational structure, or principal place of business, and Beneficiary is authorized, prior to or concurrently with the occurrence of any such change, to file any and all additional financing statements that Beneficiary may require to establish and maintain the validity and priority of Beneficiary's security interest with respect to any of the property described or referred to herein.

C. Grantors expressly represent that the Property hereinabove mentioned and conveyed to the Trustee forms no part of any property owned, used or claimed by Grantors as exempted from forced sale under the laws of the State of Texas as either personal or business homestead, and Grantors renounce all and every claim thereto under any such law or laws and hereby expressly designate as their homestead, personal and business, and as constituting all the property owned, used or claimed by them exempt either as personal and/or business under such laws, the following described property:

~~(Personal and Business Homestead)~~

~~County, Texas~~

Section 7.

A. (1) Assignments of Rents, Profits, etc. All of the rents, royalties, bonuses, issues, contracts for deed, proceeds, profits,

revenue, income and any other benefit derived from the Property and improvements thereto, or arising from the use or enjoyment of any portion of the Property or from any lease or agreement pertaining thereto and liquidated and other damages payable by any tenant upon default under any such leases, and all proceeds payable under any policy or policies of insurance covering loss of rents or caused by damage to any part of the Property, together with any and all rights that Grantors may have against any tenant under such leases or any subtenants or occupants of any part of the Property (collectively hereinafter called the "Rents"), are hereby assigned to Beneficiary as security for the repayment of the Indebtedness. Grantors shall apply all Rents collected by Grantors first to the payment of the Indebtedness in such manner as Beneficiary elects and thereafter to the account of Grantors. All such Rents shall be deposited in deposit accounts maintained at the offices of Beneficiary. Nothing in this Deed Of Trust shall be deemed to constitute a waiver or modification of any rights or remedies of Beneficiary under Chapter 64, Subtitle B, Title 5 of the Texas Property Code, as amended (the "Assignment of Rents Statute"). Upon the occurrence of an Event of Default, Beneficiary may enforce the assignment of the Rents set out in this paragraph pursuant to the provisions of the Assignment of Rents Statute or any other applicable law, at the option of Beneficiary.

(2) Assignment of Leases. Grantors hereby assign to Beneficiary all existing and future leases, including subleases thereof, and any and all extensions, renewals, modifications, and replacements thereof, upon any part of the Property (the "Leases"). Grantors hereby further assign to Beneficiary all guaranties of tenants' performance under the Leases. Prior to an Event of Default, Grantors shall have the right, without joinder of Beneficiary, to enforce the Leases, unless Beneficiary directs otherwise.

(3) Warranties Concerning Leases and Rents. Grantors represent and warrant that: (a) Grantors have good title to the Leases and Rents hereby assigned and authority to assign them, and no other person or entity has any right, title or interest therein; (b) all existing Leases are valid, unmodified and in full force and effect, except as indicated herein, and no default exists thereunder; (c) unless otherwise provided herein, no Rents have been or will be assigned, mortgaged or pledged; (d) no Rents have been or will be anticipated, waived, released, discounted, set-off or compromised; and (e) Grantors have not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rents.

(4) Grantor's Covenants of Performance as to Leases. Grantors covenant to: (a) perform all of their obligations under the Leases and give prompt notice to Beneficiary of any failure to do so; (b) give immediate notice to Beneficiary of any notice Grantors received from any tenant or subtenant under any of the Leases specifying any claimed default by any party under such Leases, excluding, however, notice of defaults under residential leases; (c) enforce the tenant's obligations under the Leases; (d) defend, at Grantor's expense, any proceeding pertaining to the Leases, including, if Beneficiary so requests, any such proceeding to which Beneficiary is a party; and (e) neither create nor permit any encumbrance upon its interest as lessor of the Leases, except this Deed Of Trust and any other encumbrances permitted by this Deed Of Trust.

(5) Prior Approval for Action Affecting Leases. Grantors shall not, without the prior written consent of Beneficiary, (a) receive or collect Rents more than one month in advance, (b) encumber or assign future Rents, (c) waive or release any obligations of any tenant under the Leases, (d) cancel, terminate or modify any of the Leases, (e) cause or permit any cancellation, termination or surrender of any of the Leases, or commence any proceedings for dispossession of any tenant under any of the Leases, except upon default by the tenant thereunder, or (f) permit any assignment of the Leases whereby a tenant is released from its obligations thereunder.

B. Rejection of Leases in Bankruptcy. Grantors agree that no settlement for damages for termination of any of the Leases under the United States Bankruptcy Code, or under any other federal, state, or local statute, shall be made without the prior written consent of Beneficiary, and any check in payment of such damages shall be made payable to both Grantors and Beneficiary. Grantors hereby assign any such payment to Beneficiary, to be applied to the Indebtedness as Beneficiary may elect, and Grantors agree to endorse any check for such payment to the order of Beneficiary.

C. Beneficiary's Rights. Beneficiary's acceptance of this assignment shall not, prior to, upon, or after entry upon and taking possession of the Property by Beneficiary or any foreclosure of the lien hereunder or conveyance of the Property herein described in lieu thereof, be deemed to constitute Beneficiary as a "mortgagee in possession", nor obligate Beneficiary to appear in or defend any proceeding relating to any of the Leases or to the Property, take any action hereunder, expend any money, incur any expenses or perform any obligation or liability under the Leases, or assume any obligation or liability under the Leases, or assume any obligation in regard to any security deposits held by any party pursuant to the Leases. Beneficiary shall not, by virtue of its acceptance of this assignment of the Rents and the Leases or entry upon the Property as aforesaid, be liable for any injury or damage to any person or property in or about the Property. Beneficiary shall not be obligated to perform, satisfy, or otherwise adhere to any terms of any of the Leases or any covenant of Grantors to any tenant unless Beneficiary agrees to do so in writing, which shall be in Beneficiary's sole and absolute discretion.

D. Appointment of Attorney-In-Fact. Grantors hereby appoint Beneficiary its attorney-in-fact, coupled with an interest, empowering Beneficiary to subordinate any of the Leases to this Deed Of Trust.

E. Indemnification. Beneficiary shall not be obligated to perform or discharge, nor does Beneficiary hereby undertake to perform or discharge, any obligation, duty or liability under the Leases or by reason of the assignment of the Rents and/or Leases to Beneficiary hereunder. Grantors hereby agree to indemnify, defend and hold Beneficiary harmless from all liability, loss, cost, damage, or expense incurred by Beneficiary from any claims under the Leases or under or by reason of the assignment of the Rents and/or Leases to Beneficiary hereunder, including, without limitation, the management, operation and maintenance of the Property by Beneficiary, and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases. Should Beneficiary incur any liability, loss or damage under the Leases or under or by reason of the assignment of the Rents and/or Leases to Beneficiary hereunder, or in the defense of any such claims or demands, the amount thereof, including costs and expenses incurred by Beneficiary in connection therewith, including, without limitation, reasonable attorney's fees, shall bear interest at the maximum lawful rate and shall be payable by Grantors immediately upon demand by Beneficiary and shall be secured hereby.

F. Records, etc. Upon request by Beneficiary, Grantors shall deliver to Beneficiary executed originals of all Leases and copies of all records relating thereto. There shall be no merger of the leasehold estates, created by the Leases, with the fee estate of the Mortgaged Property without the prior written consent of Beneficiary.

G. Notices to Tenants. Grantors hereby irrevocably authorize and direct each of the tenants under the Leases to pay Rents directly to Beneficiary at all times from and after receipt by any tenant of written notice in compliance with the Assignment of Rents Statute from Beneficiary that an Event of Default has occurred, without necessity of further consent of Grantors. The tenants may rely upon any written statement delivered by Beneficiary to the tenants. Any such payment to Beneficiary shall constitute payment to Grantors under the Leases.

Section 8.

Fixtures. In the event there are items on the Property that are goods that are or are to become fixtures related to said Property, it is intended that, as to those goods, this Deed Of Trust shall be effective as a financing statement filed as a fixture filing from the date of its filing of record in the real estate records of the county in which the Property is situated. Information concerning the security interest created by this instrument may be obtained from Beneficiary, as Secured Party, at the address of Beneficiary set forth on the first page of this Deed Of Trust. The mailing address of the Grantors, as Debtor, is as set forth below.

Section 9.

A. Environmental Compliance. Grantors' use of the Property will at all times comply with all laws, statutes, ordinances, rules and regulations ("Laws") of any governmental, quasi-governmental or regulatory authority which relate to the transportation, storage, placement, handling, treatment, discharge, generation, production, removal or disposal (collectively, "Treatment") of any waste, petroleum product (including, without limitation, gasoline and diesel fuel), waste products, poly-chlorinated biphenyl, asbestos, hazardous materials, and/or any other substance, the Treatment of which is regulated by any Laws (collectively, "Waste"). Grantors will comply with all Laws regarding underground storage tanks used to hold gasoline, diesel fuel, or any other petroleum products on the Property.

B. To the best of Grantors' knowledge, no Waste is now located on the Property, and neither Grantors nor, to the best of Grantors' knowledge, any other person has ever caused or permitted any Treatment of any Waste on, under or at the Property or any part thereof, and, to the best of Grantors' knowledge, no property adjoining the Property is being used, or has ever been used at any previous time, for the Treatment of Waste.

C. To the best of Grantors' knowledge, no investigation, administrative order, consent order and agreement, litigation or settlement with respect to Waste or the Treatment of Waste is proposed, threatened, anticipated or in existence with respect to the Property. The Property is not currently listed on, and to Grantors' knowledge, after diligent investigation and inquiry, has never been listed on, any federal or state "Superfund" or "Superlien" list.

D. Grantors agree to (a) give notice to Beneficiary immediately upon Grantors acquiring knowledge of any Waste on the Property with a full description thereof; (b) promptly comply with any Laws applicable to Grantors or the Property requiring the removal, treatment or disposal of such Waste and provide Beneficiary with satisfactory evidence with such compliance; and (c) provide Beneficiary within thirty (30) days after demand by Beneficiary with a bond, letter of credit or similar financial assurance evidencing to Beneficiary's satisfaction that the necessary funds are available to pay the cost of removing, treating and disposing of such Waste and to discharge any assessments that may be established or imposed on the Property as a result thereof.

E. Any environmental spill, discharge or other event upon or adjacent to the Property which Beneficiary determines materially and adversely affects the value and/or use of the Property shall constitute an Event of Default under this Deed Of Trust and shall further constitute an event of default under the Note(s) and under all other Indebtedness secured hereby.

F. Grantors agree to perform an asbestos survey and obtain any necessary permits, and to provide a copy of said survey and permits to Beneficiary, prior to commencing any renovation and/or demolition of a public or commercial building. Grantors further agree to comply with all other Laws regarding asbestos and asbestos removal.

G. Site Assessments. Beneficiary (by its officers, employees and agents) at any time and from time to time, either prior to or after the occurrence of any Event Of Default, may contract for the services of any person or firm ("Site Reviewers") to perform environmental site assessments ("Site Assessments") on the Property for the purposes of determining whether there exists on the Property any environmental condition which could reasonably be expected to result in any liability, cost or expense to the owner, occupier or operator of such Property arising under any Laws relating to Waste or the Treatment of Waste. The Site Assessments may be performed at any time or times, upon reasonable notice, and under reasonable conditions established by Grantors which do not impede the performance of the Site Assessments. Grantors agree that any Site Assessment shall be for the sole and exclusive use, benefit and reliance of Beneficiary in assessing the value of its security interest in the Property and will not be relied on by Grantors for any purpose. The Site Reviewers are hereby authorized to enter upon the Property for such purposes. The Site Reviewers are further authorized to perform above and below ground testing for environmental damage or the presence of Waste on the Property and such other tests on the Property as may be necessary to conduct the Site Assessments in the reasonable opinion of the Site Reviewers. Grantors will supply to the Site Reviewers such historical and operational information regarding the Property as may be reasonably requested by the Site Reviewers to facilitate the Site Assessments and will be available for meetings with Site Reviewers if requested. The cost of performing such Site Assessments shall be paid by Grantors upon demand of Beneficiary and any such expenses borne by Beneficiary not immediately reimbursed by Grantors shall be part of the Indebtedness secured by this Deed Of Trust.

H. Indemnification. Whether or not any Site Assessments are conducted, and regardless of whether or not an Event Of Default occurs, and regardless of whether any remedies in respect of the Property are exercised by Beneficiary, Grantors

will defend, indemnify and hold Beneficiary and Trustee harmless from and against any and all liabilities (including strict liability), actions, demands, penalties, losses, costs or expenses (including, without limitation, attorneys fees and expenses, and remedial costs), suit costs of any settlement or judgment, and claims of any and every kind whatsoever, (a) which may now or in the future (whether before or after the release or foreclosure of this Deed Of Trust) be paid, incurred or suffered by Beneficiary or asserted against Beneficiary or Trustee by any person or entity or governmental agency for, with respect to, or as a direct or indirect result of, (i) the presence of any Waste on or under the Property, or (ii) the escape, seepage, leakage, spillage, discharge, emission or release of any Waste from, on or affecting the Property, or (b) which arise out of or result from the environmental condition of the Property or the applicability of any Laws relating to Waste (including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9601 et seq, as amended from time to time, or any federal, state or local so-called "Superfund" or "Superlien" law, statute, law, ordinance, code, rule, regulation, order or decree), regardless of whether or not caused by or within the control of Grantors, Beneficiary or Trustee. The representations, covenants, warranties and indemnification herein contained with regard to Waste and the Treatment thereof shall survive the release and/or judicial or non-judicial foreclosure (or transfer in lieu thereof) of the lien of this Deed Of Trust. For the purpose of this paragraph and notwithstanding any other provision contained herein to the contrary, the term "Grantors" shall refer not only to the Grantors named herein, but also to all other persons who may hereafter assume the Note(s) and the obligations of Grantors under this Deed Of Trust.

Section 10.

**BINDING ARBITRATION AGREEMENT
PLEASE READ THIS CAREFULLY. IT AFFECTS YOUR RIGHTS.**

GRANTORS, BENEFICIARY AND TRUSTEE AGREE TO ARBITRATION AS FOLLOWS (hereinafter referred to as the "Arbitration Provisions"):

I. Special Provisions and Definitions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- (a) **Informal Resolution of Customer Concerns.** Most customer concerns can be resolved quickly and to the customer's satisfaction by contacting your account officer, branch manager or by calling the Customer Service Department in your region. The region and numbers are:

1.	Laredo	956-722-7611
2.	Austin	512-397-4506
3.	Brownsville	956-547-1000
4.	Commerce Bank	956-724-1616
5.	Corpus Christi	361-888-4000
6.	Eagle Pass	830-773-2313
7.	Houston	713-526-1211
8.	McAllen	956-686-0263
9.	Oklahoma	405-841-2100
10.	Port Lavaca	361-552-9771
11.	San Antonio	210-518-2500
12.	Zapata	956-765-8361

In the unlikely event that your account officer, branch manager or the customer service department is unable to resolve a complaint to your satisfaction or if the Beneficiary has not been able to resolve a dispute it has with you after attempting to do so informally, you and the Beneficiary agree to resolve those disputes through binding arbitration or small claims court instead of in courts of general jurisdiction.

- (b) **Sending Notice of Dispute.** If either you or the Beneficiary intend to seek arbitration, then you or the Beneficiary must first send to the other by certified mail, return receipt requested, a written Notice of Dispute. The Notice of Dispute to the Beneficiary should be addressed to: Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 or if by email, ibcchairman@ibc.com. The Notice of Dispute must (a) describe the nature and basis of the claim or dispute; and (b) explain specifically what relief is sought. You may download a copy of the Notice of Dispute at www.ibc.com or you may obtain a copy from your account officer or branch manager.
- (c) **If the Dispute is not Informally Resolved.** If you and the Beneficiary do not reach an agreement to resolve the claim or dispute within thirty (30) days after the Notice of Dispute is received, you or the Beneficiary may commence a binding arbitration proceeding. During the binding arbitration proceeding, any settlement offers made by you or the Beneficiary shall not be disclosed to the Arbitrator.
- (d) **"DISPUTE(S)".** As used herein, the word "**DISPUTE(S)**" includes any and all controversies or claims between the **PARTIES** of whatever type or manner, including without limitation, any and all claims arising out of or relating to this Deed Of Trust, compliance with applicable laws and/or regulations, any and all services or products provided by the Beneficiary, any and all past, present and/or future loans, lines of credit, letters of credit, credit facilities or other form of indebtedness and/or agreements involving the **PARTIES**, any and all transactions between or involving the **PARTIES**, and/or any and all aspects of any past or present relationship of the **PARTIES**, whether banking or otherwise, specifically including but not limited to any claim founded in contract, tort, fraud, fraudulent inducement, misrepresentation or otherwise, whether based on statute, regulation, common law or equity.
- (e) **"CONSUMER DISPUTE"** and **"BUSINESS DISPUTE"**. As used herein, "**CONSUMER DISPUTE**" means a **DISPUTE** relating to an account (including a deposit account), agreement, extension of credit, loan, service or product provided by the Beneficiary that is primarily for personal, family or household purposes.

"BUSINESS DISPUTE" means any **DISPUTE** that is not a **CONSUMER DISPUTE**.

