

STATE OF TEXAS §
 §
COUNTY OF WEBB §

**CHAPTER 380 ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT
BETWEEN THE CITY OF LAREDO, TEXAS AND
LITOS TEXAS, LLC.**

This Chapter 380 Economic Development Performance Agreement (the “Agreement”) is made and entered into by and between the **CITY OF LAREDO**, a municipal corporation of the State of Texas, (the “City”), acting by and through its City Manager or his designee and LITOS TEXAS, LLC., a limited liability company registered to transact business in the State of Texas, (the “Company”), acting by and through its duly authorized officers. The City and the Company may be individually referred to as a “Party” and jointly as the “Parties.”

**ARTICLE I
RECITALS**

The recitals set forth in City Council Resolution No. 2026-R-136 are declared true and correct by the Parties and are hereby incorporated as part of this Agreement.

**ARTICLE II
AUTHORITY AND TERM**

1. **AUTHORITY.** This Agreement is entered into pursuant to:
 - A. Article III, Section 52-a of the Texas Constitution (“Texas Constitution”) and Chapter 380 of the Texas Local Government Code; Title 12, Subtitle A.
 - B. City Council Resolution No. 2026-R-136 which specifically approved this Agreement and authorized execution hereof.

2. **TERM.** This Agreement shall take immediate effect as of the date of execution by all parties. “Agreement Year 1” (herein further defined in Article II Section 14) shall begin January 1 of the year immediately following the year of execution of the Agreement. This Agreement will terminate on the date all obligations under this Agreement have been fulfilled unless earlier terminated pursuant to Article V, or otherwise extended by mutual written agreement of the Parties. The Company’s eligibility for Grant Payments (hereinafter defined) shall be limited to Five (5) consecutive years (the “Grant Period”) within the term of the Agreement pursuant to any compliance issues or changes to the Agreement.

DEFINITIONS

The following words shall have the following meanings when used in this Agreement.

3. **AGREEMENT.** The word “Agreement” means this Chapter 380 Economic Development Agreement, together with all exhibits attached to this Agreement.
4. **ANNUAL CERTIFICATION.** Herein also referred to as “certification,” “Annual Certification” means the process in which the City reviews the Company’s Obligations on a yearly basis in order to determine eligibility for Grant Payments, herein defined below in Article II, Section 11. Certification will occur.
5. **BUSINESS PERSONAL PROPERTY.** The words “Business Personal Property” mean any taxable tangible personal property that is (i) subject to ad valorem taxation by the City; (ii) is legally considered to be located on the Facility (as the term is defined below) and used in operation of the business; (iii) was not located on the Facility prior to the effective date of this agreement; and (iv) is owned or leased by the Company.
6. **CITY.** The word “City” means the City of Laredo, Texas.
7. **COMPANY.** The word “Company” means Litos Texas, LLC., and/or its successor or assigns.
8. **FACILITY.** The word “Facility” means the estimated 952,200 square feet of combined building area, to be constructed by the Company on the below-defined Site.
9. **FULL-TIME JOBS.** A “Full Time Job” means a job with no predetermined end date (other than a retirement date), with a regular work week of 35 hours or more on average for the entire normal year of local Company operations or for the entire time the position has been in existence (if less than one calendar year), and with benefits substantially equivalent to other regular employees of the Company and that satisfies the requirements set forth in Article III, hereof.
10. **PROJECT.** The word “Project” means (i) the Facility and related improvements (collectively, the “Improvements”) to be constructed by the Company on the Site, (ii) the Site described below on which the Improvements are to be constructed; and (iii) the Business Personal Property to be installed or located at the Facility to support the operation.
11. **GRANT PAYMENT.** The words “Grant Payment” mean a payment from the City to the Company on a yearly basis based on real property city taxes and business personal property taxes on the terms of this agreement so long as the Company is able to meet the minimum criteria regarding the number of new permanent full-time jobs, benefits, minimum improvement valuation and submits the yearly annual certification. Grant Payments shall begin the year after one full calendar year has lapsed following completion of the Project, and shall continue for Five (5) consecutive years thereafter provided that the Company continues to meet all obligations outlined in this agreement. Company shall not be eligible

to receive any grant payments during any year it is not compliant, but the grant period shall be limited to five (5) consecutive years.

12. **GRANT PERIOD.** The words “Grant Period” mean the period beginning on January 1 of Year 1 (hereinafter defined and continuing for Five (5) consecutive years during which the Company is eligible to receive Grant Payments from the City.)
13. **SITE.** The word “Site” means the real property upon which the Improvements are to be constructed, located at **PINNACLE INDUSTRIAL UNIT 14, BLOCK 2, LOTS 6 & 7** in the City, consisting of approximately 56.42 acres and more particularly described on **Exhibit A, Exhibit B, & Exhibit C** attached hereto and incorporated herein by reference.
14. **Year 1.** “Year 1” begins January 1 of the full calendar year immediately following the year in which (a) the Project is completed and (b) the Company has received and submitted a copy of the Certificate of Occupancy to the City of Laredo and has placed the Project into service or operation. In no case shall Year 1 begin later than January 1, 2029.
 - A. **GRANT PAYMENT YEAR.** The words “Grant Payment Year” shall mean the calendar year immediately following Year 1. Grant Payments will occur only after the Company complies with the annual certification and will be based on the previous agreement year.

ARTICLE III PROJECT REQUIREMENTS

1. **COMPANY’S OBLIGATIONS.** The obligation of the City to provide the Grant Payments to the Company shall be conditioned upon the Company’s continued substantial compliance with and satisfaction of each of the following conditions set forth in this Agreement, as solely and finally determined by the City Council:

The Company will invest the aggregate estimated amount **of at least Thirty-One Million Dollars (\$31,000,000.00)** (the “Project Investment”) towards the construction and completion of the Project with two LEED certified speculative logistics and distribution buildings and facility improvements. If Company fails to make Project Investment of at least Thirty-One Million Dollars (\$31,000,000.00) on the site, Company shall not be deemed to be in default under this Agreement, but the amount of the Grant shall be reduced proportionately based on the amount by which the Project Investment is less than Thirty-One Million Dollars (\$31,000,000.00).

- A. Any Project Investment condition that has been met for any Year will continue to be met throughout the term of Grant Period for such Project Investment condition for so long as the Total Taxable Assessed Value of the Project does not decrease by more than twenty percent (20%) after the initial satisfaction of the Investment Condition for Year 1, which (notwithstanding any provision in this Agreement to the contrary) Total Taxable Assessed Value for any year may include the increases in the “assessed value” for such year the capital investment necessary for the replacement of Business Personal Property.