- (f) **"PARTIES" or "PARTY"**. As used in these Arbitration Provisions, the term **"PARTIES"** or **"PARTY"** means Grantors, Beneficiary, Trustee and each and all persons and entities signing this Deed Of Trust or any other agreements between or among any of the **PARTIES** as part of this transaction. **"PARTIES"** or **"PARTY"** shall be broadly construed and include individuals, beneficiaries, partners, limited partners, limited liability members, shareholders, subsidiaries, parent companies, affiliates, officers, directors, employees, heirs, agents and/or representatives of any party to such documents, any other person or entity claiming by or through one of the foregoing and/or any person or beneficiary who receives products or services from the Beneficiary and shall include any other owner and holder of this Deed Of Trust. Throughout these Arbitration Provisions, the terms **"you"** and **"your"** refer to Grantors, and the term **"Arbitrator"** refers to the individual arbitrator or panel of arbitrators, as the case may be, before which the **DISPUTE** is arbitrated.
- (g) **BINDING ARBITRATION**. The **PARTIES** agree that any **DISPUTE** between the **PARTIES** shall be resolved by mandatory binding arbitration pursuant to these Arbitration Provisions at the election of either **PARTY**. **BY AGREEING TO RESOLVE A DISPUTE IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO A JURY TRIAL OR TO LITIGATE IN COURT** (except for matters that may be taken to small claims court for a **CONSUMER DISPUTE** as provided below).
- (h) **CLASS ACTION WAIVER**. The **PARTIES** agree that (i) no arbitration proceeding hereunder whether a **CONSUMER DISPUTE** or a **BUSINESS DISPUTE** shall be certified as a class action or proceed as a class action, or on a basis involving claims brought in a purported representative capacity on behalf of the general public, other customers or potential customers or persons similarly situated, and (ii) no arbitration proceeding hereunder shall be consolidated with, or joined in any way with, any other arbitration proceeding. **THE PARTIES AGREE TO ARBITRATE A CONSUMER DISPUTE OR BUSINESS DISPUTE ON AN INDIVIDUAL BASIS AND EACH WAIVES THE RIGHT TO PARTICIPATE IN A CLASS ACTION.**
- (i) **FEDERAL ARBITRATION ACT AND TEXAS LAW**. The **PARTIES** acknowledge that this Deed Of Trust evidences a transaction involving interstate commerce. The Federal Arbitration Act shall govern (i) the interpretation and enforcement of these Arbitration Provisions, and (ii) all arbitration proceedings that take place pursuant to these Arbitration Provisions. **THE PARTIES AGREE THAT TEXAS SUBSTANTIVE LAW WILL APPLY IN ANY BINDING ARBITRATION PROCEEDING OR SMALL CLAIMS COURT ACTION REGARDLESS OF WHO INITIATES THE PROCEEDING, WHERE YOU RESIDE OR WHERE THE DISPUTE AROSE, UNLESS EXPRESSLY PROHIBITED BY LAW.**

II. Provisions applicable only to a CONSUMER DISPUTE:

- (a) Any and all **CONSUMER DISPUTES** shall be resolved by arbitration administered by the American Arbitration Association ("AAA") under the Commercial Arbitration Rules and the Supplemental Procedures for Resolution of Consumer Disputes and Consumer Due Process Protocol (which are incorporated herein for all purposes). It is intended by the **PARTIES** that these Arbitration Provisions meet and include all fairness standards and principles of the American Arbitration Association's Consumer Due Process Protocol and due process in predispute arbitration. If a **CONSUMER DISPUTE** is for a claim of actual damages above \$250,000 it shall be administered by the AAA before three neutral arbitrators at the request of any **PARTY**.
- (b) Instead of proceeding in arbitration, any **PARTY** hereto may pursue its claim in your local small claims court, if the **CONSUMER DISPUTE** meets the small claims court's jurisdictional limits. If the small claims court option is chosen, the **PARTY** pursuing the claim must contact the small claims court directly. **The PARTIES agree that the class action waiver provision also applies to any CONSUMER DISPUTE brought in small claims court.**
- (c) For any claim for actual damages that does not exceed \$2,500, the Beneficiary will pay all arbitration fees and costs provided you submitted a Notice of Dispute with regard to the **CONSUMER DISPUTE** prior to initiation of arbitration. For any claim for actual damages that does not exceed \$5,000, the Beneficiary also agrees to pay your reasonable attorney's fees and reasonable expenses your attorney charges you in connection with the arbitration (even if the Arbitrator does not award those to you) plus an additional \$2,500 if you obtain a favorable arbitration award for your actual damages which is greater than any written settlement offer for your actual damages made by the Beneficiary to you prior to the selection of the Arbitrator.
- (d) Under the AAA's Supplemental Procedures for Consumer Disputes, if your claim for actual damages does not exceed \$10,000, you shall only be responsible for paying up to a maximum of \$125 in arbitration fees and costs. If your claim for actual damages exceeds \$10,000 but does not exceed \$75,000, you shall only be responsible for paying up to a maximum of \$375 in arbitration fees and costs. For any claim for actual damages that does not exceed \$75,000, the Beneficiary will pay all other arbitrator's fees and costs imposed by the administrator of the arbitration. With regard to a **CONSUMER DISPUTE** for a claim of actual damages that exceeds \$75,000, or if the claim is a non-monetary claim, the Beneficiary agrees to pay all arbitration fees and costs you would otherwise be responsible for that exceed \$1,000. The fees and costs stated above are subject to any amendments to the fee and cost schedules of the AAA. The fee and cost schedule in effect at the time you submit your claim shall apply. The AAA rules also permit you to request a waiver or deferral of the administrative fees and costs of arbitration if paying them would cause you financial hardship.

- (e) Although under some laws, the Beneficiary may have a right to an award of attorney's fees and expenses if it prevails in arbitration, the Beneficiary agrees that it will not seek such an award in a binding arbitration proceeding with regard to a **CONSUMER DISPUTE** for a claim of actual damages that does not exceed \$75,000.
- (f) To request information on how to submit an arbitration claim, or to request a copy of the AAA rules or fee schedule, you may contact the AAA at 1-800-778-7879 (toll free) or at www.adr.org.

III. Provisions applicable only to a **BUSINESS DISPUTE**:

- (a) Any and all **BUSINESS DISPUTES** between the **PARTIES** shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the AAA in effect at the time of filing, as modified by, and subject to, these Arbitration Provisions. A **BUSINESS DISPUTE** for a claim of actual damages that exceeds \$250,000 shall be administered by AAA before at least three (3) neutral arbitrators at the request of any **PARTY**. In the event the aggregate of all affirmative claims asserted exceeds \$500,000, exclusive of interest and attorney's fees, or upon the written request of any **PARTY**, the arbitration shall be conducted under the AAA Procedures for Large, Complex Commercial Disputes. If the payment of arbitration fees and costs will cause you extreme financial hardship you may request that AAA defer or reduce the administrative fees or request the Beneficiary to cover some of the arbitration fees and costs that would be your responsibility.
- (b) The **PARTIES** shall have the right to (i) invoke self-help remedies (such as setoff, notification of account debtors, seizure and/or foreclosure of collateral, and nonjudicial sale of personal property and real property collateral) before, during or after any arbitration, and/or (ii) request ancillary or provisional judicial remedies (such as garnishment, attachment, specific performance, receiver, injunction or restraining order, and sequestration) before or after the commencement of any arbitration proceeding (individually, and not on behalf of a class). The **PARTIES** need not await the outcome of the arbitration proceeding before using self-help remedies. Use of self-help or ancillary and/or provisional judicial remedies shall not operate as a waiver of either **PARTY'S** right to compel arbitration. Any ancillary or provisional judicial remedy which would be available from a court at law shall be available from the Arbitrator. The **PARTIES** agree that the AAA Optional Rules for Emergency Measures of Protection shall apply in an arbitration proceeding where emergency interim relief is requested.
- (c) Except to the extent the recovery of any type or types of damages or penalties may not be waived under applicable law, the Arbitrator shall not have the authority to award either **PARTY** (i) punitive, exemplary, special or indirect damages, (ii) statutory multiple damages, or (iii) penalties, statutory or otherwise.
- (d) The Arbitrator may award attorney's fees and costs including the fees, costs and expenses of arbitration and of the Arbitrator as the Arbitrator deems appropriate to the prevailing **PARTY**. The Arbitrator shall retain jurisdiction over questions of attorney's fees for fourteen (14) days after entry of the decision.

IV. General provisions applicable to both **CONSUMER DISPUTES** and **BUSINESS DISPUTES**:

- (a) The Arbitrator is bound by the terms of these Arbitration Provisions. The Arbitrator shall have exclusive authority to resolve any **DISPUTES** relating to the scope or enforceability of these Arbitration Provisions, including (i) all arbitrability questions, and (ii) any claim that all or a part of these Arbitration Provisions are void or voidable (including any claims that they are unconscionable in whole or in part).
- (b) **These Arbitration Provisions shall survive any termination, amendment, or expiration of this Deed Of Trust, unless all of the PARTIES otherwise expressly agree in writing.**
- (c) If a **PARTY** initiates legal proceedings, the failure of the initiating **PARTY** to request arbitration pursuant to these Arbitration Provisions within 180 days after the filing of the lawsuit shall be deemed a waiver of the initiating **PARTY'S** right to compel arbitration with respect to the claims asserted in the litigation. The failure of the defending **PARTY** in such litigation to request arbitration pursuant to these Arbitration Provisions within 180 days after the defending **PARTY'S** receipt of service of judicial process, shall be deemed a waiver of the right of the defending **PARTY** to compel arbitration with respect to the claims asserted in the litigation. If a counterclaim, cross-claim or third party action is filed and properly served on a **PARTY** in connection with such litigation, the failure of such **PARTY** to request arbitration pursuant to these Arbitration Provisions within ninety (90) days after such **PARTY'S** receipt of service of the counterclaim, cross-claim or third party claim shall be deemed a waiver of such **PARTY'S** right to compel arbitration with respect to the claims asserted therein. The issue of waiver pursuant to these Arbitration Provisions is an arbitrable dispute. Active participation in any pending litigation described above by a **PARTY** shall not in any event be deemed a waiver of such **PARTY'S** right to compel arbitration. All discovery obtained in the pending litigation may be used in any subsequent arbitration proceeding.
- (d) Any **PARTY** seeking to arbitrate shall serve a written notice of intent to any and all opposing **PARTIES** after a **DISPUTE** has arisen. The **PARTIES** agree a timely written notice of intent to arbitrate by either **PARTY** pursuant to these Arbitration Provisions shall stay and/or abate any and all action in a trial court, save and except a hearing on a motion to compel arbitration and/or the entry of an order compelling arbitration and staying and/or abating the litigation pending the filing of the final award of the Arbitrator.
- (e) Any Arbitrator selected shall be knowledgeable in the subject matter of the **DISPUTE** and be licensed to

practice law.

- (f) For a one (1) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrator from the AAA neutral list, such that at least one arbitrator remains after the **PARTIES** exercise all of their respective strikes. For a three (3) member arbitration panel, the **PARTIES** are limited to an equal number of strikes in selecting the arbitrators from the AAA neutral list, such that at least three arbitrators remain after the **PARTIES** exercise all of their respective strikes. After exercising all of their allotted respective strikes, the **PARTIES** shall rank those potential arbitrators remaining numerically in order of preference (with "1" designating the most preferred). The AAA shall review the **PARTIES** rankings and assign a score to each potential arbitrator by adding together the ranking given to such potential arbitrator by each **PARTY**. The arbitrator(s) with the lowest score total(s) will be selected. In the event of a tie or ties for lowest score total and if the selection of both or all of such potential arbitrators is not possible due to the required panel size, the AAA shall select the arbitrator(s) it believes to be best qualified.
- (g) The **PARTIES** and the Arbitrator shall treat all aspects of the arbitration proceedings, including, without limitation, any documents exchanged, testimony and other evidence, briefs and the award, as strictly confidential; provided, however, that a written award or order from the Arbitrator may be filed with any court having jurisdiction to confirm and/or enforce such award or order.
- (h) Any statute of limitation which would otherwise be applicable shall apply to any claim asserted in any arbitration proceeding under these Arbitration Provisions, and the commencement of any arbitration proceeding tolls such statute of limitations.
- (i) If the AAA is unable for any reason to provide arbitration services, then the **PARTIES** agree to select another arbitration service provider that has the ability to arbitrate the **DISPUTE** pursuant to and consistent with these Arbitration Provisions. If the **PARTIES** are unable to agree on another arbitration service provider, any **PARTY** may petition a court of competent jurisdiction to appoint an Arbitrator to administer the arbitration proceeding pursuant to and consistent with these Arbitration Provisions.
- (j) The award of the Arbitrator shall be final and Judgment upon any such award may be entered in any court of competent jurisdiction. The arbitration award shall be in the form of a written reasoned decision and shall be based on and consistent with applicable law.
- (k) Unless the **PARTIES** mutually agree to hold the binding arbitration proceeding elsewhere, venue of any arbitration proceeding under these Arbitration Provisions shall be in the county and state where Beneficiary is located, which is Beneficiary's address set out in Section 1.A. hereof.
- (l) If any of these Arbitration Provisions are held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

JURY WAIVER: IF A DISPUTE BETWEEN YOU AND BENEFICIARY OR TRUSTEE PROCEEDS IN COURT RATHER THAN THROUGH MANDATORY BINDING ARBITRATION, THEN YOU AND BENEFICIARY AND TRUSTEE EACH WAIVE THE RIGHT TO A JURY TRIAL, AND SUCH DISPUTE WILL BE TRIED BEFORE A JUDGE ONLY.

Section 11.

A. Notwithstanding the provision above relating to conducting a foreclosure sale(s) pursuant to the provisions of this Deed Of Trust, the Trustee shall, and is hereby directed to, comply with the provisions of Chapter 51 of the Texas Property Code as it may be amended and in effect as of the date or dates of any foreclosure proceedings conducted pursuant to this Deed Of Trust. Without limiting the generality of the foregoing, the location and time of sale shall be held in accordance with Section 51.002 of the Texas Property Code or successor statute.

B. This Section 11.B shall apply in the event an arbitrator or court of competent jurisdiction determines that the waiver by Grantors set out in Section 3.H above is unenforceable. Grantors stipulate and agree that for purposes of determining the fair market value of the Property (or any portion thereof), as such term is used in Section 51.003 of the Texas Property Code, which is sold at a non-judicial foreclosure sale pursuant to the terms of this Deed Of Trust (and in accordance with Section 51.002 of the Texas Property Code), the following factors shall be used to determine such Property's fair market value, for such purposes: (a) the Property shall be valued "AS IS" without any value being anticipated for any improvements or refurbishing to be conducted, or constructed, after the date of the foreclosure sale, (b) the intention of the purchaser to re-sell the Property promptly, without any extensive holding period, (c) any re-sale shall be for cash only, without financing by the seller, (d) all reasonable costs of closing a re-sale shall be deducted from the estimate of fair market value, such as attorneys' fees, title policy premiums, surveyor fees and expenses, the then prevailing broker's or salesman commission, and unpaid ad valorem tax amounts, and (e) the application of a discount to the value to be applied to any future sales price to arrive at its then current fair market value. Grantors further stipulate that any value given to such Property in connection with Grantors' obtaining of the Loan or at any other time or times, shall not be used and shall not be considered for guidance in determining the fair market value of such Property on the date of any such foreclosure sale.

C. Leasehold Covenants. If the interest of Grantors in the Property is a leasehold interest and not a fee ownership interest, then the lien of this Deed Of Trust shall be upon the leasehold rights and benefits of Grantors, but, in no event shall any of the burdens or obligations under said leasehold be assumed by, or be the obligations of, Beneficiary, absent an express written instrument executed by Beneficiary assuming such obligations, which shall be within the sole discretion of Beneficiary.

D. To the extent Grantors own a leasehold interest in all or any portion of the Property, Grantors hereby covenant and agree as follows:

(a) Grantors will at all times fully perform and comply with all agreements, covenants, terms and conditions imposed upon or assumed by it, as tenant or lessee, under any and all leases affecting the Property (collectively, the "Lease"), true and correct copies of which Grantors shall deliver to Beneficiary, and that if Grantors shall fail to do so, Beneficiary may (but shall not be obligated to) take any action Beneficiary deems necessary or desirable to prevent or to cure any default by Grantors in the performance of or compliance with any of Grantor's covenants or obligations under the Lease. Upon receipt by Beneficiary from the landlord under the Lease of any written notice of default by Grantors thereunder, regardless of whether any default or any written notice of default, or the nature thereof, be questioned or denied by Grantors or by any party on behalf of Grantors, Grantors hereby expressly grant to Beneficiary and agree that Beneficiary shall have the absolute and immediate right to enter in and upon the leased premises or any part thereof that Beneficiary deems necessary or desirable with or without notice in order to prevent or to cure any default by Grantors under the Lease and take any other action that Beneficiary deems necessary or prudent in its sole discretion. Beneficiary may pay and expend such sums of money as Beneficiary in its sole discretion deems necessary for any such purpose, Beneficiary will be fully subrogated to the rights of the landlord under the Lease, and Grantors hereby agree to pay to Beneficiary, immediately upon demand, all such sums so paid and expended by Beneficiary. All sums so paid and expended by Beneficiary shall accrue interest at the prematurity rate of interest set forth in the Note and be added to and be secured by the lien of this Deed Of Trust.

(b) Grantors will not surrender the leasehold estate and interest hereinabove described, nor terminate or cancel the Lease; and Grantors will not, without the express written consent of Beneficiary, modify, change, supplement, alter or amend the Lease either orally or in writing. Any such termination, cancellation, modification, change, supplementation, alteration or amendment of the Lease without the prior written consent thereto by Beneficiary shall be void and of no force and effect. As further security to Beneficiary, Grantors shall deposit with Beneficiary an original of the Lease and all amendments thereto or a certified copy thereof, to be retained by Beneficiary until the Indebtedness secured hereby is fully paid.

(c) No release or forbearance of any of Grantors' obligations under the Lease, pursuant to the Lease or otherwise, shall release Grantors from any of its obligations under this Deed Of Trust, including obligations with respect to the payment of rent as provided for in the Lease and the performance of all of the terms, provisions, covenants, conditions and agreements contained in the Lease to be kept, performed and complied with by Grantors therein.

(d) Unless Beneficiary shall otherwise expressly consent in writing, the fee title to the property demised by the Lease and the leasehold estate shall not merge but shall always remain separate and distinct, notwithstanding the union of said estates either in the landlord or in the tenant, or in a third party by purchase or otherwise.

(e) If there shall be filed by or against Grantors a petition under the United States Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), and Grantors, as lessee under the Lease, shall determine to reject the Lease pursuant to Section 365(a) of the Bankruptcy Code, Grantors shall give Beneficiary not less than thirty (30) days prior notice of the date on which Grantors shall apply to the Bankruptcy Court for authority to reject the Lease. Beneficiary shall have the right, but not the obligation, to serve upon Grantors within such thirty (30) day period a notice stating that (i) Beneficiary demands that Grantors assume and assign the Lease to Beneficiary pursuant to Section 365 of the Bankruptcy Code, and (ii) Beneficiary covenants to cure or provide adequate assurance of prompt cure of all defaults and provide adequate assurance of future performance under the Lease. If Beneficiary serves upon Grantors the notice described in the preceding sentence, Grantors shall not seek to reject the Lease, and Grantors shall comply with the demand provided for in the clause (i) of the preceding sentence within thirty (30) days after such notice shall have been given, subject to the performance by Beneficiary of the covenant provided for in clause (ii) of the preceding sentence. Further, effective upon the entry of an order for relief in respect of Grantors under Chapter 7 of the Bankruptcy Code, Grantors hereby assign and transfer to Beneficiary a non-exclusive right to apply to the Bankruptcy Court under Subsection 365(d)(1) of the Bankruptcy Code for an order extending the period during which the Lease may be rejected or assumed.

Section 12. Swap Transactions. As used in the paragraph, the term "Lender" means Beneficiary. Without limiting the generality of any other provisions of this Deed Of Trust, Grantors and Lender agree that the following obligations of Grantors are secured by this Deed Of Trust and constitute "Indebtedness", as that term is used in this Deed Of Trust: (i) any and all obligations, contingent or otherwise, whether now existing or hereafter arising, of the Grantors to Lender or any Lender Affiliate (as hereinafter defined) arising under or in connection with any Swap Transaction, and (ii) any Swap Related Loss (as defined in the Note) that becomes due and payable in accordance with the terms of the Note. The term "Swap Transaction", as used herein, means (i) any transaction evidenced by one or more agreements now existing or hereafter entered into between Grantors and Lender and/or any financial institution affiliated with International BancShares Corporation (a "Lender Affiliate") which is a rate swap, swap option, interest rate option or other financial instrument or interest (including an option with respect to any such transaction), (ii) any type of transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, recurrently entered into in the financial markets and which is a forward swap, future, option or other derivative on one or more rates, or any combination of the foregoing transactions, or (iii) any transaction that is similar to any transaction referred to in clause (i) or (ii) above except that it is between Lender or a Lender Affiliate and any party or entity other than Grantors and it is entered into by Lender or such Lender Affiliate on account of a corresponding Swap Transaction that is described in clause (i) or (ii) above. The occurrence or existence of any default, event of default or other similar condition or event (however described) on the part of Grantors arising under or with respect to any Swap Transaction shall constitute an Event of Default under this Deed Of Trust.

Section 13.

NO ORAL AGREEMENTS

THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Dated this 8 day of April, 2024

GRANTOR(S):

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 
Name: Sergio Esteban Sandoval Garcia
Title: President


Address: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041

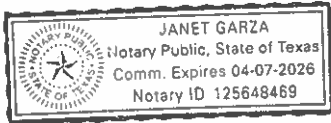
CORPORATION ACKNOWLEDGEMENT

STATE OF Texas

COUNTY OF WEBB

This instrument was acknowledged before me on the 8th day of April, 2024, by Sergio Esteban Sandoval Garcia, President of Corintios Construction & Design, Incorporated, A Texas Corporation, on behalf of said corporation.


Notary Public, State of Texas
My Commission Expires: 04/07/2026
Commission No. 125648469



After recording, return to Beneficiary, at its mailing address, as follows:

International Bank of Commerce
1200 San Bernardo Avenue
Laredo, Texas 78040

ADDENDUM TO DEED OF TRUST DATED APRIL 8th, 2024 EXECUTED BY CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED, A TEXAS CORPORATION, TO DENNIS NIXON AS TRUSTEE FOR THE INTERNATIONAL BANK OF COMMERCE AND SECURING THE PAYMENT OF A NOTE OF EVEN DATE HERewith IN THE ORIGINAL PRINCIPAL SUM OF \$344,000.00 EXECUTED BY CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED AND PAYABLE TO THE ORDER OF THE INTERNATIONAL BANK OF COMMERCE

ADDITIONAL PROVISIONS REGARDING ASSIGNMENT OF RENT, INCOME AND RECEIPTS CLAUSE CONTAINED IN THIS DEED OF TRUST:

Grantor shall act as Beneficiary's licensee and shall collect rent and other income and receipts. Upon receipt of a notice from Beneficiary that each such Tenant/Lessee under the Lease is directed to pay to Beneficiary all rents thereafter accruing (a "Lessee Notice") each Tenant/Lessee under the Lease(s) is hereby authorized and directed to pay directly to Beneficiary all rents thereafter accruing and the receipt of rents by Beneficiary shall be a release of such Tenant/Lessee to the extent of all amounts so paid. The receipt by a Tenant/Lessee under the Lease(s) of a Lessee Notice shall be sufficient authorization for such Tenant/Lessee to make all future payments of rents directly to Beneficiary and each such Tenant/Lessee shall be entitled to rely on such Lessee Notice and shall have no liability to Grantor for any rents paid to Beneficiary after receipt of such Lessee Notice. As between Grantor and Beneficiary and any person claiming through or under Grantor, other than any Tenant/Lessee under the Lease(s) who has not received a Lessee Notice, this Assignment is intended to be absolute, unconditional and presently effective (and not an assignment for additional security), and the Lessee Notice hereof is intended solely for the benefit of each such Tenant/Lessee and shall never inure to the benefit of Grantor or any person claiming through or under Grantor, other than a Tenant/Lessee who has not received such notice. It shall never be necessary for Beneficiary to institute legal proceedings of any kind whatsoever to enforce the provisions of this Assignment. Grantor SHALL HAVE NO RIGHT OR CLAIM AGAINST ANY TENANT/LESSEE FOR THE PAYMENT OF ANY RENTS TO BENEFICIARY HEREUNDER, AND GRANTOR HEREBY INDEMNIFIES AND AGREES TO HOLD FREE AND HARMLESS EACH TENANT/LESSEE FROM AND AGAINST ALL LIABILITY, LOSS, COST, DAMAGE OR EXPENSE SUFFERED OR INCURRED BY SUCH TENANT/LESSEE BY REASON OF SUCH TENANT'S AND/OR LESSEE'S COMPLIANCE WITH ANY DEMAND FOR PAYMENT OF RENTS MADE BY BENEFICIARY CONTEMPLATED BY THIS ASSIGNMENT.

International Bank of Commerce
("Lender")

IBOC Rev.06/05

Laredo, Texas, U.S.A.

Laredo, Texas, U.S.A.

PROMISSORY NOTE
PAGARE

Fecha: 8 de abril de 2024
Cantidad: \$344,000.00

(Dolares)

Date: April 8, 2024
Amount: \$344,000.00

(U.S. Dollars)

Por medio de este PAGARE prometemos incondicionalmente pagar a la orden de International Bank of Commerce en su domicilio, 1200 San Bernardo Avenue, Laredo, Webb County, Texas 78040 la cantidad de TresCientos Cuarenta y Cuatro Mil con 00/100 Dólares en dinero legal de los Estados Unidos de América.

Este PAGARE deberá ser pagadero tal como sigue:

8 pagos mensuales consecutivos de intereses sobre saldos insolutos cada uno, debiéndose efectuar el primero de dicho pagos el 8 de mayo de 2024 y los restantes cada día 4 del mes y un pago final del saldo del capital mas intereses acumulados con vencimiento y pagadero el 8 de enero de 2025.

El saldo restante del capital de este PAGARE devengará intereses a partir de la fecha del adelanto del capital a una tasa del 9.50% por ciento anual sobre saldos insolutos.

El interés se calcula sobre un factor de 360 días aplicado a un año de 365 días, o a un año de 366 días en caso de que sea un año bisiesto, sobre el capital insoluto a la fecha de cada pago parcial.

Hasta donde lo permita la ley, como pena convencional por pago tardío de este PAGARE, el Tenedor podrá bajo su única discreción ya sea (i) incrementar la tasa de interés sobre la porción del capital de cualquier pago que no haya sido recibido a la fecha de vencimiento, a la tasa de 17.75% anual, calculada sobre una base de calendario anual a partir de la fecha de vencimiento y hasta recibir el pago, o (ii) en caso de que cualquier pago se realice con más de diez (10) días de retraso, el Deudor deberá pagar una única vez "un cargo moratorio" por pago tardío igual al cinco por ciento (5%) de la cantidad del capital vencido y el interés de dicho pago, con un mínimo de \$10.00 y un máximo de \$1,500 Dólares por pago tardío. El "Cargo Moratorio" podrá aplicarse, sin previo aviso, y se hará efectivo y pagadero inmediatamente.

Cada pago, al amparo de este PAGARE, deberá ser aplicado en su fecha de vencimiento en el orden en el que el Tenedor a su entera discreción elija, en lo que respecta a los intereses normales, moratorios, pena convencional y capital.

La falta de pago oportuno de cualquier parte de este PAGARE, incluyendo capital, intereses normales, intereses moratorios o pena convencional causará que el saldo insoluto de este PAGARE venza en su totalidad a elección del Tenedor, sin necesidad de dar aviso al Deudor.

Todos los pagos de capital, intereses normales, moratorios o pena convencional deberán realizarse en moneda de los Estados Unidos de América en fondos de disponibilidad inmediata libres de todo impuesto u otra deducción impuesta o incurrida por cualquier entidad doméstica o extranjera.

Hasta donde lo permita la ley, todas las cantidades no pagadas oportunamente en este PAGARE causarán interés a la tasa de 17.75 por ciento anual calculada en base a un calendario de 365 días, o a un año de 366 días en caso de sea un año bisiesto.

En caso del inicio de una acción para exigir judicialmente el pago de este PAGARE, y del interés acumulado y no pagado y/o cargos moratorios, si existiesen, cada Deudor acepta pagar la cantidad adicional por gastos de honorarios de abogados que la corte asigne razonablemente. Los Deudores por medio del presente renuncian a su derecho de protestar, demandar, y cualquier u otra notificación de cualesquier tipo o naturaleza.

Por cualquier acción legal o procedimiento con respecto a este PAGARE, el Deudor, el poseedor del presente y otros asignatarios de este PAGARE, expresamente se sometan a cualquier Corte de los Estados Unidos de América, o las Cortes de la ciudades de Nuevo Laredo, Reynosa y Matamoros, Tamaulipas, y renuncian a cualquier otra jurisdicción a la que pudieran tener derecho, incluyendo la Jurisdicción por razón de su presente o futuro domicilio o por razón del lugar de pago de este PAGARE.

Este PAGARE ha sido ejecutado tanto en versiones de Inglés como en Español, ambas cuales son obligatorias a las partes, siempre y cuando, que en caso de duda en cuanto a la interpretación apropiada y a la construcción del PAGARE, el texto en Inglés será el controlador en todos los casos, excepto que el texto en Español será el controlador en cualquier acción legal o procedimiento interpuesto con respecto a este PAGARE en las cortes los Estados Unidos Mexicanos o cualquier subdivisión política de los mismos.

Toda diligencia, presentación, demanda, protesto o aviso de falta de pago o de rechazo de este PAGARE quedan en este acto renunciados.

By means of this PROMISSORY NOTE, we promise unconditionally to pay to the order of International Bank of Commerce at its address 1200 San Bernardo Avenue, Laredo, Webb County, Texas 78040 the sum of Three Hundred Forty-Four Thousand Dollars and No Cents in legal and lawful money of the United States of America

This PROMISSORY NOTE shall be payable as follows:

8 payments of interest only beginning May 8, 2024 and continuing at monthly time intervals, thereafter and a final payment of the unpaid principal balance plus accrued and interest due and payable on January 8, 2025.

The outstanding principal amount of this PROMISSORY NOTE shall bear interest from the date of the advance of principal at the rate of 9.50% percent per annum on unpaid principal balances.

The interest is calculated on a 360-day factor applied on a 365-day year, or a 366-day year, in the event that the year is a leap year, on the unpaid principal to the date of each installment paid.

To the extent allowed by law, as the late payment charge under this PROMISSORY NOTE, Lender may in its sole discretion either (i) increase the interest rate on the principal portion of any payment amount that is not received by the payment due date to 17.75 percent per annum, computed on a full calendar year basis from the payment due date until paid, or (ii) should any payment be more than ten (10) days late, Borrower shall pay a one time "late charge" per late payment equal to five percent (5%) of the amount of the past due principal and interest of such payment, with a minimum of \$10.00 and a maximum of \$1,500.00 per late payment. The "late charge" may be assessed without notice, and shall be immediately due and payable.

Each payment shall be applied as of its scheduled due date and in the order of application as the Lender in its sole discretion may from time to time elect.

The failure of Borrower to pay any of the payment(s) of principal or any accrued and unpaid interest or accrued and unpaid late charges, when the same is due and payable shall permit Lender at its option, to accelerate the maturity, without notice to Borrower, of all, or any portion, of the remaining unpaid principal balance outstanding and all accrued and unpaid interest, and all accrued and unpaid late charges under this PROMISSORY NOTE whereupon the same shall be due and payable immediately.

All payments of principal and interest and late charges shall be made in currency of the United States of America in immediately available funds free and clear of all taxes or other deduction levied or assessed by any domestic or foreign entity.

To the extent allowed by law all matured amounts on this PROMISSORY NOTE shall bear interest at the rate of 17.75 percent per annum, calculated on a full 365 day calendar basis, or a 366-day year, in the event the year is a leap year.

In the event of commencement of an action to enforce payment of this PROMISSORY NOTE, and accrued and unpaid interest and/or late charges, if any, each Borrower agrees to pay such additional sum for expenses and attorney's fees as the court may adjudge reasonable. Borrower(s) hereby waive protest, demand, and any or other notice of whatever kind of nature.

For any legal action or proceeding with respect to this PROMISSORY NOTE, the Borrower, the holder hereof and any other signatories of this PROMISSORY NOTE expressly submit themselves to any court of the United States of America, or to the courts of Reynosa, Matamoros, or Nuevo Laredo, Tamaulipas, at the election of the holder hereof, and they waive expressly any other jurisdiction to which they might have a right, including but not limited to, jurisdiction by reason of their present or future domiciles or by reason of the place of payment of this PROMISSORY NOTE.

This PROMISSORY NOTE has been executed in both English and Spanish versions, both of which shall bind the parties provided, however, that in the case of doubt as to the proper interpretation and construction of this PROMISSORY NOTE, the English text shall be controlling in all cases, except that the Spanish text shall be controlling in any legal action or proceeding brought with respect to this PROMISSORY NOTE in the courts of the United Mexican States or any political subdivision thereof.

Diligence, presentment, demand, protest or notice of non-payment or dishonor with respect to this Promissory Note are hereby waived. The failure of the holder hereof to exercise any of its rights hereunder in any

Le falta de ejercicio por el Tenedor de este PAGARE de cualquiera de sus derechos derivados del mismo en cualquier instancia no constituirá una renuncia a tales derechos en esa o en cualquier otra instancia.

instance shall not constitute a waiver thereof in that or any other instance.

Corintios Construction & Design, Incorporated
A Texas Corporation

Por: 
Nombre: Sergio Esteban Sandoval Garcia
Titulo: Resident


Direccion: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041

POR AVAL

GUARANTEE

Por valor recibido Sergio Esteban Sandoval Garcia conjunta y solidariamente garantizo el pronto pago del capital, del interés sobre el mismo, y todas las demás cantidades debidas al amparo del presente PAGARE cuando y como venzan de acuerdo con sus términos y condiciones asimismo en los gastos y honorarios de abogados en que se incurran con motivo del cobro del presente PAGARE, tambien acepto los demas términos del mismo incluyendo la renuncia a toda diligencia, demanda, protesto o aviso de cualquier clase, así como a cualquier requisito de que el Tenedor agote cualquier derecho o siga cualquier acción contra la subscriptora de este PAGARE, igualmente acepto en este acto cualquier prórroga que se otorgue al plazo de pago del mismo o acepto tambien la renovación de este documento.

For value received Sergio Esteban Sandoval Garcia hereby jointly and severally unconditionally guarantee the prompt payment of the principal of, the interest on, and all other amounts due under, including without limitation, expenses of collection and attorney's fees, the foregoing PROMISSORY NOTE when and as due in accordance with its terms, and hereby also accept the other terms thereof, including the waiver of diligence, demand, protest, and every other notice of any kind whatsoever, as well as any requirement that the holder exhaust any right or take any action against the maker of the foregoing Promissory Note and hereby consent to any extensions of time, modifications of terms and/or renewals thereof.


Nombre: Sergio Esteban Sandoval Garcia, Individually

Direccion: C Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

ADDENDUM TO PROMISSORY NOTE
(PAGARE)

Dated April 8, 2024

In the amount of \$344,000.00

This Promissory Note (Pagare) represents one and the same indebtedness described in that certain other Promissory Note of even date and equal amount executed by the undersigned, and is not intended to represent additional or separate indebtedness.

INTERNATIONAL BANK OF COMMERCE

By: _____

Name: Armando Gonzalez
Title: First Vice President

Acknowledgement:

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 
Name: Sergio Esteban Sandoval Garcia
Title: President

Address: 5411 Mcpherson Rd
Suite 102
Larado, Texas 78041

Laredo, Texas, U.S.A.

Laredo, Texas, U.S.A.

PROMISSORY NOTE
PAGARE

Fecha: 8 de abril de 2024
Cantidad: \$344,000.00
(Dolares)

Date: April 8, 2024
Amount: \$344,000.00
(U.S. Dollars)

Por medio de este PAGARE prometemos incondicionalmente pagar a la orden de International Bank of Commerce en su domicilio, 1200 San Bernardo Avenue, Laredo, Webb County, Texas 78040 la cantidad de TresCientos Cuarenta y Cuatro Mil con 00/100 Dólares en dinero legal de los Estados Unidos de América.

By means of this PROMISSORY NOTE, we promise unconditionally to pay to the order of International Bank of Commerce at its address 1200 San Bernardo Avenue, Laredo, Webb County, Texas 78040 the sum of Three Hundred Forty-Four Thousand Dollars and No Cents in legal and lawful money of the United States of America.

Este PAGARE deberá ser pagadero tal como sigue:

This PROMISSORY NOTE shall be payable as follows:

8 pagos mensuales consecutivos de intereses sobre saldos insolutos cada uno, debiéndose efectuar el primero de dicho pagos el 8 de mayo de 2024 y los restantes cada día 4 del mes y un pago final del saldo del capital mas intereses acumulados con vencimiento y pagadero el 8 de enero de 2025.

8 payments of interest only beginning May 8, 2024 and continuing at monthly time intervals, thereafter and a final payment of the unpaid principal balance plus accrued and interest due and payable on January 8, 2025.

El saldo restante del capital de este PAGARE devengará intereses a partir de la fecha del adelanto del capital a una tasa del 9.50% porciento anual sobre saldos insolutos.

The outstanding principal amount of this PROMISSORY NOTE shall bear interest from the date of the advance of principal at the rate of 9.50% percent per annum on unpaid principal balances.

El interés se calcula sobre un factor de 360 días aplicado a un año de 365 días, o a un año de 366 días en caso de que sea un año bisiesto, sobre el capital insóluto a la fecha de cada pago parcial.

The interest is calculated on a 360-day factor applied on a 365-day year, or a 366-day year, in the event that the year is a leap year, on the unpaid principal to the date of each installment paid.

Hasta donde lo permita la ley, como pena convencional por pago tardío de este PAGARE, el Tenedor podrá bajo su única discreción ya sea (i) Incrementar la tasa de interés sobre la porción del capital de cualquier pago que no haya sido recibido a la fecha de vencimiento, a la tasa de 17.75% anual, calculada sobre una base de calendario anual a partir de la fecha de vencimiento y hasta recibir el pago, o (ii) en caso de que cualquier pago se realice con más de diez (10) días de retraso, el Deudor deberá pagar una única vez "un cargo moratorio" por pago tardío igual al cinco porciento (5%) de la cantidad del capital vencido y el interés de dicho pago, con un mínimo de \$10.00 y un máximo de \$1,500 Dolares por pago tardío. El "Cargo Moratorio" podrá aplicarse, sin previo aviso, y se hará efectivo y pagadero inmediatamente.

To the extent allowed by law, as the late payment charge under this PROMISSORY NOTE, Lender may in its sole discretion either (i) increase the interest rate on the principal portion of any payment amount that is not received by the payment due date to 17.75 percent per annum, computed on a full calendar year basis from the payment due date until paid, or (ii) should any payment be more than ten (10) days late, Borrower shall pay a one time "late charge" per late payment equal to five percent (5%) of the amount of the past due principal and interest of such payment, with a minimum of \$10.00 and a maximum of \$1,500.00 per late payment. The "late charge" may be assessed without notice, and shall be immediately due and payable.

Cada pago, al amparo de este PAGARE, deberá ser aplicado en su fecha de vencimiento en el orden en el que el Tenedor a su entera discreción elija, en lo que respecta a los intereses normales, moratorios, pena convencional y capital.

Each payment shall be applied as of its scheduled due date and in the order of application as the Lender in its sole discretion may from time to time elect.

La falta de pago oportuno de cualquier parte de este PAGARE, incluyendo capital, intereses normales, intereses moratorios o pena convencional causará que el saldo insóluto de este PAGARE venza en su totalidad a elección del Tenedor, sin necesidad de dar aviso al Deudor.

The failure of Borrower to pay any of the payment(s) of principal or any accrued and unpaid interest or accrued and unpaid late charges, when the same is due and payable shall permit Lender at its option, to accelerate the maturity, without notice to Borrower, of all, or any portion, of the remaining unpaid principal balance outstanding and all accrued and unpaid interest, and all accrued and unpaid late charges under this PROMISSORY NOTE whereupon the same shall be due and payable immediately.

Todos los pagos de capital, intereses normales, moratorios o pena convencional deberán realizarse en moneda de los Estados Unidos de América en fondos de disponibilidad inmediata libres de todo impuesto u otra deducción impuesta o incurrida por cualquier entidad doméstica o extranjera.