- B.** The term “Total Taxable Assessed Value” for a particular tax year within the term means the total Certified assessed value determined by the Webb County Appraisal District (within the meaning of chapter 26 of the Texas Tax Code) for property tax purposes, of the land, improvements and personal property on the property for such tax year. Owner shall not be required to provide documentation regarding value of the land and/or any improvements the assessment of Taxable Assessed Value shall be solely through the Webb County Appraisal District findings.
- C.** The Company is the current owner of the Site. The Company intends to build and own facilities of the Project, but will “tenant out” (“Tenant” or “tenants”) the facilities as part of a 3PL (Third Party Logistics) operation. The Company will not directly create and maintain new full-time jobs as part of the Project once it is complete, instead jobs created and maintained will be made by potential tenants that occupy the buildings. The Company shall be responsible for ensuring that requirements for job creation as part of this Agreement are met by the tenants of the Project.
- D.** The Company will coordinate and assist in the creation and maintaining of no less than the following listed aggregate number of new Full-Time Jobs at the Project during each year of the Grant Period (each, an “Employment Condition”) by the tenants to achieve compliance.
- E.** The Company will coordinate with tenants of the project to create at least twenty (20) new permanent full-time jobs with minimum hourly wages of \$13.37 per hour by the end of the Agreement.
- F.** The Company’s compliance is accepted if it adds more jobs per year than required and achieves the cumulative or total number sooner than projected, however, the minimal cumulative levels must be maintained throughout the Grant Period.

Table 1 – Job Creation Table

	New Full Time Jobs	Cumulative Full Time Jobs (by Dec. 31 of Each Year)
Year 1	4	4
Year 2	4	8
Year 3	4	12
Year 4	4	16
Year 5	4	20

Benefits. The Company, following completion of the Project and commencement of operations, shall coordinate with tenants of the project to ensure that all new employees filling a Full-Time Job as part of this project will be entitled to medical insurance, dental insurance, vision, workers compensation and that some benefits will be accessible and offered to the employees' dependents throughout the term of this Agreement.

G. The Company, following completion of the Project and commencement of operations, shall coordinate with tenants of the project to fulfill the expected positions and wage scale more specifically described in **Exhibit A.3** attached hereto and made part hereof for all intents and purposes.

H. The Project shall be developed at location described **Exhibit A.7** "Location Maps" (and any obligations described herein, related to such) shall be in accordance with the ordinances, rules, and regulations of the City, subject to any variances, approvals, and applicable laws authorizing the Project to vary from any such regulations.

I. Compliance Verification

1. Annual Verification. During the term of this Agreement, the City, or its designated third-party representative, shall have the right to conduct an annual site inspection in or about the month of October for the limited purpose of verifying compliance with the minimum investment and other applicable requirements set forth in this Agreement. Such verification shall be based primarily on publicly available records, including the certified appraisal roll of the Webb County Appraisal District ("WCAD"), and a written certification from the Company as described herein. The City shall not be required to obtain information directly from tenants.

2. Reliance on Certified Appraisal Roll. For purposes of determining compliance with the minimum taxable value and investment thresholds under this Agreement, the parties agree that the City shall rely exclusively on the final certified taxable value of the Site and Facility as reflected on the WCAD appraisal roll for the applicable tax year, after completion of any protests or appeals.

3. Company Responsibility. The Company shall remain solely responsible for compliance with all terms and conditions of this Agreement, including any requirements relating to valuation, regardless of whether any portion of the Site or Facility is leased or occupied by tenants. No act or omission of any tenant shall relieve the Company of its obligations under this Agreement.

4. Tax Protests. The Company and any tenant or other authorized party shall retain the right to contest or protest the appraised value of the Site and Facility as permitted by applicable law. Notwithstanding the foregoing, the Company acknowledges and agrees that any reduction in appraised value resulting from such protest or challenge shall be reflected in the certified appraisal roll and may impact

the Company's ability to meet the minimum valuation or investment thresholds required under this Agreement. The City shall have no obligation to adjust, waive, or recalculate performance requirements based on such reductions.

5. Baseline Year Acknowledgment. The Company acknowledges that the minimum taxable value established for Year 1 of this Agreement serves as a baseline for purposes of this Agreement. The Company assumes all risk associated with any protest or challenge that results in a reduction of such value below the required threshold.

- J.** The Company shall not sell or lease any interest in the property to a member of the Laredo City Council, Planning & Zoning Commission or City officer as long as this Agreement is in effect.
- K.** The Company shall at all times comply with the City's building codes and zoning regulations in addition to all applicable rules, regulations, environmental laws, land use covenants and other restrictions of record. Company shall be solely responsible for obtaining any permits, licenses, certificates, or any other required documentation or approvals for the operation of the business on the Site.
- L.** The City reserves the right to confirm Company's compliance with the terms and conditions of this Agreement. City will provide the Company with a written report of the findings. If the monitoring notes deficiencies in the Company's performance under terms of Agreement, the monitoring report shall include corrections for such deficiencies by Company and a reasonable amount of time in which to attain compliance.

2. CITY'S OBLIGATIONS. As consideration for the Company's performance of its obligations under this Agreement, during the Term of the Agreement, City shall provide Company the following:

- A. GRANT PAYMENTS.** Grant Payments are eligible for both Company's tax accounts for Real Property. An annual Grant Payment to the Company in the amounts, based on the Company's City of Laredo real property taxes as determined below (the "Grant Payment Formula") for Year the Company satisfies Performance Conditions. **See Exhibit A.3.** Grant Payments will be made directly to the Company through its representatives and will not be paid to tenants or occupants of the Project.

Table 2 – “Grant Payment Formula”

Agreement Year	New Full- time Jobs	Cumulative New Full-time Jobs	Hourly Wage per position	Estimated assessed value: real property plus land	Percentage tax rebate of real property total valuation
1	4	4	\$13.37	\$30M	75%
2	4	8	\$13.37	\$30M	75%
3	4	12	\$13.37	\$30M	75%
4	4	16	\$13.37	\$30M	75%
5	4	20	\$13.37	\$30M	75%

- B.** If the Company fails to substantially satisfy any of the Employment Conditions or the Project Investment conditions included in Article III, or an Annual Certification reasonably acceptable to the City, then no Grant Payment will be considered and Company would be considered non-compliant.
- C.** Notwithstanding any other provision of this Agreement, the City shall have no obligation to consider, approve, or provide any economic incentive, rebate, credit, grant, or other form of financial assistance related to the Project if the Company leases, licenses, subleases, or otherwise permits occupancy or use of any portion of the Project by any tenant, subtenant, licensee, or occupant whose business operations are not consistent with (i) light manufacturing, (ii) third-party logistics (“3PL”), (iii) warehouse distribution or (iv) Fortune 500 companies or their subsidiaries or affiliates.
- D.** The grant period shall commence on Year 1. The City will make the first grant payment after the first full calendar year assessment and pursuant to the timeline described in the following **Article III, Section 2, Letter E.**
- E.** The Company shall pay to the City ad-valorem taxes assessed on the Land, Improvements, and Business Personal Property for each year prior to the beginning of the Grant Payment Period. Commencing at Year 1, the City will annually issue each Grant Payment to Company on or before the ninetieth (90th) day following the City receiving written notice, as provided herein, from the Company that such taxes have been paid in full. Prior to issuance of a Grant Payment, the City shall annually verify the Employment Conditions above. The written notice from Company to the City shall show that relevant property taxes have been paid in full and Company shall provide a copy of the paid tax receipt or other proof showing such taxes have been paid.
- F.** The Company acknowledges the Total Assessed Value described herein is estimated based on the Project Investment and that the Taxable Assessed Value may rise or decline during the Grant Period. The Company and Tenant shall retain

the right to protest and/or contest such appraisals. Grant payments will be capped as part of this Agreement and the total rebate to the Company over the agreement period shall not exceed \$1,000,000.00.