All payments of principal and interest and late charges shall be made in currency of the United States of America in immediately available funds free and clear of all taxes or other deduction levied or assessed by any domestic or foreign entity.

Hasta donde lo permita la ley, todas las cantidades no pagadas oportunamente en este PAGARE causarían interés a la tasa de 17.75 porciento anual calculada en base a un calendario de 365 días, o a un año de 366 días en caso de sea un año bisiesto.

To the extent allowed by law all matured amounts on this PROMISSORY NOTE shall bear interest at the rate of 17.75 percent per annum, calculated on a full 365 day calendar basis, or a 366-day year, in the event the year is a leap year.

En caso del inicio de una acción para exigir judicialmente el pago de este PAGARE, y del interés acumulado y no pagado y/o cargos moratorios, si existiesen, cada Deudor acepta pagar la cantidad adicional por gastos de honorarios de abogados que la corte asigne razonablemente. Los Deudores por medio del presente renuncian a su derecho de protestar, demandar, y cualquier u otra notificación de cualesquier tipo o naturaleza.

In the event of commencement of an action to enforce payment of this PROMISSORY NOTE, and accrued and unpaid interest and/or late charges, if any, each Borrower agrees to pay such additional sum for expenses and attorney's fees as the court may adjudge reasonable. Borrower(s) hereby waive protest, demand, and any or other notice of whatever kind of nature.

Por cualquier acción legal o procedimiento con respecto a este PAGARE, el Deudor, el poseedor del presente y otros asignatarios de este PAGARE, expresamente se sometan a cualquier Corte de los Estados Unidos de América, o las Cortes de la ciudades de Nuevo Laredo, Reynosa y Matamoros, Tamaulipas, y renuncian a cualquier otra jurisdicción a la que pudieran tener derecho, incluyendo la jurisdicción por razón de su presente o futuro domicilio o por razón del lugar de pago de este PAGARE.

For any legal action or proceeding with respect to this PROMISSORY NOTE, the Borrower, the holder hereof and any other signatories of this PROMISSORY NOTE expressly submit themselves to any court of the United States of America, or to the courts of Reynosa, Matamoros, or Nuevo Laredo, Tamaulipas, at the election of the holder hereof, and they waive expressly any other jurisdiction to which they might have a right, including but not limited to, jurisdiction by reason of their present or future domiciles or by reason of the place of payment of this PROMISSORY NOTE.

Este PAGARE ha sido ejecutado tanto en versiones de Inglés como en Español, ambas cuales son obligatorias a las partes, siempre y cuando, que en caso de duda en cuanto a la interpretación apropiada y a la construcción del PAGARE, el texto en Inglés será el controlador en todos los casos, excepto que el texto en Español será el controlador en cualquier acción legal o procedimiento interpuesto con respecto a este PAGARE en las cortes los Estados Unidos Mexicanos o cualquier subdivisión política de los mismos.

This PROMISSORY NOTE has been executed in both English and Spanish versions, both of which shall bind the parties provided, however, that in the case of doubt as to the proper interpretation and construction of this PROMISSORY NOTE, the English text shall be controlling in all cases, except that the Spanish text shall be controlling in any legal action or proceeding brought with respect to this PROMISSORY NOTE in the courts of the United Mexican States or any political subdivision thereof.

Toda diligencia, presentación, demanda, protesto o aviso de falta de pago o de rechazo de este PAGARE quedan en este acto renunciados.

Diligence, presentment, demand, protest or notice of non-payment or dishonor with respect to this Promissory Note are hereby waived. The failure of the holder hereof to exercise any of its rights hereunder in any

La falta de ejercicio por el Tenedor de este PAGARE de cualquiera de sus derechos derivados del mismo en cualquier instancia no constituirá una renuncia a tales derechos en esa o en cualquier otra instancia.

instance shall not constitute a waiver thereof in that or any other instance.

Corintios Construction & Design, Incorporated
A Texas Corporation

Por: 
Nombre: Sergio Esteban Sandoval Garcia
Título: President

Dirección: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041

POR AVAL

GUARANTEE

Por valor recibido Sergio Esteban Sandoval Garcia conjunta y solidariamente garantizo el pronto pago del capital, del interés sobre el mismo, y todas las demás cantidades debidas al amparo del presente PAGARE cuando y como venzan de acuerdo con sus términos y condiciones asimismo en los gastos y honorarios de abogados en que se incurran con motivo del cobro del presente PAGARE, tambien acepto los demas términos del mismo incluyendo la renuncia a toda diligencia, demanda, protesto o aviso de cualquier clase, asi como a cualquier requisito de que el Tenedor agote cualquier derecho o siga cualquier acción contra la subscriptora de este PAGARE, igualmente acepto en este acto cualquier prórroga que se otorgue al plazo de pago del mismo o acepto tambien la renovación de este documento.

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Nombre: Sergio Esteban Sandoval Garcia, Individually

Dirección: C Oceano Atlántico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

ADDENDUM TO PROMISSORY NOTE
(PAGARE)

Dated April 8, 2024

In the amount of \$344,000.00

This Promissory Note (Pagare) represents one and the same indebtedness described in that certain other Promissory Note of even date and equal amount executed by the undersigned, and is not intended to represent additional or separate indebtedness.

INTERNATIONAL BANK OF COMMERCE

By: _____

Name: Armando Gonzalez
Title: First Vice President

Acknowledgement:

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 
Name: Sergio Esteban Sandoval Garcia
Title: President

Address: 5411 Mcpherson Rd
Suite 102
Larado, Texas 78041

**INTERNATIONAL BANK
OF COMMERCE**

**AVISO
INEXISTENCIA DE CONVENIOS VERBALES**

Estimado Cliente:

Por una consideración buena y valiosa, el recibo de la cual se acuse el presente, acordamos lo siguiente:

Si la cantidad en sus Contratos de Prestamos excede de \$50,000.00 en valor, la ley de Texas requiere que se le notifique lo siguiente:

LOS CONTRATOS DE PRESTAMOS POR ESCRITO REPRESENTAN EL ACUERDO FINAL ENTRE LAS PARTES Y NO PODRÁN SER IMPUGNADOS POR PRUEBA DE LA EXISTENCIA DE CONVENIOS VERBALES ANTERIORES, CONTEMPORÁNEOS O SUBSECUENTES ENTRE LAS PARTES.

NO EXISTEN CONVENIOS VERBALES ENTRE LAS PARTES QUE NO ESTÉN ESTIPULADOS POR ESCRITO.

Los "Contratos de Prestamos" arriba mencionados incluyen cualesquiera o todas las promesas de pago, pagares, convenios, garantías, prendas, escrituras de fideicomiso u otros documentos, o compromisos, o cualquier combinación de esas acciones o documentos que usted pueda haber firmado o recibido en relación a su transacción con el Banco. Este aviso no es aplicable a ninguna tarjeta de crédito, tarjeta de cuenta o cuenta de crédito abierto (tal como se define ese termino en el Artículo 301.001, de los Códigos Financieros de Texas) destinada principalmente para uso personal, familiar o domestico.

Fecha en que se otorga este aviso: 8 de abril de 2024

Numero del Préstamo u Otro Numero de Referencia: 2180040962

Descripción del Pagare:

- (1) Cantidad del Documento: \$344,000.00
- (2) Fecha del Documento: 8 de abril de 2024

Si esta transacción no esta relacionada con un Pagare:

- (1) Nombre del documento significativo:
- (2) Fecha del documento significativo:

DEUDOR(ES) / OBLIGADO(S) / PRESTATARIO(S) / OTORGANTE(S):

Corintios Construction & Design, Incorporated
A Texas Corporation

Por: 
Nombre: Sergio Esteban Sandoval Garcia
Titulo: President

Direccion: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041

AVAL(ES):


Nombre: Sergio Esteban Sandoval Garcia, Individually

Direccion: C Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

SECURED PARTY:

International Bank of Commerce

Por: _____
Nombre: Armando Gonzalez
Titulo: First Vice President



8 de abril de 2024

Corintios Construction & Design, Incorporated
5411 Mcpherson Rd
Suite 102
Laredo, TX, 78041, United States

Estimado Cliente:

Con fecha del 8 de abril de 2024, el International Bank of Commerce le concedio un prestamo por la cantidad de \$344,000.00 dolares.

Los intereses en dicho prestamo se cobraran al 0.00% sobre la tasa preferencial del International Bank of Commerce. Esta tasa podra cambiar cada vez que cambia la tasa de interes del International Bank of Commerce sin exceder la tasa maxima permitida por las leyes del Estado de Texas exceder 17.75% siendo el minimo 8.75%.

Se entiende que los intereses moratorios se cobraran a la tasa maxima permitida por las leyes del Estado de Texas.

Atentamente,

Armando Gonzalez
First Vice President

ACEPTADO POR:

Corintios Construction & Design, Incorporated
A Texas Corporation

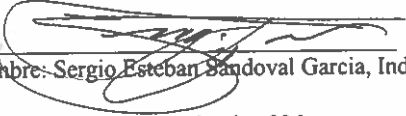
Por: 

Nombre: Sergio Esteban Sandoval Garcia

Titulo: President

Direccion: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041

AVAL (ES):



Nombre: Sergio Esteban Sandoval Garcia, Individually

Direccion: C Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

AFFIDAVIT OF COMMENCEMENT

STATE OF TEXAS §

COUNTY OF WEBB §

BEFORE ME, a Notary Public in and for the State of Texas, on this day personally appeared SERGIO ESTEBAN SANDOVAL GARCIA, as the President of Corintios Construction & Design, Incorporated, a Texas Corporation, and after having been by me duly sworn on oath stated as follows:

1. Corintios Construction & Design, Incorporated is the owner of the following described real property (the "Property"):

Situated in Webb County, Texas, and being the South 37.23 feet of Lot Number One (1) and the North One-Half of Lot Number Eight (N. 1/2 of 8), in Block Number Three Hundred Thirty-Five (335), Eastern Division, situated in the City of Laredo, as per the original map of plat of said City.

2. Corintios Construction & Design, Incorporated intends to construct an apartment complex on the Property.

3. The construction of the apartment complex has not commenced and as of this date no labor, materials or services have been provided in connection with the construction of the residences.

4. Corintios Construction & Design, Incorporated intends to commence construction of the apartment complex on _____, 2024, which date of inception is and shall be the commencement date of the construction of the apartment complex.

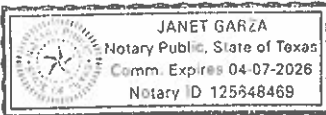
5. This Affidavit is executed and filed for record in order to comply with the requirements of Section 53.124 of the Texas Property Code in order to establish the date of the inception of any lien for labor, materials, or services provided in connection with the construction of the residences.

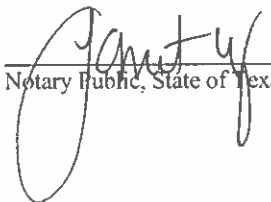
CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED,
A TEXAS CORPORATION

BY:


SERGIO ESTEBAN SANDOVAL GARCIA,
PRESIDENT

SWORN TO AND SUBSCRIBED BEFORE ME this 8th day of April, 2024 by Sergio Esteban Sandoval Garcia as the President of Corintios Construction & Design, Incorporated, a Texas Corporation, on behalf of said Corporation.

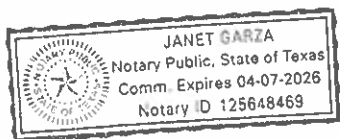



Notary Public, State of Texas

STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me on April 8th, 2024 by Sergio Esteban Sandoval Garcia, as the President of Corintios Construction & Design, Incorporated, a Texas Corporation, on behalf of said Corporation.




Notary Public, State of Texas

GUARANTY AGREEMENT



International Bank of Commerce

Date	Officer	Initial
4/ 8/2024	Armando Gonzalez	

Guarantor(s): Sergio Esteban Sandoval Garcia

Lender: International Bank of Commerce

This Guaranty Agreement (referred to herein as the "Guaranty" or the "Agreement") is made by the undersigned (referred to herein as "Guarantor" or "Guarantors", whether one or more) for the benefit of International Bank of Commerce, 1200 San Bernardo Avenue, Laredo, Texas 78040 ("Lender"). This Guaranty relates to the indebtedness and other obligations described below of Corintios Construction & Design, Incorporated ("Borrower", whether one or more).

1. **Guarantee.** Guarantors, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, do hereby, jointly and severally, unconditionally guarantee and promise to pay to Lender, its successors and assigns, in currency which is legal tender in the United States of America,

(a) the full, punctual and prompt payment of the Guaranteed Indebtedness (defined below), together with interest thereon from the date such indebtedness is due until paid at the rate of interest specified in the promissory note(s) and/or other instruments or documents that evidence such indebtedness, and

(b) the performance and discharge of the obligations of Borrower specified and under any and all promissory notes, deeds of trust, security agreements, letters of credit, and all other documents and instruments (the "Security Instruments") executed by Borrower and/or other parties in connection with the Guaranteed Indebtedness. This Guaranty is an absolute and continuing unconditional guaranty of payment and not of collectability.

2. **Guaranteed Indebtedness.** The term "Guaranteed Indebtedness" shall mean all liabilities and obligations of Borrower (or any of them if more than one) to Lender, whether immediate or remote, now existing or hereafter created or arising, due or to become due, direct or indirect, absolute or contingent, and whether joint, several, or joint and several, as to outstanding unpaid principal, all accrued and unpaid interest, all accrued and unpaid late charges, attorney's fees, collection costs and all other sums owing by Borrower (or any of them if more than one) to Lender, including but not limited to:

- (a) any and all commercial loan or indebtedness;
- (b) any and all credit card or other consumer type of loan;
- (c) any and all indebtedness relating to checking or savings accounts (overdrafts, interest, fees, etc.);
- (d) any and all expenses incurred in the protection or maintenance of the Collateral (defined below);
- (e) any and all expenses incurred in the collection of any obligation of the Borrower (or any of them, if more than one) to Lender whether arising out of this Guaranty or otherwise;
- (f) any and all letters of credit and/or indebtedness arising out of, or advanced to pay, letter of credit transactions;
- (g) any and all indebtedness, however evidenced, whether by promissory note, bookkeeping entry, electronic transfer, checks, drafts or other items, or by any other manner or form;
- (h) any and all other indebtedness of Borrower (or any of them, if more than one) to any member bank or branch bank of International BancShares Corporation, jointly and/or severally, and in any capacity, whether as borrower, guarantor, or otherwise, now or hereafter owing, created and/or arising, and regardless of how evidenced or arising;
- (i) any and all extensions, modifications, substitutions and/or renewals of any and all of such indebtedness;
- (j) any and all costs incurred by Lender to obtain, preserve and enforce this Agreement, collect the Guaranteed Indebtedness, and maintain and preserve any Collateral (defined below), including without limitation, all taxes, assessments, attorneys' fees and legal expenses, and expenses of sale; and/or
- (k) any and all of the foregoing that arises after the filing of a petition in bankruptcy by or against Borrower under the United States Bankruptcy Code, even if the obligations do not accrue because of the automatic stay under Section 362 of the United States Bankruptcy Code 362 or otherwise.

By execution of this Agreement, Guarantors expressly covenant that Guarantors understand that this Guaranty will guarantee the obligation of all present and future indebtedness of Borrower (and any one of them if more than one) regardless of the fact that said other indebtedness may be of a different class and may have been incurred for a different purpose and may be totally unrelated to the purpose of the loan made or advanced at the time of the execution by Guarantors of this Agreement.

3. **Guaranty Terms.** This Agreement is subject to the following terms:

(a) Guarantors agree that Lender may renew, modify, rearrange or extend from time to time, the time, manner, place or terms of payment of the Guaranteed Indebtedness or any renewals, modifications, rearrangements, or extensions thereof without notice thereof to Guarantors and Guarantors hereby consent to such action, and/or Lender may supplement, change, amend, substitute, modify or alter the Guaranteed Indebtedness and/or any present and future Security Instruments without in any way changing, releasing or discharging Guarantors from any liability and/or obligation hereunder;

(b) Guarantors agree that notice of acceptance of this Agreement by Lender is not expected or desired and Guarantors waive, to the greatest extent permitted by law (i) notice of acceptance by Lender of this Agreement; (ii) demand for overdue payments, notice of intention to accelerate and notice of actual acceleration, presentment, demand for payment, protest and notice of protest, nonpayment, default or dishonor of the Guaranteed Indebtedness or any renewal, modification, or extension thereof; (iii) any and all rights under Section 34.02(a) of the Texas Business and Commerce Code (the "BCC"), as the same may be amended from time to time (or any similar statute of the Governing State if the Governing State is not Texas) to require Lender to sue or otherwise proceed against Borrower on the Guaranteed Indebtedness; and (iv) the discharge provisions of Section 34.02(b) of the BCC, as the same may be amended from time to time (or any similar statute of the Governing State if the Governing State is not Texas); (v) the provisions of Section 34.03 of the BCC, as the same may be amended from time to time (or any similar statute of the Governing State if the Governing State is not Texas) which require a levy of execution to be made against the principal's property first so that pursuant to this waiver, levy can be made against the Guarantors' property prior to or with Borrower's property, and (vi) any and all rights under Sections 51.003, 51.004, and 51.005 of the Texas Property Code (including without limitation the right to raise or assert as an affirmative defense the statute of limitations set out in Section 51.003), as the same may be amended from time to time (or any similar statute of the Governing State if the Governing State is not Texas);

(c) Lender has the right, but not the obligation, at any time and from time to time, without prejudice to any claim against Guarantors hereunder, and without notice to Guarantors, to: (i) exchange, release or surrender all or any part of the properties, real or personal (the "Collateral") which secure payment of the Guaranteed Indebtedness, (ii) sell all or part of the Collateral in accordance with the terms and provisions of any of the Security Instruments and become the purchaser or owner thereof as permitted by law, (iii) settle or compromise with the Borrower, or any other person primarily or secondarily liable with the Borrower, including any other guarantor of the Guaranteed Indebtedness, in whole or in part, and all renewals

and extensions thereof, but without waiving Lender's rights to any and all deficiencies on said Guaranteed Indebtedness, if any, and (iv) perform or attempt to perform, partially or fully, any or all of the obligations guaranteed hereunder;

(d) No failure, omission or delay on the part of Lender in exercising any rights hereunder or in taking any action to collect or enforce payment of any obligations to which this Guaranty applies or in enforcing observance or performance of any agreement, covenant, term or condition to be performed or observed under the Security Instruments, either against the Borrower or any other person primarily or secondarily liable with the Borrower, shall operate as a waiver of any such right or in any manner prejudice the rights of Lender against Guarantors;

(e) Guarantors waive any right to require Lender to first (i) proceed against the Borrower or endorsers, (ii) proceed against, sell or exhaust any Collateral, or (iii) pursue any other remedy that Lender has or to which it may be entitled, before pursuing any remedy directly against any Guarantor, and Guarantors further waive any and all rights, claims or defenses under 12 Oklahoma Statutes Section 686 (or any similar statute of the Governing State, if the Governing State is not Oklahoma), and all suretyship defenses of any nature whatsoever;

(f) Suit or an arbitration proceeding may be brought against the Guarantors and/or against any other person or entity obligated on the Guaranteed Indebtedness, whether by separate guaranty agreement, or otherwise, jointly and severally, and against any one or more of them, less than all, without impairing the rights of the Lender, its successors or assigns, against the other Guarantors, and the Lender may compromise with any one of the Guarantors for such sum or sums as it may see fit and release such of the Guarantors from all further liability to the Lender for such indebtedness without impairing the right of the Lender to demand and collect the balance of such Guaranteed Indebtedness from others of the Guarantors not so released, but it is agreed among the Guarantors themselves, however, that such compromise and release shall not impair the rights of the Guarantors among themselves and will not impair any of the Lender's rights against the Borrower to recover the Guaranteed Indebtedness to include the Lender's right, at its option, to proceed against the Borrower or any Guarantor for a deficiency judgment;

(g) The liability of Guarantors shall not be discharged, impaired or affected in any way by, and shall remain and continue in full force and effect notwithstanding (i) the non-liability of the Borrower for any reason whatsoever for the payment of the Guaranteed Indebtedness or any part thereof, save and except actual payment of the Guaranteed Indebtedness, (ii) the voluntary or involuntary liquidation, dissolution, reorganization, rearrangement, recomposition or readjustment of Borrower, or any similar proceeding affecting Borrower or any of Borrower's assets, (iii) the sale of all or substantially all of the Collateral for the benefit of creditors, (iv) the total or partial release of the Borrower from the observance of any of the agreements, covenants, terms or conditions contained in the Security Instruments by agreement of Lender and/or by operation of law, or (v) any defenses or rights of set-off or counterclaims which Borrower may have or assert, (vi) the transfer by the Borrower of all or any portion of the real or personal property described in the Security Instruments securing the repayment of all or any portion of the Guaranteed Indebtedness, or (vii) any and all defenses (other than the full payment of the Guaranteed Indebtedness in accordance with the terms hereof) that the Guarantors may or might have as to Guarantors' respective undertakings, liabilities and obligations hereunder, each and every such defense being hereby waived by the Guarantors;

(h) Until the Guaranteed Indebtedness has been paid in full to Lender, Guarantors hereby (i) waive and release any right of subrogation Guarantors have or to which Guarantors may be entitled (in and to the benefit of any security which Lender may at any time hold in connection with the Guaranteed Indebtedness), (ii) agree not to accept distributions, payment or satisfaction of any kind from Borrower; and (iii) expressly subordinate their rights to payment of any indebtedness owing from Borrower to Guarantors, whether now existing or arising at any time in the future, to the prior right of Lender to receive or require payment in full of the Guaranteed Indebtedness, including interest accruing on the Guaranteed Indebtedness, after any petition is filed under the United States Bankruptcy Code, which post-petition interest Guarantors agree shall remain a claim that is prior and superior to any claim of Guarantors notwithstanding any contrary practice, custom or ruling or proceedings under the United States Bankruptcy Code, and Guarantors agree not to accept any payment or satisfaction of any kind of any indebtedness of the Borrower to Guarantors. If Guarantors should receive any such payment, satisfaction or security for any indebtedness of the Borrower to Guarantors, Guarantors agree to deliver the same to the Lender forthwith in the form received, endorsed or assigned as may be appropriate for application on account of, or as security for, the Guaranteed Indebtedness or performance by Guarantors hereunder, and until so delivered agree to hold the same for the benefit Lender;

(i) Guarantors agree that this Agreement and all obligations hereunder are payable and performable in Webb County, Texas and that payment hereunder is due in said county at the address of Lender. GUARANTORS AGREE FURTHER THAT THIS AGREEMENT AND ALL RIGHTS, OBLIGATIONS AND LIABILITIES ARISING HEREUNDER SHALL BE CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF TEXAS (the "Governing State"), WITHOUT REFERENCE TO ITS CONFLICT OF LAWS PROVISIONS;

(j) Guarantors agree that the Lender may, without demand or notice of any kind, at any time when any amount shall be due and payable hereunder by Guarantors, (except to the extent prohibited by applicable federal or state law) appropriate and apply toward the payment of such amount, and in such order of application as the Lender in its sole discretion may from time to time elect, any property, balances, credits, deposits, accounts or monies of Guarantors now or hereafter, for any purpose, in the possession or control of the Lender or any member bank or branch bank of International BancShares Corporation;

(k) In addition to all liens upon, and rights of set-off against, the monies, securities, or other property of Guarantors given Lender by law, Guarantors hereby grant to Lender a security interest in and a right of set-off against all monies, securities, and other property (except to the extent prohibited by applicable federal or state law) of Guarantors now or hereafter in the possession of or on deposit with Lender or any member bank or branch bank of International Bancshares Corporation, whether held in a general or special account or deposit, or for safekeeping or otherwise. Every such security interest and right of set-off may be exercised without demand upon or notice to Guarantors. No security interest or right of set-off shall be deemed to have been waived by any act or conduct on the part of the Lender, or any failure to exercise such right of set-off or to enforce such security interest, or by any delay in so doing. Every right of set-off and security interest shall continue in full force and effect until such right of set-off or security interest is specifically waived or released by an instrument in writing executed by Lender. The provisions of this subsection are in addition to and not in lieu of any rights of set-off allowed by law;

(l) Guarantors, whether one or more of them, may give to the Lender written notice that those Guarantors signing and giving such notice will not be liable hereunder for any Guaranteed Indebtedness created, incurred or arising after the giving of such notice, BUT THE OBLIGATIONS UNDER THIS GUARANTY OF THOSE GUARANTORS WHO SHALL NOT HAVE SIGNED AND GIVEN SUCH NOTICE SHALL REMAIN AND CONTINUE WITHOUT DIMINUTION WHATSOEVER, AS IF SUCH GUARANTORS HAD BEEN THE ONLY GUARANTORS SIGNING THIS INSTRUMENT, OR OTHER GUARANTY AGREEMENT. HOWEVER, NO SUCH NOTICE SHALL LIMIT OR IMPAIR THE OBLIGATIONS HEREUNDER OF ANY GUARANTORS BY WHOM SUCH NOTICE IS SIGNED AND GIVEN WITH RESPECT TO ANY OF THE GUARANTEED INDEBTEDNESS WHICH WAS EXISTING PRIOR TO AND ON THE DATE OF RECEIPT OF SUCH NOTICE BY THE LENDER TOGETHER WITH ANY AND ALL INTEREST AND/OR LATE FEES WHICH MAY ACCRUE THEREON, AND ANY AND ALL COSTS OF COLLECTION. THE GUARANTORS SIGNING AND GIVING SAID NOTICE SHALL CONTINUE TO BE LIABLE FOR PAYMENT OF THAT GUARANTEED INDEBTEDNESS WHICH WAS EXISTING PRIOR TO AND ON THE DATE OF RECEIPT BY LENDER OF SAID NOTICE, TOGETHER WITH ACCRUED INTEREST, LATE FEES AND COSTS OF COLLECTION AS AFORESAID. THE GUARANTEED INDEBTEDNESS MAY BE RENEWED, EXTENDED CONSOLIDATED, REARRANGED AND/OR MODIFIED, FROM TIME TO TIME, AFTER RECEIPT BY LENDER OF SUCH NOTICE, WITHOUT IMPAIRING OR LIMITING THE OBLIGATION OF GUARANTORS TO REPAY THE GUARANTEED INDEBTEDNESS (WITH INTEREST AS IT ACCRUES AND REMAINS UNPAID). NOTWITHSTANDING THE FOREGOING, NO SUCH NOTICE SHALL LIMIT OR IMPAIR THE OBLIGATIONS OF ANY GUARANTORS FOR ANY LOSS TO LENDER RESULTING FROM ITEMS IN TRANSIT OR FROM CURRENCY DEVALUATIONS ARISING AFTER RECEIPT OF SUCH NOTICE. THE NOTICE ABOVE PROVIDED FOR SHALL NOT BE CONSIDERED AS GIVEN OR EFFECTIVE UNTIL ACTUALLY RECEIVED AND ACKNOWLEDGED IN WRITING BY AN OFFICER OF SAID LENDER. In the event of the death of any Guarantors hereunder, the obligation of the deceased Guarantor shall continue in full force and effect against his/her estate as to all Guaranteed Indebtedness which shall have been created or incurred by the Borrower prior to the time when the Lender shall have received notice in writing of such death, and this Guaranty shall from the date of such death, as to all Guaranteed Indebtedness created, incurred or arising after such death remain and continue in full force as a guaranty by the

surviving Guarantors. All Guaranteed Indebtedness, of whatever kind or character, created pursuant to the provisions of any binding loan agreement between Lender and Borrower entered into prior to receipt by Lender of any notice referred to herein, including notice of death of any Guarantor, shall be deemed to be Guaranteed Indebtedness created, incurred or arising prior to receipt of any such notice to Lender even though advances constituting all or a portion of such indebtedness be made subsequent to receipt of such notice by Lender;

(m) In the event the Borrower is a trust, corporation, joint stock association, limited liability company, limited liability partnership, limited partnership or general partnership, or is hereafter incorporated, and if the Guaranteed Indebtedness at any time hereafter exceeds the amount permitted by law, or said Borrower is not liable because the act of creating the obligation is ultra vires, or the officers or persons creating same acted in excess of their authority, then notwithstanding such events, the individuals executing this Guaranty shall be liable personally hereunder, notwithstanding that said trust, corporation, joint stock association, limited liability company, limited liability partnership, limited partnership, or general partnership is not liable under this Guaranty (or for the payment of any portion of the Guaranteed Indebtedness), to the same extent as such individuals would have been if the Guaranteed Indebtedness of said Borrower had been enforceable against it;

(n) In the event any legal action or arbitration proceeding is commenced in connection with the enforcement of or any declaration of rights under this Guaranty and/or any instrument or written agreement required or delivered under or pursuant to the terms of this Guaranty or the Guaranteed Indebtedness, and/or any controversy or claim, whether sounding in contract, tort or statute, legal or equitable, involving in any way the Guaranteed Indebtedness, or any other proposed or actual loan or extension of credit involving Borrower, the prevailing party shall be entitled to recover reasonable and necessary attorney's fees, paralegal costs (including allocated costs for in-house legal services), expert witness fees and costs, expenses and costs and other disbursements made in connection with any such action or proceeding, in the amount determined by the fact-finder or arbitrator;

(o) **Events of Default.** The occurrence of any of the following events shall constitute an event of default ("Event of Default") under this Agreement:

- (1) Borrower fails to pay any of the Guaranteed Indebtedness when the same shall become due and payable; or
- (2) Borrower or Guarantor (i) fails to perform any of their respective obligations under this Agreement or the Security Instruments, or any event of default or breach occurs under this Agreement, the Security Instruments, or (ii) to the extent allowed by law, and except as to loans for homestead, homestead equity, home equity lines of credit, and/or household or other consumer goods, fails to perform any of their respective obligations under any other promissory note, security agreement, loan agreement or other agreement between Lender and Borrower or Guarantor, or any other event of default or breach occurs thereunder; or
- (3) Any (i) statement, representation or warranty made by Borrower or Guarantor in this Agreement, the Security Instruments or in any other agreement between Lender and Borrower or Guarantor, or (ii) any information contained in the Financial Statements or other document delivered to Lender by or on behalf of Borrower or Guarantor, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statement, representation or warranty therein not misleading in light of the circumstances in which they were made; or
- (4) Guarantor:
 - (i) dies or becomes physically or mentally incapacitated; or
 - (ii) in the case of a Guarantor who is not a natural person, dissolves, terminates or in any other way ceases to legally exist or has its entity powers or privileges suspended or revoked for any reason; or
 - (iii) makes an assignment for the benefit of creditors, or enters into any composition, marshalling of assets or similar arrangement in respect of its creditors generally; or
 - (iv) becomes insolvent or generally does not pay its debts as such debts become due; or
 - (v) conceals, removes, or permits to be concealed or removed, any part of Guarantor's property, with intent to hinder, delay or defraud its creditors or any of them, or makes or suffers a transfer of any of Guarantor's property which may be fraudulent under any bankruptcy, fraudulent conveyance or similar law, or makes any transfer of Guarantor's property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid; or
- (5) A trustee, receiver, agent or custodian is appointed or authorized to take charge of any property of Guarantor for the purpose of enforcing a lien against such property or for the purpose of administering such property for the benefit of its creditors; or
- (6) An order (i) for relief as to Guarantor is granted under Title 11 of the United States Code or any similar law, or (ii) declaring Guarantor to be incompetent is entered by any court; or
- (7) Guarantor files any pleading seeking, or authorizes or consents to, any appointment or order described in Subsections 3(o)(5) or 3(o)(6) above, whether by formal action or by the admission of the material allegations of a pleading or otherwise; or
- (8) Application is made for or there is an enforcement of any lien, levy, seizure, garnishment or attachment of any property of Guarantor for the purposes of collecting a lawful debt; or
- (9) Any action or proceeding seeking any appointment or order described in Subsections 3(o)(5) or 3(o)(6) above is commenced without the authority or consent of Guarantor, and is not dismissed within thirty (30) days after its commencement; or
- (10) Guarantor shall become involved (whether as plaintiff or defendant) in any material litigation (including, without limitation, matrimonial litigation) or arbitral or regulatory proceedings that, if determined adversely to Guarantor, could materially and adversely affect Guarantors financial position, or could affect Guarantor's ability to repay the Guaranteed Indebtedness, or could adversely affect the Collateral or any portion thereof or Lender's security interest therein; or
- (11) Guarantor, in Lender's opinion, has suffered a material change in financial condition which, in Lender's opinion, impairs the ability of Guarantor to repay the Guaranteed Indebtedness or to properly perform Guarantor's obligations under this Agreement or the Security Instruments; or
- (12) Any of the events or conditions described in Subsections 3(o)(4) through 3(o)(11) above happen to, by or with respect to Borrower; or
- (13) Lender believes, as a result of any material change in condition whether or not described herein, that Lender will be adversely affected, that the Guaranteed Indebtedness is inadequately secured, or that the prospect of payment of any of the Guaranteed Indebtedness or performance of any of Guarantor's obligations under this Agreement or Borrower's obligations under the Security Instruments is impaired; or
- (14) to the extent allowed by law, and except as to loans for homestead, homestead equity, home equity lines of credit, and/or household or other consumer goods, as to each Guarantor with regard to any other credit facility with any other lender, any monetary default and/or any non-monetary default occurs which results in acceleration of the indebtedness by any such other lender; and each Guarantor agrees to notify Lender of any such default within fifteen (15) days after the occurrence of the default.

Upon the occurrence of an Event of Default Lender may, at its option, without notice of any kind, declare the Guaranteed Indebtedness to be due and payable immediately, together with the interest accrued thereon under the terms of the Security Instruments and demand payment thereof by Borrower or Guarantors, or any or all of them, and pursue collection and enforcement in accordance with applicable law.

(p) If Guarantor is an entity formed under and/or governed by the Texas Business Organizations Code ("BOC") the following shall apply: (i) Notice to known claimants under BOC Section 11.052(a)(2) [or any similar statute of Guarantor's domiciliary state if Guarantor is not domiciled in the State of Texas] shall not be effective with respect to Lender unless it is delivered by certified mail, return receipt requested and addressed to Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 within thirty (30) days following the occurrence of the event requiring the winding up of Guarantor, and (ii) to the extent allowed by applicable law, Guarantor agrees that BOC Section 11.359 [or any similar statute of Guarantor's domiciliary state if Guarantor is not domiciled in the State of Texas] shall have no force or effect on the existence or validity of the obligations of Guarantor hereunder and Guarantor hereby waives all rights under said statutory provision.

(q) As used in this subsection, the term "Borrower Release" means an agreement in writing which is contained within and is a part of a written extension, renewal and/or modification of the Guaranteed Indebtedness (or portion thereof) executed by Borrower and Lender after the date hereof, whereby Borrower releases Lender from claims of Borrower then in existence with respect to the Guaranteed Indebtedness. Guarantors hereby

specifically agree that a Borrower Release shall operate to release Lender from claims of Guarantors against Lender to the same extent as if Guarantors had executed and delivered to Lender a written release containing the same terms and conditions as the Borrower Release.

4. **Compliance with Usury Laws.** It is expressly understood and agreed that under no contingency or event whatsoever shall any amount be paid by Guarantors hereunder, which is or may be determined to be interest, that ever exceeds the maximum amount of interest which may be charged to Guarantors under applicable law. In no event shall the Guarantors, upon demand by the holder hereof for payment of the Guaranteed Indebtedness, upon acceleration of the maturity of any promissory note guaranteed by this Agreement, or otherwise, be obligated to pay interest in excess of the amount permitted by applicable law. If for any reason or circumstance fulfillment of any provisions hereof, at any time performance of such provisions shall be due, shall involve receipt by Lender of interest in any amount which would exceed the highest lawful rate to Guarantors, such amount which would be excessive interest shall be applied to the reduction of the principal of the Guaranteed Indebtedness and not to payment of interest, and any excess remaining after the discharge of the Guaranteed Indebtedness shall be remitted to the Guarantors.

5. ARBITRATION.

BINDING ARBITRATION AGREEMENT PLEASE READ THIS CAREFULLY. IT AFFECTS YOUR RIGHTS.

GUARANTORS AND LENDER AGREE TO ARBITRATION AS FOLLOWS (hereinafter referred to as the "Arbitration Provisions"):

I. **Special Provisions and Definitions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:**

(a) **Informal Resolution of Customer Concerns.** Most customer concerns can be resolved quickly and to the customer's satisfaction by contacting your account officer, branch manager or by calling the Customer Service Department in your region. The region and numbers are:

1.	Laredo	956-722-7611
2.	Austin	512-397-4506
3.	Brownsville	956-547-1000
4.	Commerce Bank	956-724-1616
5.	Corpus Christi	361-888-4000
6.	Eagle Pass	830-773-2313
7.	Houston	713-526-1211
8.	McAllen	956-686-0263
9.	Oklahoma	405-841-2100
10.	Port Lavaca	361-552-9771
11.	San Antonio	210-518-2500
12.	Zapata	956-765-8361

In the unlikely event that your account officer, branch manager or the customer service department is unable to resolve a complaint to your satisfaction or if the Lender has not been able to resolve a dispute it has with you after attempting to do so informally, you and the Lender agree to resolve those disputes through binding arbitration or small claims court instead of in courts of general jurisdiction.

(b) **Sending Notice of Dispute.** If either you or the Lender intend to seek arbitration, then you or the Lender must first send to the other by certified mail, return receipt requested, a written Notice of Dispute. The Notice of Dispute to the Lender should be addressed to: Dennis E. Nixon, President, at International Bancshares Corporation, P.O. Drawer 1359, Laredo, Texas 78042-1359 or if by email, ibcchairman@ibc.com. The Notice of Dispute must (a) describe the nature and basis of the claim or dispute; and (b) explain specifically what relief is sought. You may download a copy of the Notice of Dispute at www.ibc.com or you may obtain a copy from your account officer or branch manager.

(c) **If the Dispute is not Informally Resolved.** If you and the Lender do not reach an agreement to resolve the claim or dispute within thirty (30) days after the Notice of Dispute is received, you or the Lender may commence a binding arbitration proceeding. During the binding arbitration proceeding, any settlement offers made by you or the Lender shall not be disclosed to the Arbitrator.

(d) **"DISPUTE(S)".** As used herein, the word "DISPUTE(S)" includes any and all controversies or claims between the PARTIES of whatever type or manner, including without limitation, any and all claims arising out of or relating to this Agreement, compliance with applicable laws and/or regulations, any and all services or products provided by the Lender, any and all past, present and/or future loans, lines of credit, letters of credit, credit facilities or other form of indebtedness and/or agreements involving the PARTIES, any and all transactions between or involving the PARTIES, and/or any and all aspects of any past or present relationship of the PARTIES, whether banking or otherwise, specifically including but not limited to any claim founded in contract, tort, fraud, fraudulent inducement, misrepresentation or otherwise, whether based on statute, regulation, common law or equity.