ARTICLE IV ANNUAL CERTIFICATION

1. **ANNUAL CERTIFICATION.** Beginning January 1 of Grant Payment Year 1, and during the month of January of each calendar year thereafter during the term, the Company shall begin preparations to submit to a review for annual certification to meet compliance with each applicable term of the Agreement. The Company shall submit all compliance documents (defined in IV.1.a through d below) to the City no later than 90 days after beginning a new Agreement Year. Annual Certifications require review of one (1) full Agreement Year, therefore the review will apply to the previous tax year. Grant Payments cannot occur until the Company has paid all tax accounts being considered under the Agreement and has provided proof of payment to the City. The City will then issue a Grant Payment based on eligible taxable values from the previous tax year. Such annual certification shall include personnel records and other documents that show:
 - a) Number of new jobs created
 - b) Employee benefits offered/used
 - c) Webb County Appraisal District Total Assessed Value after year 1
 - d) Receipt of taxes paid

Company may submit additional documentation to the City, or its designee, in order to obtain verification.

ARTICLE V TERMINATION

1. **ACTS TRIGGERING TERMINATION.** During the Grant Payment Period covered by this Agreement, the City may, subject to the notice provisions below, declare a default of this Agreement by the Company if the Company:
 - A. Refuses or neglects to comply with any of the terms of this Agreement; or
 - B. Makes representation that is false or misleading in any material respect to any of the terms of this Agreement; or
 - C. Substantially fails to satisfy the Investment Conditions hereof such that in any Year of the Grant Payment period, the Total Assessed Value is less than the minimum amount set for in Article, III (1)A; or
 - D. Materially breaches any of the terms or conditions of this Agreement and such default or breach is not cured as provided below following written notice thereof by the City; or

- E.** Ceases conducting produce distribution enterprise business during the Grant Payment Period at the Project for a period of six (6) months or more for any reason other than suspension due to fire, explosion, accident, natural disaster or other casualty, or
 - F.** Fails to submit to City the Annual Certification as required by Article IV following notice of such failure; or
 - G.** Allows the ad valorem taxes due on the Project to become delinquent without timely and properly filing a protest under Chapter 41 of the Texas Property Tax Code; or
 - H.** By mutual written agreement of the parties.
 - I.** Notwithstanding anything contained herein to the contrary, Company may send a notice of termination to the City and upon delivery of said notice to the City this Agreement shall be considered terminated, null and void and taxes shall be reinstated immediately after termination of this Agreement and shall accrue without rebate for all tax years thereafter.
- 2. NOTICE OF TERMINATION.** In the event that the City makes a reasonable determination that the Company has materially defaulted under this Agreement, then City shall give Company written notice of such. Company shall have sixty (60) days following receipt of said written notice to reasonably cure such default or this Agreement may be terminated by the City. Notice of default shall be in writing and shall be attempted or delivered by certified mail to the Company at the address provided in Section VI of this Agreement. If default is not cured with sixty (60) days from the date of such notice (the "Cure Period") then the Agreement may be terminated at the City's sole option. However, in the case of default for causes beyond the Company's reasonable control and which cannot, with due diligence, be cured within such sixty (60) day period, the Cure Period may be extended in the City's sole discretion if the Company:
- A.** Immediately upon receipt of such notice, advises the City of the reasons the default is beyond the Company's control and state Company's intention to institute all steps necessary to cure such default; and
 - B.** Institutes and thereafter carries to completion with reasonable dispatch all steps necessary to cure same.
 - C.** This Agreement shall automatically terminate if any state or federal statute, regulation, case law, or other law renders this Agreement ineffectual, or illegal, including any case law holding that a Chapter 380 Economic Development Agreement such as this Agreement is an unconstitutional debt.
- 3. RECAPTURE.** Upon termination of this Agreement, all ad valorem taxes otherwise abated or subject to Grant Payments under this Agreement shall be reinstated for all tax years following the effective date of such termination, without rebate.

Notwithstanding any provision of this Agreement to the contrary, the City shall have the right to demand recapture of Grant Payments previously disbursed to the Company only upon a determination by the City that the Company engaged in Fraud or Misconduct in connection with this Agreement.

For purposes of this Section, “Fraud or Misconduct” shall mean (i) a material misrepresentation or omission of fact made by the Company in any report, certification, or document submitted to the City under this Agreement, (ii) the intentional falsification of records related to compliance with the terms of this Agreement, or (iii) any willful act or omission undertaken with the intent to improperly obtain or retain benefits under this Agreement.

In the event the City determines that recapture is warranted pursuant to this section, the City shall provide written notice to the Company specifying in reasonable detail the basis for such determination. The Company shall have thirty (30) days from receipt of such notice to respond and provide evidence disputing the City’s determination. If, after consideration of any response, the City makes a final determination that Fraud or Misconduct has occurred, the City may demand repayment of all affected Grant Payments. Such repayment shall be due within sixty (60) days following receipt of the City’s written demand.

4. **EXCEPTION.** In the event, the Property, the Improvements and/or Business Personal Property are taken by the state or federal government through exercise of the power of eminent domain, this Agreement shall terminate to the extent the property is affected, however, the City shall not be entitled to recapture Grant Payments related thereto.

ARTICLE VI INDEMNIFICATION

1. COMPANY COVENANTS AND AGREES TO FULLY INDEMNIFY AND HOLD HARMLESS, CITY AND ITS ELECTED OFFICIALS, EMPLOYEES, OFFICERS, DIRECTORS, AND REPRESENTATIVES, INDIVIDUALLY AND COLLECTIVELY, FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE WHATSOEVER, INCLUDING BUT NOT LIMITED TO, PERSONAL INJURY OR DEATH AND PROPERTY DAMAGE, MADE UPON CITY DIRECTLY OR INDIRECTLY ARISING OUT OF, OR RESULTING FROM OR RELATED TO THE COMPANY’S NEGLIGENCE, WILLFUL MISCONDUCT OR CRIMINAL CONDUCT IN ITS ACTIVITIES UNDER THIS AGREEMENT, INCLUDING ANY SUCH ACTS OR OMISSIONS OF THE COMPANY, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONSULTANTS OF THE COMPANY, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES WHILE IN THE EXERCISE OR PERFORMANCE OF THE RIGHTS OR DUTIES UNDER THIS AGREEMENT, ALL WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY AND UNDER TEXAS LAW AND WITHOUT

WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE CITY AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY.

2. COMPANY SHALL PROMPTLY ADVISE CITY, IN WRITING OF ANY CLAIM OR DEMAND AGAINST CITY AND RELATED TO OR ARISING OUT OF OWNER'S ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT OWNER'S COST. CITY SHALL HAVE THE RIGHT, AT ITS OPTION AND AT ITS OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING OWNER OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

ARTICLE VII GENERAL PROVISIONS

1. **NOTICE.** Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if, (a) placed in the United States Mail with postage prepaid, return receipt requested, properly addressed to such party at the address hereinafter specified; or (b) deposited into the custody of a nationally recognized overnight delivery service such as FedEx or UPS, addressed to such party at the address hereinafter specified. Any notice mailed in the above manner shall be effective upon its deposit into the custody of the United States Postal Service or such nationally recognized delivery service, as applicable; all other notices shall be effective upon receipt. A party may designate a different address by giving the other party ten (10) days written notice. All notices must be filed with the City Tax Assessor-Collector.