(e) **"CONSUMER DISPUTE"** and **"BUSINESS DISPUTE"**. As used herein, "CONSUMER DISPUTE" means a DISPUTE relating to an account (including a deposit account), agreement, extension of credit, loan, service or product provided by the Lender that is primarily for personal, family or household purposes. "BUSINESS DISPUTE" means any DISPUTE that is not a CONSUMER DISPUTE.

(f) **"PARTIES" or "PARTY"**. As used in these Arbitration Provisions, the term "PARTIES" or "PARTY" means Guarantors, Lender, and each and all persons and entities signing this Agreement or any other agreements between or among any of the PARTIES as part of this transaction. "PARTIES" or "PARTY" shall be broadly construed and include individuals, beneficiaries, partners, limited partners, limited liability members, shareholders, subsidiaries, parent companies, affiliates, officers, directors, employees, heirs, agents and/or representatives of any party to such documents, any other person or entity claiming by or through one of the foregoing and/or any person or beneficiary who receives products or services from the Lender and shall include any other owner and holder of this Agreement. Throughout these Arbitration Provisions, the term "you" and "your" refer to Guarantors, and the term "Arbitrator" refers to the individual arbitrator or panel of arbitrators, as the case may be, before which the DISPUTE is arbitrated.

(g) **BINDING ARBITRATION.** The PARTIES agree that any DISPUTE between the PARTIES shall be resolved by

mandatory binding arbitration pursuant to these Arbitration Provisions at the election of either PARTY. BY AGREEING TO RESOLVE A DISPUTE IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO A JURY TRIAL OR TO LITIGATE IN COURT (except for matters that may be taken to small claims court for a CONSUMER DISPUTE as provided below).

- (h) **CLASS ACTION WAIVER.** The PARTIES agree that (i) no arbitration proceeding hereunder whether a CONSUMER DISPUTE or a BUSINESS DISPUTE shall be certified as a class action or proceed as a class action, or on a basis involving claims brought in a purported representative capacity on behalf of the general public, other customers or potential customers or persons similarly situated, and (ii) no arbitration proceeding hereunder shall be consolidated with, or joined in any way with, any other arbitration proceeding. **THE PARTIES AGREE TO ARBITRATE A CONSUMER DISPUTE OR BUSINESS DISPUTE ON AN INDIVIDUAL BASIS AND EACH WAIVES THE RIGHT TO PARTICIPATE IN A CLASS ACTION.**
- (i) **FEDERAL ARBITRATION ACT AND TEXAS LAW.** The PARTIES acknowledge that this Agreement evidences a transaction involving interstate commerce. The Federal Arbitration Act shall govern (i) the interpretation and enforcement of these Arbitration Provisions, and (ii) all arbitration proceedings that take place pursuant to these Arbitration Provisions. **THE PARTIES AGREE THAT, EXCEPT AS OTHERWISE EXPRESSLY AGREED TO BY THE PARTIES IN WRITING, OR UNLESS EXPRESSLY PROHIBITED BY LAW, TEXAS SUBSTANTIVE LAW (WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES) WILL APPLY IN ANY BINDING ARBITRATION PROCEEDING OR SMALL CLAIMS COURT ACTION REGARDLESS OF WHO INITIATES THE PROCEEDING, WHERE YOU RESIDE OR WHERE THE DISPUTE AROSE.**

II. Provisions applicable only to a CONSUMER DISPUTE:

- (a) Any and all CONSUMER DISPUTES shall be resolved by arbitration administered by the American Arbitration Association ("AAA") under the Commercial Arbitration Rules and the Supplemental Procedures for Resolution of Consumer Disputes and Consumer Due Process Protocol (which are incorporated herein for all purposes). It is intended by the PARTIES that these Arbitration Provisions meet and include all fairness standards and principles of the American Arbitration Association's Consumer Due Process Protocol and due process in predispute arbitration. If a CONSUMER DISPUTE is for a claim of actual damages above \$250,000 it shall be administered by the AAA before three neutral arbitrators at the request of any PARTY.
- (b) Instead of proceeding in arbitration, any PARTY hereto may pursue its claim in your local small claims court, if the CONSUMER DISPUTE meets the small claims court's jurisdictional limits. If the small claims court option is chosen, the PARTY pursuing the claim must contact the small claims court directly. **The PARTIES agree that the class action waiver provision also applies to any CONSUMER DISPUTE brought in small claims court.**
- (c) For any claim for actual damages that does not exceed \$2,500, the Lender will pay all arbitration fees and costs provided you submitted a Notice of Dispute with regard to the CONSUMER DISPUTE prior to initiation of arbitration. For any claim for actual damages that does not exceed \$5,000, the Lender also agrees to pay your reasonable attorney's fees and reasonable expenses your attorney charges you in connection with the arbitration (even if the Arbitrator does not award those to you) plus an additional \$2,500 if you obtain a favorable arbitration award for your actual damages which is greater than any written settlement offer for your actual damages made by the Lender to you prior to the selection of the Arbitrator.
- (d) Under the AAA's Supplemental Procedures for Consumer Disputes, if your claim for actual damages does not exceed \$10,000, you shall only be responsible for paying up to a maximum of \$125 in arbitration fees and costs. If your claim for actual damages exceeds \$10,000 but does not exceed \$75,000, you shall only be responsible for paying up to a maximum of \$375 in arbitration fees and costs. For any claim for actual damages that does not exceed \$75,000, the Lender will pay all other arbitrator's fees and costs imposed by the administrator of the arbitration. With regard to a CONSUMER DISPUTE for a claim of actual damages that exceeds \$75,000, or if the claim is a non-monetary claim, the Lender agrees to pay all arbitration fees and costs you would otherwise be responsible for that exceed \$1,000. The fees and costs stated above are subject to any amendments to the fee and cost schedules of the AAA. The fee and cost schedule in effect at the time you submit your claim shall apply. The AAA rules also permit you to request a waiver or deferral of the administrative fees and costs of arbitration if paying them would cause you financial hardship.
- (e) Although under some laws, the Lender may have a right to an award of attorney's fees and expenses if it prevails in arbitration, the Lender agrees that it will not seek such an award in a binding arbitration proceeding with regard to a CONSUMER DISPUTE for a claim of actual damages that does not exceed \$75,000.
- (f) To request information on how to submit an arbitration claim, or to request a copy of the AAA rules or fee schedule, you may contact the AAA at 1-800-778-7879 (toll free) or at www.adr.org.

III. Provisions applicable only to a BUSINESS DISPUTE:

- (a) Any and all BUSINESS DISPUTES between the PARTIES shall be resolved by arbitration in accordance with the Commercial Arbitration Rules of the AAA in effect at the time of filing, as modified by, and subject to, these Arbitration Provisions. A BUSINESS DISPUTE for a claim of actual damages that exceeds \$250,000 shall be administered by AAA before at least three (3) neutral arbitrators at the request of any PARTY. In the event the aggregate of all affirmative claims asserted exceeds \$500,000, exclusive of interest and attorney's fees, or upon the written request of any PARTY, the arbitration shall be conducted under the AAA Procedures for Large, Complex Commercial Disputes. If the payment of arbitration fees and costs will cause you extreme financial hardship you may request that AAA defer or reduce the administrative fees or request the Lender to cover some of the arbitration fees and costs that would be your responsibility.
- (b) The PARTIES shall have the right to (i) invoke self-help remedies (such as setoff, notification of account debtors, seizure and/or foreclosure of collateral, and nonjudicial sale of personal property and real property collateral) before, during or after any arbitration, and/or (ii) request ancillary or provisional judicial remedies (such as garnishment,

attachment, specific performance, receiver, injunction or restraining order, and sequestration) before or after the commencement of any arbitration proceeding (individually, and not on behalf of a class). The PARTIES need not await the outcome of the arbitration proceeding before using self-help remedies. Use of self-help or ancillary and/or provisional judicial remedies shall not operate as a waiver of either PARTY's right to compel arbitration. Any ancillary or provisional judicial remedy which would be available from a court at law shall be available from the Arbitrator. The PARTIES agree that the AAA Optional Rules for Emergency Measures of Protection shall apply in an arbitration proceeding where emergency interim relief is requested.

- (c) Except to the extent the recovery of any type or types of damages or penalties may not be waived under applicable law, the Arbitrator shall not have the authority to award either PARTY (i) punitive, exemplary, special or indirect damages, (ii) statutory multiple damages, or (iii) penalties, statutory or otherwise.
- (d) The Arbitrator may award attorney's fees and costs including the fees, costs and expenses of arbitration and of the Arbitrator as the Arbitrator deems appropriate to the prevailing PARTY. The Arbitrator shall retain jurisdiction over questions of attorney's fees for fourteen (14) days after entry of the decision.

IV. General provisions applicable to both CONSUMER DISPUTES and BUSINESS DISPUTES:

- (a) The Arbitrator is bound by the terms of these Arbitration Provisions. The Arbitrator shall have exclusive authority to resolve any DISPUTES relating to the scope or enforceability of these Arbitration Provisions, including (i) all arbitrability questions, and (ii) any claim that all or a part of these Arbitration Provisions are void or voidable (including any claims that they are unconscionable in whole or in part).
- (b) **These Arbitration Provisions shall survive any termination, amendment, or expiration of this Agreement, unless all of the PARTIES otherwise expressly agree in writing.**
- (c) If a PARTY initiates legal proceedings, the failure of the initiating PARTY to request arbitration pursuant to these Arbitration Provisions within 180 days after the filing of the lawsuit shall be deemed a waiver of the initiating PARTY'S right to compel arbitration with respect to the claims asserted in the litigation. The failure of the defending PARTY in such litigation to request arbitration pursuant to these Arbitration Provisions within 180 days after the defending PARTY'S receipt of service of judicial process, shall be deemed a waiver of the right of the defending PARTY to compel arbitration with respect to the claims asserted in the litigation. If a counterclaim, cross-claim or third party action is filed and properly served on a PARTY in connection with such litigation, the failure of such PARTY to request arbitration pursuant to these Arbitration Provisions within ninety (90) days after such PARTY'S receipt of service of the counterclaim, cross-claim or third party claim shall be deemed a waiver of such PARTY'S right to compel arbitration with respect to the claims asserted therein. The issue of waiver pursuant to these Arbitration Provisions is an arbitrable dispute. Active participation in any pending litigation described above by a PARTY shall not in any event be deemed a waiver of such PARTY'S right to compel arbitration. All discovery obtained in the pending litigation may be used in any subsequent arbitration proceeding.
- (d) Any PARTY seeking to arbitrate shall serve a written notice of intent to any and all opposing PARTIES after a DISPUTE has arisen. The PARTIES agree a timely written notice of intent to arbitrate by either PARTY pursuant to these Arbitration Provisions shall stay and/or abate any and all action in a trial court, save and except a hearing on a motion to compel arbitration and/or the entry of an order compelling arbitration and staying and/or abating the litigation pending the filing of the final award of the Arbitrator.
- (e) Any Arbitrator selected shall be knowledgeable in the subject matter of the DISPUTE and be licensed to practice law.
- (f) For a one (1) member arbitration panel, the PARTIES are limited to an equal number of strikes in selecting the arbitrator from the AAA neutral list, such that at least one arbitrator remains after the PARTIES exercise all of their respective strikes. For a three (3) member arbitration panel, the PARTIES are limited to an equal number of strikes in selecting the arbitrators from the AAA neutral list, such that at least three arbitrators remain after the PARTIES exercise all of their respective strikes. After exercising all of their allotted respective strikes, the PARTIES shall rank those potential arbitrators remaining numerically in order of preference (with "1" designating the most preferred). The AAA shall review the PARTIES rankings and assign a score to each potential arbitrator by adding together the ranking given to such potential arbitrator by each PARTY. The arbitrator(s) with the lowest score total(s) will be selected. In the event of a tie or ties for lowest score total and if the selection of both or all of such potential arbitrators is not possible due to the required panel size, the AAA shall select the arbitrator(s) it believes to be best qualified.
- (g) The PARTIES and the Arbitrator shall treat all aspects of the arbitration proceedings, including, without limitation, any documents exchanged, testimony and other evidence, briefs and the award, as strictly confidential; provided, however, that a written award or order from the Arbitrator may be filed with any court having jurisdiction to confirm and/or enforce such award or order.
- (h) Any statute of limitation which would otherwise be applicable shall apply to any claim asserted in any arbitration proceeding under these Arbitration Provisions, and the commencement of any arbitration proceeding tolls such statute of limitations.
- (i) If the AAA is unable for any reason to provide arbitration services, then the PARTIES agree to select another arbitration service provider that has the ability to arbitrate the DISPUTE pursuant to and consistent with these Arbitration Provisions. If the PARTIES are unable to agree on another arbitration service provider, any PARTY may petition a court of competent jurisdiction to appoint an Arbitrator to administer the arbitration proceeding pursuant to and consistent with these Arbitration Provisions.
- (j) The award of the Arbitrator shall be final and Judgment upon any such award may be entered in any court of competent jurisdiction. The arbitration award shall be in the form of a written reasoned decision and shall be based on and consistent with applicable law.
- (k) Unless the PARTIES mutually agree to hold the binding arbitration proceeding elsewhere, venue of any arbitration

proceeding under these Arbitration Provisions shall be in the county and state where Lender is located, which is Lender's address set out in the first paragraph on page 1 hereof.

- (l) If any of these Arbitration Provisions are held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

JURY WAIVER: IF A DISPUTE BETWEEN YOU AND LENDER PROCEEDS IN COURT RATHER THAN THROUGH MANDATORY BINDING ARBITRATION, THEN YOU AND LENDER BOTH WAIVE THE RIGHT TO A JURY TRIAL, AND SUCH DISPUTE WILL BE TRIED BEFORE A JUDGE ONLY.

6. **Waiver of Statutory Provisions.** Lender and Guarantors hereby expressly acknowledge and agree that in the event of a default under this Agreement or under any document executed by Borrower or Guarantors in connection with, or to secure the payment of, Guaranteed Indebtedness (a) Lender shall not be required to comply with Article 6132b-3.05(d) of the Texas Revised Partnership Act or Subsection 152.306 of the Texas Business Organizations Code, as applicable, and (b) Lender shall not be required to proceed against or exhaust the assets of any Borrower and/or any Guarantors before pursuing any remedy directly against one or more of the partners of Borrower and/or Guarantor or the property of such partners.

7. **Successors and Assigns.** This Agreement shall be binding upon Guarantors and the heirs, successors, assigns and legal representatives of the Guarantors, and shall inure to the benefit of the Lender and the successors, assigns and legal representatives of Lender. This Agreement shall inure to the benefit of the transferee, assignee, or holder of the principal debt; however, all Guaranteed Indebtedness owed to the Lender shall first be paid in full before the assignee of any debt guaranteed shall receive any benefit of this Agreement. All references herein to "Lender" shall mean the above-named Lender and any subsequent owner or holder of the Guaranteed Indebtedness or any interest therein.

8. **Multiple Guarantees.** If Lender presently holds one or more guaranties, or hereafter receives additional guaranties from any Guarantor, Lender's right under all guaranties shall be cumulative. This Guaranty shall not (unless specifically provided below to the contrary) affect or invalidate any such other guaranties. The liability of any Guarantor will be such Guarantor's aggregate liability under the terms of this Agreement and any such other unexpired guaranties.

9. **Guarantors' Authorization To Lender.** Guarantors authorize Lender, without notice or demand and without lessening Guarantors' liability under this Guaranty from time to time (a) to make one or more additional secured or unsecured loans to Borrower, to lease equipment or other goods to Borrower, or otherwise extend additional credit to Borrower; (B) to alter, compromise, renew, extend, accelerate, or otherwise change one or more times the time for payment or other terms of the Guaranteed Indebtedness or any part of the Guaranteed Indebtedness, including increases and decreases of the rate of interest on the Guaranteed Indebtedness; and any extensions may be repeated and may be longer than the original loan term; (C) to take and hold security for the payment of this Guaranty or the Guaranteed Indebtedness, and exchange, enforce, waive, subordinate, fail or decide not to perfect, and release any such security, with or without the substitution of new collateral; (D) to release, substitute, fail or decide not to perfect, and delay with any one or more of Borrower's sureties, endorsers, or other guarantors on any terms or in any manner Lender may choose; (E) to determine how, when and what application of payments and credits shall be made on the Guaranteed Indebtedness; (F) to apply such security and direct the order or manner of sale thereof, including without limitation, any nonjudicial sale permitted by the terms of the controlling security agreement, mortgage or deed of trust, as Lender in its discretion may determine; (G) to sell, transfer, assign or grant participations in all or any part of the Guaranteed Indebtedness; (H) to assign or transfer this Guaranty in whole or in part; (I) to exercise or refrain from exercising any rights against Borrower or others, or otherwise act or refrain from acting; (J) to settle or compromise any and/or all of the Guaranteed Indebtedness, and (K) to subordinate the payment of all or any part of any Guaranteed Indebtedness of Borrower to Lender to the payment of any liabilities which may be due Lender or others.

10. **GUARANTOR ACKNOWLEDGMENT.** EACH UNDERSIGNED GUARANTOR ACKNOWLEDGES HAVING READ ALL OF THE PROVISIONS OF THIS GUARANTY AND AGREES TO ITS TERMS. IN ADDITION, EACH GUARANTOR UNDERSTANDS THAT THIS GUARANTY IS EFFECTIVE UPON GUARANTOR'S EXECUTION AND DELIVERY OF THIS GUARANTY TO LENDER AND THAT THE GUARANTY WILL CONTINUE UNTIL TERMINATED IN THE MANNER SET FORTH HEREIN.

11. Guarantor agrees to provide Lender, at least on an annual basis, a complete Financial Statement, a Profit and Loss/Net Income Statement, copies of U.S. Tax Returns, a Contingent Liability Statement, and any other information that may be reasonably requested by Lender.

12. **Swap Transactions.** Without limiting the generality of any other provisions of this Agreement, the term "Guaranteed Indebtedness", as used in this Agreement, includes (i) any and all obligations, contingent or otherwise, whether now existing or hereafter arising, of the Borrower to Lender or any Lender Affiliate (as hereinafter defined) arising under or in connection with any Swap Transaction, and (ii) any Swap Related Loss (as defined in any promissory note guaranteed by this Agreement) that becomes due and payable in accordance with the terms of any such promissory note. The term "Swap Transaction", as used herein, means (i) any transaction evidenced by one or more agreements now existing or hereafter entered into between Borrower and Lender and/or any financial institution affiliated with International BancShares Corporation (a "Lender Affiliate") which is a rate swap, swap option, interest rate option or other financial instrument or interest (including an option with respect to any such transaction), (ii) any type of transaction that is similar to any transaction referred to in clause (i) above that is currently, or in the future becomes, recurrently entered into in the financial markets and which is a forward swap, future, option or other derivative on one or more rates, or any combination of the foregoing transactions, or (iii) any transaction that is similar to any transaction referred to in clause (i) or (ii) above except that it is between Lender or a Lender Affiliate and any party or entity other than Borrower and it is entered into by Lender or such Lender Affiliate on account of a corresponding Swap Transaction that is described in clause (i) or (ii) above. The occurrence or existence of any default, event of default or other similar condition or event (however described) on the part of Borrower arising under or with respect to any Swap Transaction shall constitute an Event of Default under this Agreement.