TO THE COMPANY: **LITOS Texas, LLC.**
ATTN: Carlos Smeke
Address
City, State, Zip

TO THE CITY: **CITY OF LAREDO**
ATTN: Joseph W. Neeb
City Manager
1110 Houston Street
PO Box 579
Laredo, TX 78042-0579

- A. **CONDITION.** This Agreement is conditioned entirely upon the approval of the Laredo City Council by the affirmative vote of a majority of the members at a scheduled meeting and subject to review and approval by the City of Laredo for compliance with subdivision ordinance and land development code. This agreement does not waive any requirements by the City of Laredo on the development for this project.

- B. ASSIGNMENT.** If the Company sells, assigns or exchanges the Project during the Term of this Agreement, this Agreement shall cease and any subsequent Grant Payments may be subject to recapture. However, City Council, at their discretion, may consider Amending the Agreement to accommodate such new owner. A written request must be made by the new owner to the City Tax Assessor-Collector.
- C. AMENDMENT.** This Agreement may be terminated, changed, modified, or amended in whole or in part by mutual written agreement between the Parties, their successors or assigns and as approved by the governing body of the City. No amendment, modification, or alteration of the terms hereof shall be binding unless in writing dated subsequent to the date of this Agreement and duly authorized by the parties. The Company acknowledges that City Council approval is required for any of these actions.
- D. SEVERABILITY.** In the event any section, subsection, paragraph, subparagraph, sentence, phrase or work herein is held invalid, illegal, or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase or word. In such event there shall be substituted for such deleted provision that is valid, legal and enforceable. This Agreement constitutes the entire Agreement between the parties related to the subject matter herein and supersedes all prior, oral or written agreements, commitments or understandings with respect to the matters provided for herein.
- E. EMPLOYMENT OF UNDOCUMENTED WORKERS.** During the term of this Agreement, the Company agrees to not knowingly employ any undocumented workers and if convicted of a violation under U.S.C. Section 1324a(f) such action shall be an Event of Default and the Company shall be liable for repayment of taxes previously rebated and any other funds received by the Company from the City after the date of such violation. Such repayment shall be due within one-hundred and twenty (120) days after the date the Company is notified by the City of such violation. The Company is not liable for an unknown violation of this Section by a subsidiary, affiliate, or franchisee of the Company or by a person with whom the Company contracts provided however that identical federal law requirements provided for herein shall be included as part of any agreement or contract which the Company enters into with any subsidiary, assignee, affiliate, or franchisee.
- F. COMPANY STANDING.** The Company, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and the Company shall be entitled to intervene in said litigation.
- G. GOVERNING LAW.** The laws of the State of Texas shall govern the Agreement; and this Agreement is fully performable in Laredo, Webb County, Texas with exclusive venue for any action concerning this Agreement being in a court of competent jurisdiction in Webb County, Texas.

- H. INDEPENDENT CONTRACTOR.** It is expressly understood and agreed by all Parties hereto that in performing their services hereunder, the Company at no time will be acting as an agent of the City and that all consultants or contractors engaged by the Company respectively will be independent contractors of the Company; and nothing contained in this Agreement is intended by the Parties to create a partnership or joint venture between the Parties and any implication to the contrary is hereby expressly disavowed. The Parties hereto understand and agree that the City will not be liable for any claims that may be asserted by any third party occurring in connection with the obligations performed by the Company respectively under this Agreement, unless any such claims are due to the fault of City.
- I. ACCESS TO INFORMATION.** The City shall rely on the appraised value of the Project as determined by the Webb County Appraisal District for purposes of verifying compliance with this Agreement. If compliance cannot be confirmed based on such appraisal, the Company may provide documentation reasonably necessary to demonstrate compliance, which shall be submitted within thirty (30) days after the Company becomes aware of such deficiency. Failure to provide such documentation within such period may constitute grounds for termination of this Agreement. During the Term of this Agreement, Company shall allow designated representatives of the City access to the Facility during normal business hours and, upon notice to Company, to inspect the Facility and Business Personal Property to determine if the terms and conditions of this Agreement are being met, as long as City representatives are accompanied by Company's representative and as long as such inspections are conducted in such a manner as to: (i) not unreasonably interfere with the operation of the Facility; and (ii) comply with Company's reasonable securing requirements.
- J. REMEDIES.** No right or remedy granted herein or reserved to the parties is exclusive of any right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this Agreement may be waived without consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Agreement.
- K. HEADINGS.** The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

{SIGNATURE PAGE FOLLOWS}

EXECUTED on this _____ day of _____, 2023.

- **LITOS Texas, LLC.**

/DATE/

Printed Name: _____

Position: _____

- **FOR CITY OF LAREDO**

/DATE/

Printed Name: Joseph W. Neeb

Position: City Manager

- **ATTEST:**

/DATE/

Jose A. Valdez, Jr.
City Secretary

APPROVED AS TO FORM:

/DATE/

Doanh T. Nguyen
City Attorney

Exhibit A – Site Plan

Exhibit B – Location Maps

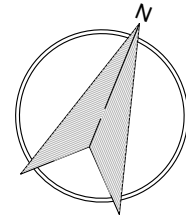
Exhibit C – Legal Description

Lots Number Six (6) and Seven (7), in Block Number Two (2), PINNACLE INDUSTRY CENTER - FM 1472, UNIT 14, a subdivision situated in the City of Laredo, as per plat recorded in Volume 44, Pages 1-8, Webb County Plat Records.

DRAFT

EXHIBIT

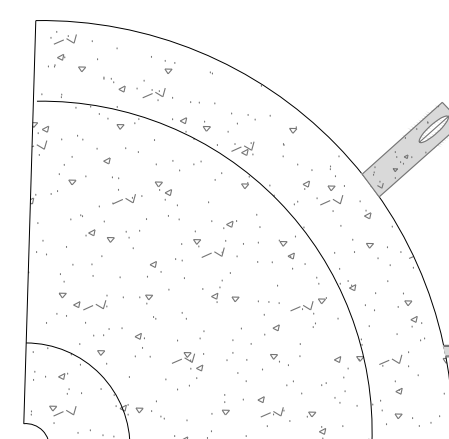
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0 25 50 100 200
 24" X 36" SHEET - SCALE: 1" = 100'
 11" X 17" SHEET - SCALE: 1" = 200'

CHAD WHEELER
 VOL. 1371,
 PGS. 128-132
 O.P.R.W.C.T.

CHAD WHEELER
 VOL. 1578,
 PGS. 865-869
 O.P.R.W.C.T.



PINNACLE MINES INVESTMENTS LLC
 DRAINAGE & DRAINAGE ACCESS EASEMENT
 LOT 5 BLOCK 2

LUCIA R. SANCHEZ
 TRACT 9

RANCHITOS "LAS LOMAS WEST"
 VOL. 120, PG. 798
 O.P.R.W.C.T.

FERNANDO IGLESIAS DECD & WF
 TRACT 7

JAMES E. VAUGHN & WF
 TRACT 5

FELIX VELASQUEZ & WF EMMA
 TRACT 3

PROPOSED BUILDING
 476,280.0 S.F.
 LOT 6, BLOCK 2
 29.25 ACRES
 PINNACLE INDUSTRY CENTER
 FM 1472, UNIT 14
 VOL. 44, PGS. 1-8
 P.R.W.C.T.

PROPOSED BUILDING
 476,280.0 S.F.
 LOT 7, BLOCK 2
 27.18 ACRES
 PINNACLE INDUSTRY CENTER
 FM 1472, UNIT 14
 VOL. 44, PGS. 1-8
 P.R.W.C.T.

PINNACLE MINES INVESTMENTS LLC
 LOT 9 BLOCK 2

LEGEND	
BUILDING LINE	
FIRE HYDRANT ASSEMBLY (COMPLETE)	
FIRE DEPARTMENT CONNECTION	
GATE VALVE	
FITTING	
WATER METER	
BACKFLOW PREVENTER ASSY. (COMPLETE)	
WATER LINE	4" W
SANITARY SEWER MANHOLE	
CLEANOUT	
SANITARY SEWER SERVICE	S
SANITARY LINE	6" SS
STORM SEWER MANHOLE	
SANITARY SEWER LINE	24" SD
POWER POLE	
OVERHEAD ELECTRICAL LINE	OHE
UNDERGROUND ELECTRICAL LINE	UGE
LIGHT POLE	
TELEPHONE PEDESTAL	
AT&T LINE	COM
GAS LINE	GAS
ABBREVIATIONS: BLDG = BUILDING INV = INVERT RIM = RIM ELEVATION	

- GENERAL NOTES**
- ALL EXISTING IMPROVEMENTS SHOWN WITHIN THE RIGHT-OF-WAY OF MERCURY MINE RD. AND RIVER BANK RD. ARE UNDER CONSTRUCTION. THE IMPROVEMENTS ARE BASED UPON GILPIN ENGINEERING COMPANY'S PUBLIC IMPROVEMENT PLANS FOR THE PLAT OF PINNACLE INDUSTRY CENTER - FM 1472, UNIT 14.
 - EXISTING TOPOGRAPHY SHOWN IS BASED ON GILPIN ENGINEERING COMPANY'S PUBLIC IMPROVEMENT PLANS FOR THE PLAT OF PINNACLE INDUSTRY CENTER - FM 1472, UNIT 14.
 - SURVEY INFORMATION SHOWN WAS PROVIDED BY BLUETOP LAND SURVEYING AND REFLECTS THE INFORMATION SHOWN ON THE ALTA SURVEY DATED AUGUST 19, 2025.

GMA
 ARCHITECTS
 7930 CLAYTON ROAD, SUITE 300
 RICHMOND HEIGHTS, MO 63117
 P. (314) 822-5191
 WWW.GMA-ARCHITECTS.COM

ARCO MURRAY
 DESIGN BUILD
 5110 MCPHERSON RD., SUITE 3B
 LAREDO, TX 78041
 WWW.ARCOMURRAY.COM

142 Design Group
 330 Shilohside North Parkway,
 Ste. 210
 Atlanta, GA 30339
 (770) 541-1700

KCI
 CONSULTANTS
 1700 West Loop West, Suite 200
 Houston, Texas 77056
 (713) 865-1000

Holtz Mechanical
 2522 Hillman Road
 San Antonio, TX 78218
 (210) 691-7500

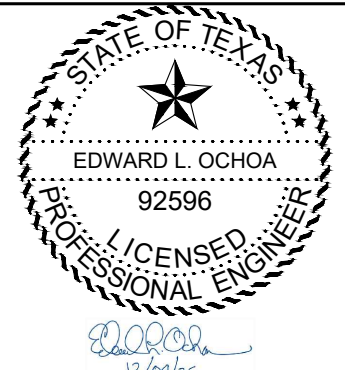
CSE Electric
 2100 Service Center Drive
 San Antonio, TX 78218
 (210) 590-6529

RSW Consulting
 13035 Conover Street
 San Antonio, TX 78216
 (210) 498-1800

Fire Protection Fire Alarm
 TBD

LITOS

PROJECT
LITOS Laredo - East Building
 590 Mercury Mine Rd
 Laredo, TX 78045
 Pinnacle Unit 14, Block 2, Lot 7