13. **Transfer Restrictions.** Lender has made or may in the future make certain loans and financial accommodations to Borrower as evidenced, in part, by the Security Instruments. Lender would not have entered into such loans evidenced by the Security Instruments without Guarantor executing and delivering this Guaranty to further secure the payment and performance of the Guaranteed Indebtedness. As a material inducement for Lender to enter into the Security Instruments, Lender has relied on the financial condition of Guarantor as represented to Lender by Guarantor pursuant to Financial Statements delivered to Lender by Guarantor. The term "Financial Statements" includes any financial statements heretofore delivered to Lender and all financial statements delivered to Lender in the future. Guarantor represents and warrants to Lender that since the date of the Financial Statements, no material adverse change has occurred in the financial condition of Guarantor. Guarantor further represents and warrants to Lender that the Financial Statements accurately depict the true and correct ownership of all assets set forth therein and that such assets are owned in their entirety by Guarantor in Guarantor's individual capacity, unless conspicuously denoted otherwise on the Financial Statements. Further, the Financial Statements conspicuously denote all assets of Guarantor that are Exempt Property (as hereinafter defined). Exempt Property shall include, without limitation, any asset that pursuant to applicable law is exempt from garnishment, attachment, execution or other seizure by Lender, by way of example and not limitation, to the extent applicable to Guarantor (i) such items of property as set forth in Sections 42.001, 42.002 and 42.003 of the Texas Property Code, College Savings Plans as defined in Section 42.0022 of the Texas Property Code, annuities as the term is used in the Texas Property Code and the Texas Insurance Code, Homestead as defined in Section 41.002 of the Texas Property Code, certain exempt Savings Plans referenced in Section 42.0021 of the Texas Property Code, and burial lots (ii) such items of property, College Savings Plans, Homestead, certain exempt savings plans and burial lots, each as set forth in Section 1 of Title 31 of Oklahoma Statutes, and (iii) such items of property that are exempt from garnishment, attachment, execution or other seizure pursuant to the statutes of another jurisdiction that are similar to the aforesaid Texas and/or Oklahoma statutes. Unless otherwise conspicuously denoted, Guarantor represents that all assets set forth on the Financial Statements are Non-Exempt Property. The term "Non-Exempt Property" shall mean all assets of Guarantor that are not specifically and conspicuously denoted on the Financial Statements as Exempt Property. Guarantor represents and warrants that during the term of this Guaranty that it will not convert (by transfer, conveyance, assignment or otherwise) any of its assets from Non-Exempt Property to Exempt Property without the prior written consent of Lender, which may be granted or withheld in Lender's sole discretion. Further, without limitation, Guarantor shall not transfer (by assignment, conveyance or otherwise) (i) Non-Exempt

Property having a cumulative value in excess of five percent (5%) of the value of all Non-Exempt Property as set forth on the Financial Statements delivered to Lender prior to or contemporaneously herewith), or (ii) Exempt Property having a cumulative value in excess of twenty percent (20%) of the value of all Exempt Property as set forth on the Financial Statements delivered to Lender prior to or contemporaneously herewith), to one or more entities in which Guarantor controls or owns, directly or indirectly, an equity interest (including, without limitation, to one or more so-called family limited partnerships, irrespective if the same is for estate planning purposes or otherwise) without the prior written consent of Lender, which may be granted or withheld in Lender's sole discretion. Any conversion or transfer in violation of the provisions of this Section 13 shall, automatically and without notice of any kind from Lender, constitute an Event of Default hereunder and under the Security Instruments, and Guarantor shall, upon Lender's written demand, (without limiting in any way Lender's remedies under this Guaranty or the Security Instruments) immediately take all necessary steps to reverse any such conversion or transfer to the extent required by Lender.

14. Miscellaneous.

- (a) This Agreement, the schedules and exhibits hereto, and the agreements and instruments required to be executed and delivered hereunder set forth the entire agreement of the parties with respect to the subject matter hereof and supersede and discharge all prior agreements (written or oral) and negotiations and all contemporaneous oral agreements concerning such subject matter and negotiations. There are no oral conditions precedent to the effectiveness of this Agreement.
- (b) Neither the failure of nor any delay by any party to this Agreement to enforce any right hereunder or to demand compliance with its terms is a waiver of any right hereunder. No action taken pursuant to this Agreement on one or more occasions is a waiver of any right hereunder or constitutes a course of dealing that modifies this Agreement.
- (c) No waiver of any right or remedy under this Agreement shall be binding on any party unless it is in writing and is signed by the party to be charged. No such waiver of any right or remedy under any term of this Agreement shall in any event be deemed to apply to any subsequent default under the same or any other term contained herein.
- (d) No amendment modification or termination of this Agreement shall be binding on any party hereto unless it is in writing and is signed by the party to be charged.
- (e) If any term or provision set forth in this Agreement shall be invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall be construed in all respects as if such invalid or unenforceable term or provision were omitted.
- (f) The terms of this Agreement shall be binding upon Guarantors, and their heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and the successors and assigns of Lender.
- (g) Nothing herein expressed or implied is intended or shall be construed to give any person other than the parties hereto any rights or remedies under this Agreement.
- (h) Where this Agreement authorizes or requires a payment or performance on a Saturday, Sunday or public holiday, such payment or performance shall be deemed to be timely if made on the next succeeding business day.
- (i) In this Agreement, words in the singular number include the plural, and in the plural include the singular, words of the masculine gender include the feminine and the neuter, and when the context so indicates words of the neuter gender may refer to any gender and the word "or" is disjunctive but not exclusive. The captions and section numbers appearing in this Agreement are inserted only as a matter of convenience. They do not define, limit or describe the scope or intent of the provisions of this Agreement.
- (j) Any notice, request or other communication required or permitted to be given under this Agreement shall be in writing and deemed to have been properly given when delivered in person, when sent by telecopy or other electronic means and electronic confirmation of error free receipt is received, or two days after being sent by certified or registered United States mail, return receipt requested, postage prepaid, addressed (i) if to Lender, at the address set forth in the first paragraph on page 1 hereof, and (ii) if to a Guarantor, at the address set forth below such Guarantor's signature hereto. Any party may change his address for notices in the manner set forth in this subsection.
- (k) The parties intend to conform strictly to the applicable federal, state, and local laws as now or hereafter construed by the courts having jurisdiction. All agreements between the parties hereto (or any other party liable with respect to any portion of the Guaranteed Indebtedness) are hereby limited by the provisions of this subsection, which shall override and control all such agreements, whether now existing or hereafter arising and whether written or oral. If from a construction of any document related to any agreement between the parties hereto (or any other party liable with respect to any portion of the Guaranteed Indebtedness), any term(s) or provision(s) of the document is in conflict with, or in violation of, applicable laws, any such construction shall be subject to the provisions of this subsection and such document shall be automatically reformed as to comply with applicable law, without the necessity of execution of any amendment or new document.

Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: International Bank of Commerce, 1200 San Bernardo Avenue, Laredo, Texas 78040 Attn: Dennis Nixon.

NO ORAL AGREEMENTS

THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, Guarantor(s) have duly executed this Agreement to be effective as of the 8 day of April, 2024.

GUARANTOR(S):



Name: Sergio Esteban Sandoval Garcia, Individually

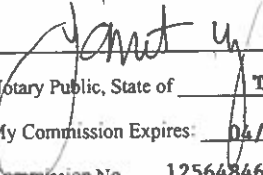
Address: C-Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

INDIVIDUAL ACKNOWLEDGMENT

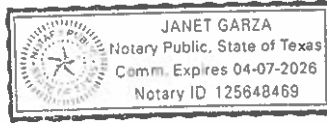
STATE OF Texas

COUNTY OF WEBB

This instrument was acknowledged before me on the 8th day of April, 2024 by Sergio Esteban Sandoval Garcia



Notary Public, State of Texas
My Commission Expires: 04/07/2026
Commission No. 125648469



CERTIFICATE OF CORPORATE RESOLUTIONS

OF

CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED

I, the undersigned, Secretary of CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED, which corporation is a Texas Corporation, (the "Corporation") do hereby certify that the Corporation is duly organized and existing under the laws of the State of Texas; that all margin and other taxes required to maintain its corporate existence have been paid when due and that no such taxes are delinquent; that no proceedings are pending for the forfeiture of its Charter or for its dissolution, voluntarily or involuntarily; that it is duly qualified to do business and is in good standing in the State of Texas; that there are no provisions of the Organizational documents of the Corporation limiting the power of the Board of Directors to pass the resolutions set out below and that the same are in conformity with the provisions of said organizational documents; that the Secretary is the keeper of the records and minutes of the proceedings of the Board of Directors of the Corporation and that the following resolutions have been duly and legally passed and adopted by the Board of Directors and that the same have not been altered, amended, rescinded or repealed and are now in full force and effect:

RESOLVED: That the President of the Corporation, SERGIO ESTEBAN SANDOVAL GARCIA, is authorized to execute the following described documents on behalf of the Corporation:

1. A Construction Loan Agreement between International Bank of Commerce, as Lender, and the Corporation, as Borrower, and setting out terms and conditions for the below described \$344,000.00 loan to the Company.

2. A Real Estate Lien Note in the original principal sum of \$344,000.00 and payable to the order of International Bank of Commerce; and the proceeds of said Note to be used by the Corporation to construct a four-unit apartment complex on the below described real property.

3. A Deed of Trust in favor of International Bank of Commerce thereby granting a lien against the following described real property as collateral for the payment of the above-described \$344,000.00 Note:

Situated in Webb County, Texas, and being the South 37.23 feet of Lot Number One (1) and the North One-Half of Lot Number Eight (N. 1/2 of 8), in Block Number Three Hundred Thirty-Five (335), Eastern Division, situated in the City of Laredo, as per the original map of plat of said City.


4. All other documents which International Bank of Commerce and/or the Title Company handling the closing of the transaction may require of the Corporation in connection with the granting of the above referenced \$344,000.00 loan to the Corporation, and including but not limited to the Notice of No Oral Agreements, the Errors and Omissions Letter, the Certificate of Attorney's Representation, and the Business Consumer Waiver.

5. Such other instruments or documents as such President in his discretion may deem necessary of desirable to consummate the transactions evidenced by said documents.

I the undersigned Secretary of the Corporation further certify that the officers of the Corporation hereunder set forth have been duly elected and hold the offices specified with the Corporation:

TITLE	TYPED NAME
President	SERGIO ESTEBAN SANDOVAL GARCIA
Secretary	SERGIO ESTEBAN SANDOVAL GARCIA

IN WITNESS WHEREOF, this certification has been signed on behalf of the Corporation as of the 8th day of April, 2024.

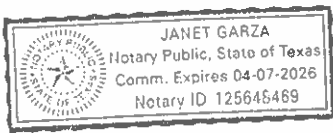

SERGIO ESTEBAN SANDOVAL GARCIA

STATE OF TEXAS §

COUNTY OF WEBB §

This instrument was acknowledged before me on April 8, 2024 by Sergio Esteban Sandoval Garcia, as the Secretary of Corintios Construction & Design, Incorporated, a Texas Corporation, on behalf of said Corporation.


Notary Public, State of Texas



CONSTRUCTION LOAN AGREEMENT

STATE OF TEXAS §

COUNTY OF WEBB §

THIS AGREEMENT is made on the date below stated among the BORROWER and LENDER. This Agreement relates to the manner of disbursement of the loan proceeds from the Note described below to or for the benefit of Borrower and for the construction of the improvements to the Property. The Note is secured by a Deed of Trust lien on the Property.

DATE: April 8 , 2024

BORROWER: CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED, A TEXAS CORPORATION

BORROWER'S ADDRESS: 5411 McPherson Road, #102
Laredo, Texas 78041

LENDER: INTERNATIONAL BANK OF COMMERCE

LENDER'S ADDRESS: 1200 San Bernardo Ave., Laredo
Webb County, Texas 78040

NOTE: \$344,000.00 Real Estate Lien Note of even date herewith, executed by Borrower and payable to Lender as stated in the Note.

PROPERTY: Situated in Webb County, Texas, and being the South 37.23 feet of Lot Number One (1) and the North One-Half of Lot Number Eight (N. 1/2 of 8), in Block Number Three Hundred Thirty-Five (335), Eastern Division, situated in the City of Laredo, as per the original map of plat of said City.

IMPROVEMENTS: Borrower shall construct a four-unit apartment complex on the Property as per plans and specifications.

1. **AGREEMENT TO LOAN.** Lender shall make a loan (the "Loan") to Borrower in the amount of \$344,000.00 which is to be used by Borrower solely to pay for costs of labor performed and materials furnished in the construction of a four-unit apartment complex on the Property.
2. **CONDITIONS FOR INITIAL ADVANCE.** Prior to, or at the time of the initial advance of the proceeds of the Loan to Borrower, Lender shall be in receipt of the following:
 - A. This Construction Loan Agreement executed by Borrower.
 - B. Note executed by Borrower and payable to the order of Lender.
 - C. Deed of Trust covering the Property and all improvements constructed or to be constructed thereon (collectively called the "Property") and securing the obligations of Borrower hereunder and under all documents executed in connection with the Loan.

- D. Guaranty Agreement executed by Sergio Esteban Sandoval Garcia guaranteeing the payment of all indebtedness presently owed or to be owed in the future by Borrower to Lender and including but not limited to the \$344,000.00 Loan made the subject of this Agreement.
- E. Mortgagee's Title Policy insuring that the lien created by the Deed of Trust constitutes a valid lien on the Property and has the dignity and priority required by the Lender.
- F. Insurance Policy for hazard insurance (builder's risk) providing all risk coverage on the Property, including material stored on the Property or elsewhere and including the perils of collapse, with said policy containing the standard mortgage clauses attached in favor of Lender.

3. **FREE OF LIENS.** Borrower agrees to complete the actual construction of the improvements free of liens or rights of liens of mechanic's, materialmen, laborers, or any governmental agencies, in accordance with the agreed upon plans and specifications, and agrees that no materials, fixtures, or any other part of such improvements shall be purchased or installed under conditional sales agreements or under any other arrangements wherein the right is reserved or accrues to anyone to remove or to repossess any such items, or to consider them as personal property. In the event that any materials, fixtures, or any other part of the improvements shall have been accomplished, purchased, or installed under conditional sales agreements, or under any other arrangement prior to the date hereof, Borrower shall furnish waivers in recordable form deemed sufficient by Lender waiving any rights reserved or accrued to anyone, or shall furnish a bond deemed sufficient by Lender to assure the priority of the Lender's lien upon the property.

4. **PROGRESS PAYMENTS.** The proceeds of the Loan shall be advanced after Work has commenced and shall be made for Work done preceding the date of request. Written application for each advance, in a form approved by Lender, shall be filed a reasonable time before the date upon which an advance is desired, certified to by Borrower, and (if required by Lender) approved by Lender's inspector, and shall contain such information as Lender may request. The amount of each advance of the Loan shall be the amount which Borrower has incurred in the construction of the improvements, as approved by Lender, less amounts for which sums have previously been advanced, and such amount shall be advanced under the Loan on behalf of Borrower and shall be delivered directly to Borrower. All advances shall be evidenced by: (a) a check issued to Borrower, or (b) a deposit to an account established for that purpose, (c) or as otherwise approved by Lender, at Lender's option.

5. **FINAL PAYMENT.** Any retainage and "Holdbacks" shall be payable upon the expiration of thirty (30) days from the date of final completion of the improvements and accepted by Lender. Provided, however, that the improvements shall not be considered complete unless and until all the work requiring inspection by any homeowners association or similar entity, or municipal or other governmental authorities having jurisdiction, has been duly inspected and approved by such entities or authorities and all requisite certificates and other approvals have been duly issued; and provided further, that Lender may withhold approval of final payment until after evidence satisfactory to Lender shall have been presented to Lender showing payment in full of all obligations incurred in connection with construction and completion of the improvements.

6. **NO DEFAULT.** Each request for an advance by Borrower shall be deemed a representation and warranty by Borrower to Lender that, as of the date of such request, no default exists in the terms of this loan agreement. Anything to the contrary notwithstanding, Lender may in any event, withhold payment of any advance until it has been furnished with satisfactory evidence that all bills for labor and material have been paid or, in lieu thereof (at Lender's sole option), it has been provided with lien waivers or bonds deemed sufficient by Lender. Lender shall have no obligation to require or obtain lien waivers or receipts, and even if it requires presentation to it of lien waivers or receipts, it shall have no responsibility for the validity thereof or for the correctness of the amounts thereof. Lender shall have no obligation to see that the advances made by it are actually used to pay for labor or materials furnished and used in the construction of the improvements. Borrower understands that these are Borrower's responsibilities, and Borrower assumes all risks in connection therewith.

7. **LIMITATION OF LENDER'S LIABILITY.** Lender has no liability, obligation or responsibility whatsoever with respect to the Work related to the construction of the improvements except to advance the proceeds of the Loan as herein agreed. Lender is not obligated to inspect the improvements or the construction thereof, nor is Lender liable for the performance or default of any contractor or subcontractor, or for any failure to construct, complete, protect, or insure the improvements, or for the payment of any cost or expense incurred in connection therewith, or for the performance or nonperformance of any obligation of Borrower to any such parties; and nothing, including, without limitation, any disbursement hereunder or the deposit or acceptance of any document or instrument, shall be construed as a representation or warranty, express or implied, on Lender's part. Borrower agrees that Lender has a valid lien and security interest provided in the Deed of Trust assigned to it to the extent of all Work performed thereunder and for all sums advanced under the Loan, irrespective of a default thereunder by Borrower or for its failure to complete or perform all Work required. Borrower shall have no right of offset, counterclaim or defense against Lender for payment of any indebtedness owing under the loan which Lender has advanced payment for under the Loan because of any claim Borrower.

8. **RIGHT OF INSPECTION.** Lender shall have the right (but not the obligation) at any time and from time to time during construction of the improvements to inspect the progress of the Work. If the Work is not being done in accordance with the plans and specifications, or is not otherwise satisfactory, Lender shall have the right to require compliance therewith and the remedying of all defects. Lender shall also have the right to withhold all advances under the Loan until the Work is completed satisfactory to it, and if the Work is not made satisfactory to Lender within ten (10) days after notice by Lender, such failure shall constitute a default under the Loan. By inspecting the Work, Lender assumes no responsibility for Borrower, or any permanent Lender for any defective material or work in the improvements. Borrower agrees that the inspection is for the sole purpose of protecting the security of Lender, and that such inspection is not to be construed as a representation by it that Lender is in any way responsible for determining strict or substantial compliance, on the part of Borrower, with the plans and specifications, or that the construction shall be free from faulty material or workmanship. Lender assumes no responsibility for the completion of the improvements according to the plans and specifications; provided, however, if the improvements fail for any reason to be completed, Lender shall have the right, but not the obligation, to complete the improvements, and the liens and security interests granted under the Deed of Trust shall inure to the benefit of Lender to the same extent as though the improvements had been completely performed as provided therein. Lender shall have the right to use such funds which Lender may find necessary to advance, to complete, or partially to complete the improvements, to pay amounts necessary to obtain the release of any liens, as may be necessary, in its discretion, to protect its security in the Property, and all money so used shall be secured by the liens and security interests granted under the Deed of Trust.