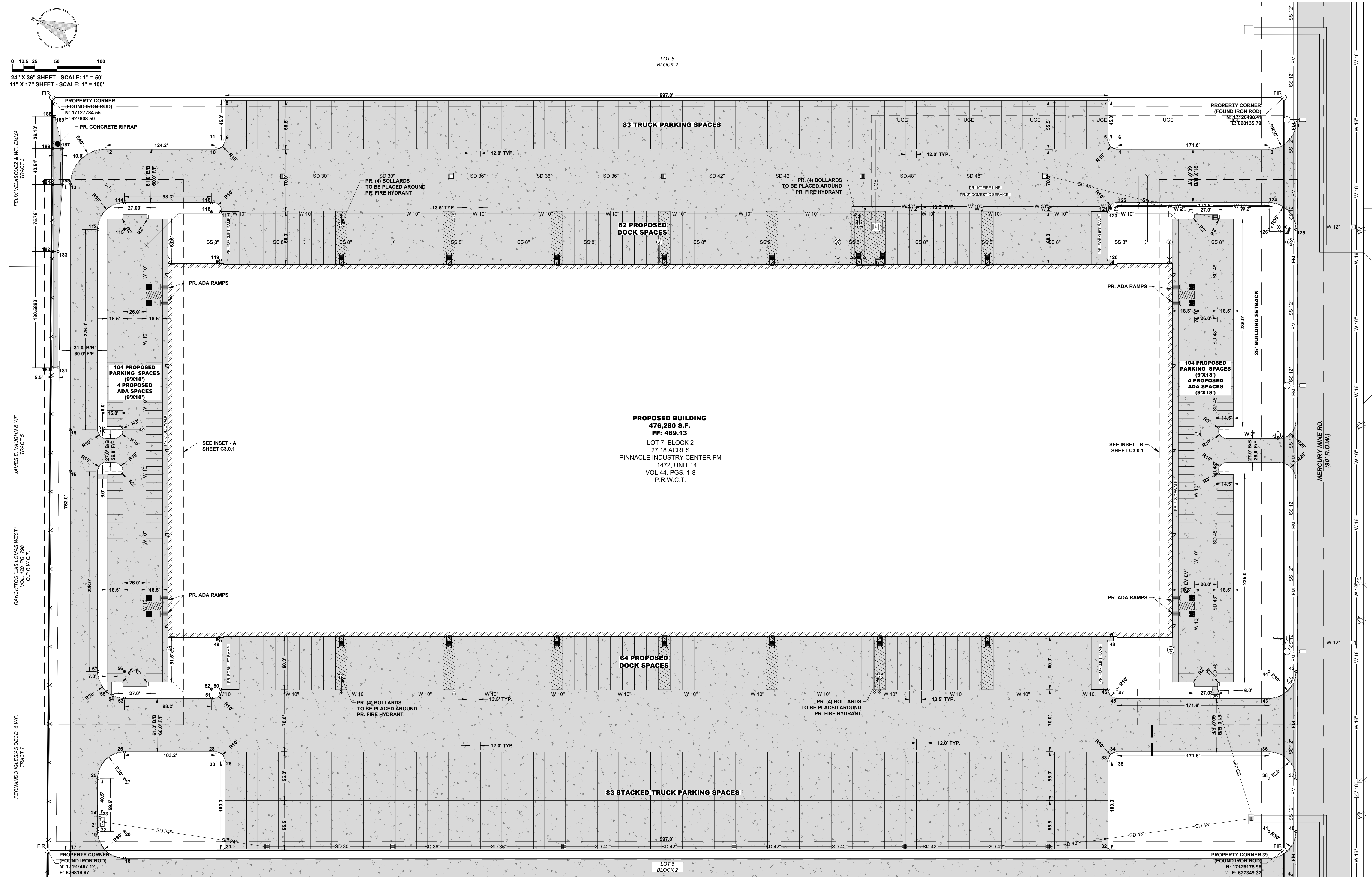


GMA JOB NO: GA197
 ARCO JOB NO: LAR003
 DRAWN BY: AB
 ISSUE DATE: 09.12.2025

REVISIONS:

#	DESCRIPTION	DATE

SHEET NUMBER
C1.0
 OVERALL SITE PLAN



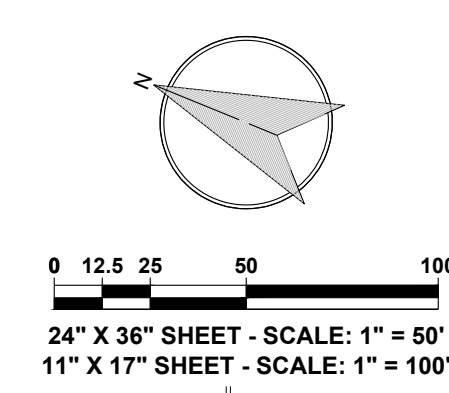
SITE NOTES

- ALL PROJECT COORDINATES ARE ESTABLISHED BASED ON THE PROVIDED CONTROL DATA ON THE CONTROL / BENCHMARK DATA SHEET.
- RADIAL AND TYPICAL DIMENSIONS SHOWN ARE TAKEN FROM THE BACK OF CURB OR EDGE OF SIDEWALK, UNLESS OTHERWISE PRESENTED ON THIS PLAN. THE CONTRACTOR SHALL COORDINATE WITH THE ENGINEER AND ARCHITECT PRIOR TO MAKING ANY FIELD CHANGES THAT DIFFER FROM THIS DIMENSION PLAN.
- CONTRACTOR SHALL SAW-CUT AND/OR ADJUST EXISTING PAVEMENT AS NECESSARY TO ASSURE A SMOOTH AND CONTINUOUS TRANSITION GRADE TO PROPOSED PAVEMENT SURFACES.
- CONTRACTOR SHALL SAW-CUT AND/OR ADJUST EXISTING PAVEMENT AS NECESSARY TO ASSURE A SMOOTH AND CONTINUOUS TRANSITION GRADE.
- CONTRACTOR SHALL MAINTAIN ALL EXISTING DRAINAGE CONDITIONS DURING ALL CONSTRUCTION PHASES OF THE PROJECT UNTIL THE PERMANENT DRAINAGE FACILITIES ARE CONSTRUCTED AND READY TO USE. HANDLE ALL EXCAVATED AND STOCKPILED MATERIAL IN SUCH A WAY THAT IT WILL NOT BLOCK DRAINAGE OR DAMAGE EXISTING ENVIRONMENTAL ITEMS.
- CONTRACTOR SHALL ENSURE THE SAFETY OF WORKERS DURING EXCAVATION ACTIVITIES. THE CONTRACTOR SHALL INSTALL TRENCH SAFETY MEASURES WHEN TRENCHING MORE THAN 5 FEET OF DEPTH. TRENCHING MORE THAN 20 FEET OF DEPTH REQUIRES A PROTECTIVE SYSTEM DESIGNED BY A REGISTERED PROFESSIONAL ENGINEER OR BASED ON TABULATED DATA PREPARED AND/OR APPROVED BY A REGISTERED PROFESSIONAL ENGINEER IN ACCORDANCE WITH OSHA REGULATION 1926.652(B) AND (C).
- CONTRACTOR SHALL ADJUST ALL UTILITIES TO FINISH GRADE UNLESS NOTED OTHERWISE ON THESE PLANS.

CONSTRUCTION PHASES OF THE PROJECT UNTIL THE PERMANENT DRAINAGE FACILITIES ARE CONSTRUCTED AND READY TO USE. HANDLE ALL EXCAVATED AND STOCKPILED MATERIAL IN SUCH A WAY THAT IT WILL NOT BLOCK DRAINAGE OR DAMAGE EXISTING ENVIRONMENTAL ITEMS.

CONTRACTOR SHALL ENSURE THE SAFETY OF WORKERS DURING EXCAVATION ACTIVITIES. THE CONTRACTOR SHALL INSTALL TRENCH SAFETY MEASURES WHEN TRENCHING MORE THAN 5 FEET OF DEPTH. TRENCHING MORE THAN 20 FEET OF DEPTH REQUIRES A PROTECTIVE SYSTEM DESIGNED BY A REGISTERED PROFESSIONAL ENGINEER OR BASED ON TABULATED DATA PREPARED AND/OR APPROVED BY A REGISTERED PROFESSIONAL ENGINEER IN ACCORDANCE WITH OSHA REGULATION 1926.652(B) AND (C).

CONTRACTOR SHALL ADJUST ALL UTILITIES TO FINISH GRADE UNLESS NOTED OTHERWISE ON THESE PLANS.



S:\data\Proj_2025_KCI00050408_001_Site_Civil\Lot7_Pinnacle\14-Arco_Murray\Site\Sheet\Lot 7 - East\Site Plan.dwg

EXHIBIT

B



(IN FEET)
1 inch = 100 ft.