9. **NO WORK COMMENCED.** Borrower, as an inducement to Lender to make the Loan, represents and warrants to Lender that no material has been furnished, labor performed, or improvements, erections, or repairs made upon the Property as of the date hereof; that no material or equipment has been delivered to the Property; and that no other improvements are contemplated to be constructed on the Property, all as of the date hereof. Borrower agrees that no material shall be furnished, labor performed, or improvements, erections, or repairs made until after the Deed of Trust has been fully executed by the parties thereto and recorded in the office of the County Clerk in the county where the Property is located.

10. **EXPENSES.** Borrower shall pay for all expenses incurred in connection with the transaction described herein, including costs for the issuance of any title insurance binders or policies and recording fees.

11. **MISCELLANEOUS.** This Agreement is made under and shall be governed by the laws of the State of Texas. The headings of the sections of this Agreement are inserted for convenience of reference only and shall not be deemed to constitute a part hereof. This Agreement shall be binding upon the parties hereto and their respective heirs, successors and assigns; provided, however, that Borrower may not assign any of their respective rights or obligations hereunder without the prior written consent of Lender, which consent Lender shall have no obligation to grant. This Agreement, the Note, and the Deed of Trust embody the entire agreements and understandings among the parties hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Every provision of this Agreement is intended to be severable. If any terms or provisions of this Agreement or any of the above mentioned instruments or other documents called for or contemplated hereby, or any other understandings contemplated hereby or thereby, shall be invalid, illegal, or unenforceable for any reason whatsoever, the validity, legality, and enforceability of the remaining provisions hereof and thereof shall not in any way be affected or impaired thereby. All pronouns herein shall be considered singular or plural, and masculine, feminine, or neuter gender, as the case may be.

12. **ARBITRATION.** Any arbitrable dispute (defined in the Real Estate Lien Note signed contemporaneously with this Agreement) between the parties to this Agreement shall be settled by arbitration, in accordance with the Commercial Arbitration Rules, then obtaining, of the American Arbitration Association. Any arbitration hereunder shall be conducted pursuant to the Arbitration procedures more fully described in the Real Estate Lien Note, with such provisions being made referenced to as if fully copied verbatim herein.

BORROWER:

CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED,
A TEXAS CORPORATION

BY:


SERGIO ESTEBAN SANDOVAL GARCIA,
PRESIDENT

LENDER:

INTERNATIONAL BANK OF COMMERCE

BY:

ARMANDO GONZALEZ,
FIRST VICE-PRESIDENT

NOTICE OF NO ORAL AGREEMENTS



Principal	Loan Date	Maturity	Loan Number	Officer	Initial
\$344,000.00	4/8 /2024	1/ 8/2025	2180040962	Armando Gonzalez	

Borrower(s): Corintios Construction & Design, Incorporated

Lender: International Bank of Commerce

Dear Customer:

If the amount involved in your loan agreements exceeds \$50,000.00 in value, Texas law requires that you be notified of the following:

THE WRITTEN LOAN AGREEMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

The "Loan Agreements" referred to above include any one or more promises, promissory notes, agreements, undertakings, security agreements, deeds of trust or other documents, or commitments, or any combination of those actions or documents which you may have signed or received relating to your transaction with the Bank. This notice does not apply to any credit card, charge card or an open-end account (as that term is defined by Article 301.001 of the Texas Finance Code) intended or used primarily for personal, family, or household use.

Date this notice is being given: April 8, 2024

Loan Number or Other Reference Number: 2180040962

Description of Promissory Note:

- (1) Amount of Note: \$344,000.00
- (2) Date of Note: April 8, 2024

If this transaction does not involve a promissory note:

(1) Name of significant document(s):

- | | |
|---|--|
| <input type="checkbox"/> Guaranty | <input type="checkbox"/> Deed of Trust |
| <input type="checkbox"/> Security Agreement | <input type="checkbox"/> Application |
| <input type="checkbox"/> Pledge | <input type="checkbox"/> Other _____ |

(2) Date of significant document(s): April 8, 2024

BORROWER(S), GUARANTOR(S), DEBTOR(S), PLEDGOR(S) and GRANTOR(S):

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 
Name: Sergio Esteban Sandoval Garcia
Title: President

Address: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041


Name: Sergio Esteban Sandoval Garcia, Individually

Address: C Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

SECURED PARTY:

International Bank of Commerce

By: _____

Name: Armando Gonzalez

Title: First Vice President

ERRORS AND OMISSIONS/COMPLIANCE AGREEMENT



Principal	Loan Date	Maturity	Loan Number	Officer	Initial
\$344,000.00	4/ 8/2024	1/ 8/2025	2180040962	Armando Gonzalez	

Borrower(s): Corintios Construction & Design, Incorporated

Lender: International Bank of Commerce

Dear BORROWER(S), GUARANTOR(S), DEBTOR(S), PLEDGOR(S) and GRANTOR(S):

Please evidence your consent and agreement to the following by your execution of this agreement in the space provided below.

In the event any of the documents evidencing and/or securing the below referenced loans (collectively, the "Loans," whether one or more) misstate or inaccurately reflect the true and correct terms and provisions of the Loans and the misstatement or inaccuracy is due to unilateral mistake on the part of the LENDER, mutual mistake on the part of the LENDER and/or any BORROWER or DEBTOR/GUARANTOR/GRANTOR/PLEDGOR, as applicable, or clerical error, then in any such event, each BORROWER or DEBTOR/GUARANTOR/GRANTOR/PLEDGOR, as applicable, shall upon request by LENDER execute corrected original documents as LENDER may deem necessary. The failure of any BORROWER, DEBTOR, GUARANTOR, PLEDGOR and/or GRANTOR, as applicable, to execute any such documents as requested shall constitute a default under the Note and the other documents in connection with or securing the Loans. In the event of such failure or refusal to execute corrected original documents, the pertinent BORROWER, DEBTOR, GRANTOR, GUARANTOR or PLEDGOR will be liable for International Bank of Commerce's attorney's fees in enforcing this agreement.

Described as follows:

Promissory Note/Real Estate Lien Note (the "Note") in the original principal amount of \$344,000.00, dated April 8, 2024 payable to International Bank of Commerce, executed by Borrower.

ACCEPTED, AGREED AND APPROVED

BORROWER(S), GUARANTOR(S), DEBTOR(S), PLEDGOR(S) and GRANTOR(S):

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 
Name: Sergio Esteban Sandoval Garcia
Title: President

Address: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041


Name: Sergio Esteban Sandoval Garcia, Individually

Address: C Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

SECURED PARTY:

International Bank of Commerce

By: _____
Name: Armando Gonzalez
Title: First Vice President

BUSINESS CONSUMER WAIVER



International Bank of Commerce

Principal	Loan Date	Maturity	Loan Number	Officer	Initial
\$344,000.00	4/ 8/2024	1/ 8/2025	2180040962	Armando Gonzalez	

Borrower(s): Corintios Construction & Design, Incorporated

Lender: International Bank of Commerce

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, this shall be an addendum to the Promissory Note/Real Estate Lien Note, Security Agreement, Assignments, Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement, Guaranty, Application(s) and/or other Loan Document(s) that any of the undersigned executed and delivered to International Bank of Commerce (collectively, the "Loan Documents," whether one or more) on April 8, 2024 and is executed by the undersigned for the express purpose and intention of incorporating the contents of this addendum into each of the Loan Documents.

Notwithstanding any other provision in any of the Loan Document(s) or in any other note, instrument, or document delivered pursuant hereto or in connection herewith or in connection with any loan, extension of credit or credit facility to which Lender and any of the undersigned are parties, Lender and each of the undersigned and any entity, however organized, of which any of the undersigned are an officer and/or principal, which is involved in such transaction, specifically waive any and all rights each has, or may have, to assert a claim with respect to this transaction, any contemporaneous or future transaction and/or any agreement, instrument or document delivered pursuant thereto or in connection herewith, for any type of exemplary or punitive damages, or any multiplier of actual damages, available in equity or under statute or at law

The following specific language is statutorily required in Texas Credit Transactions of \$100,000.00 or less and this waiver is independent of and in addition to the waivers set forth above:

WAIVER OF CONSUMER RIGHTS

I hereby waive the provisions of, and my rights under, the Texas Deceptive Trade Practices – Consumer Protection Act, Section 17.41 et seq., Business and Commerce Code, a law that gives consumers special rights and protections. I further waive any relief or entitlements thereunder. After consultation with an attorney of my selection, I voluntarily consent to this waiver.

The waiver(s) set forth above are continuing and specifically are applicable to any renewal, extension, rearrangement, modification or work-out of the transaction, loan, extension of credit or credit facility and/or to all future rearrangement, transaction, loans, extensions of credit and/or credit facilities between the Lender and any of the undersigned.

ARBITRATION

Any dispute between Lender and any of the undersigned will be resolved by arbitration pursuant to the arbitration agreement contained in the Loan Documents, which is incorporated herein for all purposes.

NO ORAL AGREEMENTS

THIS WRITTEN DOCUMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AS OF THIS DATE AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

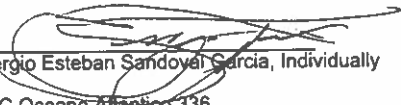
Executed this 8 day of April, 2024.

BORROWER(S), GUARANTOR(S), DEBTOR(S), PLEDGOR(S) and GRANTOR(S):

Corintios Construction & Design, Incorporated
A Texas Corporation

By: 
Name: Sergio Esteban Sandoval Garcia
Title: President

Address: 5411 Mcpherson Rd
Suite 102
Laredo, Texas 78041



Name: Sergio Esteban Sandoval Garcia, Individually
Address: C Oceano Atlantico 336
Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

SECURED PARTY:

International Bank of Commerce

By: _____
Name: Armando Gonzalez
Title: First Vice President

CERTIFICATE OF ATTORNEY'S REPRESENTATION

LENDER: INTERNATIONAL BANK OF COMMERCE
BORROWER: CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED,
A TEXAS CORPORATION
GUARANTOR: SERGIO ESTEBAN SANDOVAL GARCIA
LOAN AMOUNT: \$344,000.00
DATE OF LOAN: April 8, 2024

This instrument is intended to disclose and clarify the relationship between the various parties involved in the above referenced loan transaction.

1. The firm of attorneys preparing the loan documents, Freeman & Castillon, represents only the Lender and no other parties involved in this transaction.
2. Any and all parties to this loan transaction have the right to be represented by his or her own attorney and to have such attorney present at any of the loan transaction meetings.
3. The attorneys for the Lender have prepared notes, security instruments, assignments, deeds of trust, or other instruments, which the Borrower or other parties to this loan transaction may elect to use or not to use. If these instruments are used, the Borrower will be expected to pay the attorney's fees for their preparation.
4. The Borrower (or other party) has the right to have such party's own attorney prepare the instruments.
5. If the instruments to be used are prepared by someone other than the Lenders' attorneys, the Lender reserves the right to have its attorney's review, approve and/or revise the instruments so prepared to make sure that they properly protect the interests of the Lender. Borrower will be expected to pay the attorney's fees for their review, approval and/or revisions.

Please sign below to indicate that you have been notified of and understand your right to independent legal counsel and that the firm, FREEMAN & CASTILLON, represent only the interests of Lender and not those of any other parties.

DATED this 8th day of April, 2024.

BORROWER:

CORINTIOS CONSTRUCTION & DESIGN, INCORPORATED,
A TEXAS CORPORATION


BY:


SERGIO ESTEBAN SANDOVAL GARCIA,
PRESIDENT

Address:

5411 McPherson Rd., #102
Laredo, Texas 78041

GUARANTOR:


SERGIO ESTEBAN SANDOVAL GARCIA
C. Oceano Atlantico 336, Col La Paz
Nuevo Laredo, Tamaulipas 88290, Mexico

**DISCLOSURE OF RIGHT TO RECEIVE A COPY
OF AN APPRAISAL**



Date: 02/28/2024

Borrower(s): Corintio Construction & Design, Incorporated

Lender: International Bank of Commerce

Right to Receive Copy

We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close.
You can pay for an additional appraisal for your own use at your own cost.

Acknowledgement

By signing below, you acknowledge you have received this Disclosure.

BORROWER(S):

Corintio Construction & Design, Incorporated

A Texas Corporation

A handwritten signature in black ink, appearing to read "Sergio Estéban Sandoval Garcia", is written over a horizontal line.

Sergio Estéban Sandoval Garcia
President

CERTIFICATION OF BENEFICIAL OWNER(S)



International Bank of Commerce

1200 San Bernardo
Laredo, Texas 78040
(956) 722-7611 - Member FDIC

Persons opening an account on behalf of a legal entity must provide the following information:

a. Name and Title of Natural Person Opening Account -

Sergio Esteban Sandoval Garcia
President

b. Name, Type and Address of Legal Entity for Which the Account is Being Opened -

Corintios Construction & Design, Incorporated
Corporation
5411 Mcpherson Rd Suite 102
Laredo, TX 78041

c. The following information for each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25 percent or more of the equity interests of the legal entity listed above -

Name	Date of Birth	Address (Residential or Business Street Address)	For U.S. Persons: Social Security Number	For Non-U.S. Persons: Social Security Number, Passport Number and Country of Issuance, or other similar identification number
Sergio Esteban Sandoval Garcia	8/31/1970	C Oceano Atlantico 336 Col La Paz Nuevo Laredo, Tamaulipas 88290 Mexico		Visa/Border Crossing NVL004179134

(If no individual meets this definition, please write "Not Applicable.")

Folder:
Account:2180040962
Date:4/4/2024
Time:3:28 PM
CSR:Armando Gonzalez
Branch:127
Phone:(956) 722-7611

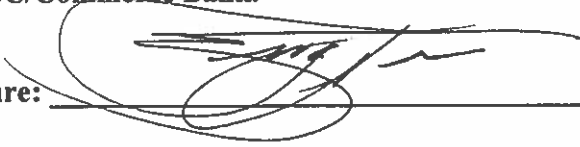
d. The following information for one individual with significant responsibility for managing the legal entity listed above, such as -

- An executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer); or
- Any other individual who regularly performs similar functions.

(If appropriate, an individual listed under section (c) above may also be listed in this section (d)).

Name/Title	Date of Birth	Address (Residential or Business Street Address)	For U.S. Persons: Social Security Number	For Non-U.S. Persons: Social Security Number, Passport Number and Country of Issuance, or other similar identification number ⁱ
Sergio Esteban Sandoval Garcia President	8/31/1970	C Oceano Atlantico 336 Col La Paz Nuevo Laredo, 88290 Mexico		Visa/Border Crossing NVL004179134

I, Sergio Esteban Sandoval Garcia (*name of natural person opening account*), hereby certify, to the best of my knowledge that the information provided above is complete and correct. Customer agrees to notify IBC/Commerce Bank of any change in Beneficial Ownership as long as any deposit or loan account remains open with IBC/Commerce Bank.

Signature:  Date: 4/8/24

Legal Entity Identifier _____ (Optional)

ⁱ In lieu of a passport number, Non -U.S. Persons may also provide a Social Security Number, an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

THIS CHECK HAS A COLORED BACKGROUND AND CONTAINS MULTIPLE SECURITY FEATURES - SEE BACK FOR DETAILS

WIBC BANK
We Do More
www.wibc.com

COMMERCE BANK
5800 San Dario Laredo, TX 78041

MEMBER INTERNATIONAL BANKSHARES CORPORATION / FDIC

No. 020117256

NOTICE TO CUSTOMER
THE FILING OF A "DECLARATION OF LOSS" FORM AFTER 90 DAYS FROM
THE DATE OF ISSUANCE CAN BE FILED FOR THE REPLACEMENT OF THIS
CHECK IN THE EVENT IT IS LOST, STOLEN OR DESTROYED

CORINTIOS CONSTRUCTION & DESIGN INC

APRIL 09, 2024
DATE

PAY TO THE ORDER OF
LAREDO TITLE & ABSTRACT

*****\$61,200.15*****

Sixty one thousand two hundred and 15/100ths USDollars

Memo: 2707 SANDERS LOT
Issued By: Rubin Ayala

CASHIER'S CHECK

Rubin Ayala
AUTHORIZED SIGNATURE



⑆020117256⑆ ⑆114909903⑆ ⑆1706101⑆

21642-24

Affiliated Business Arrangement Disclosure Statement Notice

GF No.: 21642-24

Buyer: Corintios Construction & Design Inc.

Seller: Hallie E. Herrera

Legal Description:

Situated in Webb County, Texas and being the South 37.23 feet of Lot Number One (1) and the North One-half of Lot Number Eight (N. 1/2 of 8), in Block Number Three Hundred Thirty-five (335), EASTERN DIVISION, situated in the City of Laredo, as per the original map or plat of said city.

This is to give you notice that Laredo Title and Abstract LTD has a business relationship with Zarcast Tax Data, Inc. One of the owners of Laredo Title and Abstract, LTD owns 100% of Zarcast Tax Data, Inc. Due to this relationship, this referral may provide Laredo Title and Abstract, LTD a financial or other benefit.

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed providers as a condition for settlement of your loan or purchase, sale, or refinance of the subject property. THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.

<u>Provider</u>	<u>Service</u>	<u>Charge or Range of Charge</u>
Zarcast Tax Data Inc.	Tax Service	\$48.71 - \$58.00Per Tax Account

I/We have read this disclosure form, and understand that Laredo Title and Abstract, LTD is referring me/us to purchase the above described settlement service(s) and may receive a financial or other benefit as the result of this referral.

BUYER:

SELLER:


Corintios Construction & Design
Inc.


Hallie E. Herrera

TAX AGREEMENT

Date: April 8, 2024
Re: GF# 21642-24
PROPERTY DESCRIPTION: Eastern Division, Block 335, SO 37.23' OF Lot 1 & N 1/2 of 8, Webb County

By their signatures below, Seller and Purchaser acknowledge as follows:

That they agree and approve the ad valorem tax pro-ration calculations conducted by Laredo Title & Abstract, Ltd., (hereinafter the "Title Company") and signifies their understanding that such calculations are based on the preceding year taxes assessed, or estimates for the current year. All other necessary adjustments are to be made personally between Purchaser and Seller as well as any deficit in delinquent taxes for any prior year for any reason, including rollbacks for tax exceptions which no longer apply, the 65 years of age and over and homestead exceptions, or any other related fees or penalties for any prior year, which Seller agrees to pay on demand.

Interest on existing liens is calculated only to the indicated dated and if not paid by such date, additional interest will have to be collected. We understand that the closing statement will be adjusted to insure that sufficient funds to secure the needed release from the lien holder will be available. Seller agrees to pay any deficit in any such pay-off amount on demand.

The parties further acknowledge that the above-mentioned information was assembled from other sources and that the Title Company cannot guarantee the accuracy thereof.

The parties further acknowledge that they are responsible for the payment of all fees incurred by each of them respectively, including but not limited to attorneys', surveyors', appraisers', and termite inspection fees or any other related fees and agree to hold Laredo Title & Abstract, Ltd harmless from any and all claims arising from such fees.

THAT THE PURCHASER WILL ADVISE ALL TAXING AGENCIES OF THE CHANGE IN OWNERSHIP OF SUBJECT PROPERTY TO ASSURE RECEIPT OF FUTURE TAX NOTICES.

Seller(s)



Hallie E. Herrera

Purchaser(s)



Corintios Construction & Design Inc.