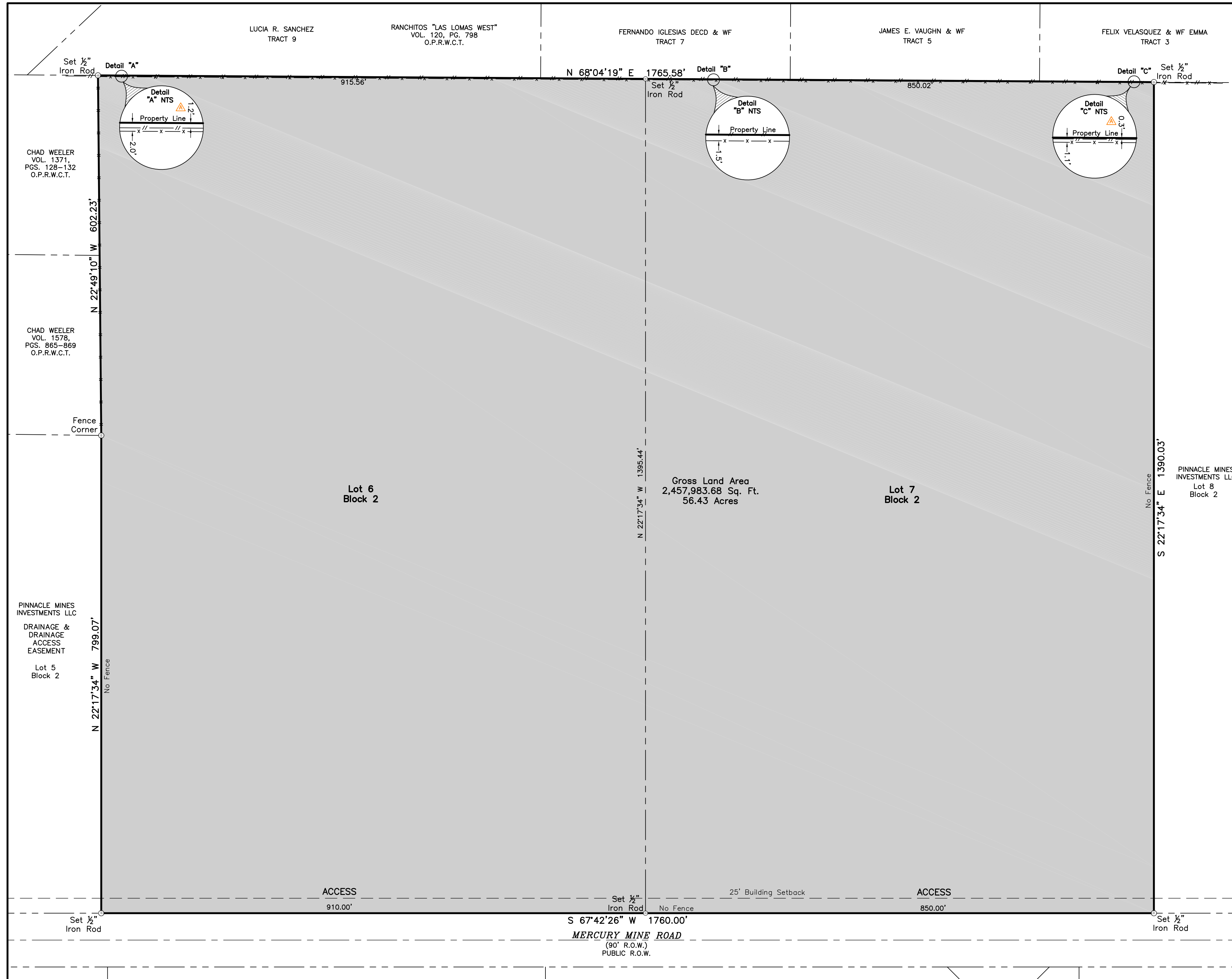
BASIS OF BEARING:
G.P.S., Texas Coordinate System, Texas South Zone, NAD 1983
(SAME AS RECORDED SUBDIVISION PLAT)

LEGAL DESCRIPTION
SITUATED IN WEBB COUNTY, TEXAS, AND BEING THE SURFACE ONLY OF LOTS NUMBER SIX (6) AND SEVEN (7), IN BLOCK NUMBER TWO (2), PINNACLE INDUSTRY CENTER - FM 1472, UNIT 14, A SUBDIVISION SITUATED IN THE CITY OF LAREDO, AS PER PLAT RECORDED IN VOLUME 44, PAGES 1-8, WEBB COUNTY PLAT RECORDS.

FLOOD NOTE:
BY SCALED MAP AND GRAPHIC PLOTTING ONLY, THE PROPERTY APPEARS TO LIE IN ZONE X (AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE FLOOD HAZARD) AS PER THE FLOOD INSURANCE RATE MAP FLOOD AREAS, MAP No. 48479C1015C, WHICH BEARS AN EFFECTIVE DATE OF APRIL 2, 2008.

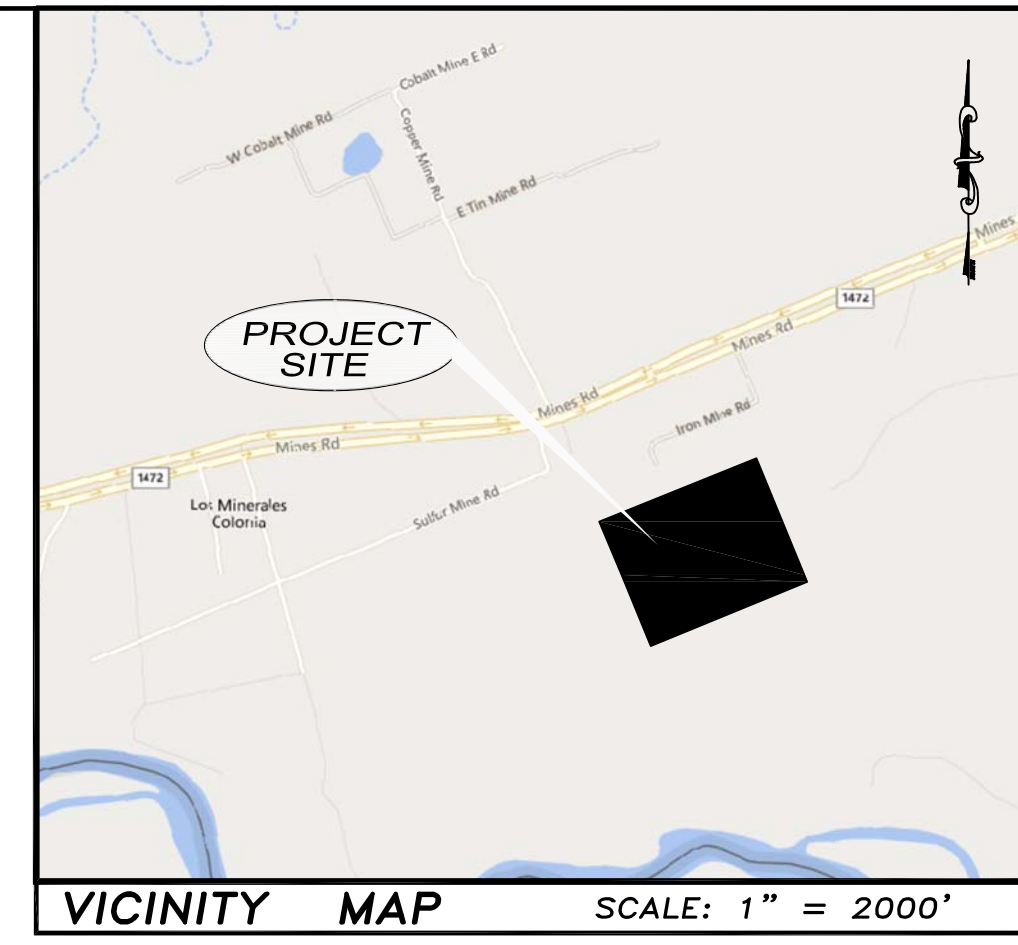
NOTES

- This survey was made in accordance with laws and/or Minimum Standards of the State of Texas.
- The property described hereon is the same as the property described in Title Commitment No. 23174-25, with an effective date of May 22, 2025, and that all easements, covenants and restrictions referenced in said title commitment or apparent from a physical inspection of the site or otherwise known to me have been plotted hereon or otherwise noted as to their effect on the subject property.
- Said described property is located within an area having a Zone X designation by the Federal Emergency Management Agency (FEMA), on Flood Insurance Rate Map No. 48479C1015C, with a date of identification of April 2, 2008, Webb County Community No. 481059, and City of Laredo Community No. 480651 in the State of Texas.
- The Property has direct access to Mercury Mine Road, (as shown on the survey) a dedicated public right-of-way.
- The total number of striped parking spaces on the subject property is 0.
- The Subject Property seems to be in the developmental phase, therefore there was observed evidence of current earth moving work.
- There are no proposed changes in street right of way lines. There is no observed evidence of recent street or sidewalk construction or repairs [except as shown or noted hereon].
- There is no observed evidence of site use as a solid waste dump, sump or sanitary landfill [except as shown or noted hereon].
- Utilities are based on observed evidence, plans requested from utility department and 811 Utility locators, Ticket Number: 2563679386, Call 811 before you dig.
- Not all Easements and Utilities shown hereon.



ENCROACHMENTS
Barbed Wire Fence located along the south property line of Ranchitos "Las Lomas West", encroaches over the subject's north property line (As shown in Survey).

LEGEND
Deer Proof Fence
Barbed Wire Fence



VICINITY MAP SCALE: 1" = 2000'

ZONING DATA
ZONING CLASSIFICATION: ZONED M-1, LIGHT MANUFACTURING DISTRICT
MAXIMUM HEIGHT: 15' A
SETBACKS:
FRONT YARD SETBACK: 25 FEET
SIDE YARD SETBACK (CORNER): 10 FEET
SIDE YARD SETBACK (INTERIOR): SETBACKS SHALL BE SIX FEET (6'0") FOR RESIDENTIAL USE, TEN FEET (10'0") ALL OTHER USES, OR THE NUMBER OF FEET ESTABLISHED IN TABLE 503 IN THE ADOPTED INTERNATIONAL BUILDING CODE, WHICHEVER IS GREATER.
REAR YARD SETBACK: SETBACKS SHALL BE SIX FEET (6'0") FOR RESIDENTIAL USE, TEN FEET (10'0") ALL OTHER USES, OR THE NUMBER OF FEET ESTABLISHED IN TABLE 503 IN THE ADOPTED INTERNATIONAL BUILDING CODE, WHICHEVER IS GREATER.
PARKING:
- PARKING SPACES REQUIRED (MANUFACTURING/INDUSTRIAL): ONE (1) FOR EVERY TWO (2) EMPLOYEES (ON THE LARGEST SHIFT FOR WHICH THE BUILDING IS DESIGNED) PLUS ONE (1) FOR EACH MOTOR VEHICLE USED IN THE BUSINESS, AND TWO (2) TRACTOR TRUCK SPACES FOR EACH LOADING DOCK.
SOURCE: CITY OF LAREDO - LAND DEVELOPMENT CODE (MAY 12, 2021)

NOTES CORRESPONDING TO SCHEDULE B:

- 10a Rights of parties in possession.
- 10b All visible and apparent easements or uses and all underground easements or uses, the existence of which may arise by unrecorded grant or by use.
- 10c All zoning laws, regulations and ordinances of municipal and/or other governmental authorities, if any, but only to the extent that they are in effect, relating to the hereinabove described property, or any part thereof.
- 10d Any leases, grants, exceptions or reservations of coal, lignite, oil, gas and other minerals, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of mineral interest that are not listed.
- 10e All leases, grants, exceptions or reservations of the geothermal energy and associated resources below the surface of the land, together with all rights, privileges and immunities relating thereto, appearing in the Public Records whether listed in Schedule B or not. There may be leases, grants, exceptions or reservations of the geothermal energy and associated resources below the surface of the land that are not listed.
- 10f Agreement for Acceptance of Storm Drainage from Pinnacle Industry Center - FM 1472, Unit 14 dated February 14, 2025, executed by Robert J. Gilpin and Lourdes R. Gilpin, and Pinnacle Mines Investments, L.L.C., to Ramon Chavez, P.E., City Engineer for the City of Laredo, recorded in Volume 5788, Page 210, Webb County Official Public Records. [Affects Subject Property, Not Plotted (Not a Survey Matter)]
- 10g Standard Maintenance and Monitoring Agreement dated February 14, 2025, between Pinnacle Mines Investments, L.L.C., and the City of Laredo, recorded in Volume 5792, Page 472, Webb County Official Public Records. [Does Not Affect Subject Property, Not Plotted]
- 10h Annual Maintenance Assessments, together with Special Assessments as provided for in the Declaration of Covenants, Conditions and Restrictions, recorded in Volume 5797, Pages 572-627, Webb County Official Public Records. [Affects Subject Property, Not Plotted (Not a Survey Matter)]
- 10i Any and all access easement, utility easements, restrictions and/or notations as reflected on plat recorded in Volume 44, Pages 1-8, Webb County Plat Records. [Does Not Affect Subject Property, Not Plotted (No Access Easement or Utility Easement Noted for Subject Property on Recorded Plat)]

SURVEYOR'S CERTIFICATE:
To: Litos Texas, LLC, a Texas Limited Liability Company, and First American Title Guaranty Company.
This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS and includes items 1, 2, 3, 4, 6(a), 8, 10, 11(b), 13, and 16 of Table A thereof.



The field work was completed on: May 20, 2025.
Date of Plat or Map: May 22, 2025.
Oscar Almaguer
TEXAS, R.P.L.S. No. 6866

ALTA/NSPS LAND TITLE SURVEY
OF
SITUATED IN WEBB COUNTY, TEXAS, AND BEING THE SURFACE ONLY OF LOTS NUMBER SIX (6) AND SEVEN (7), IN BLOCK NUMBER TWO (2), PINNACLE INDUSTRY CENTER - FM 1472, UNIT 14, A SUBDIVISION SITUATED IN THE CITY OF LAREDO, AS PER PLAT RECORDED IN VOLUME 44, PAGES 1-8, WEBB COUNTY PLAT RECORDS.
BASED UPON TITLE COMMITMENT FILE No. 23174-25 ISSUED BY FIRST AMERICAN TITLE GUARANTY COMPANY EFFECTIVE DATE: MAY 22, 2025
ADDRESS: 590 MERCURY MINE ROAD, CITY OF LAREDO, TEXAS, 78045 (Lot 6)
ADDRESS: 620 MERCURY MINE ROAD, CITY OF LAREDO, TEXAS, 78045 (Lot 7)

Blue Top Land Surveying
101 West Hillside, Suite 10
Laredo, Texas 78041
Phone: (956) 724-8423
Fax: (956) 712-2580
FIRM # 10071800

Blue Top Land Surveying
SURVEY BASED ON GF No.: 23174-25
REVISED DATE: 05-30-25
DATE: 05-22-25
DRAWN BY: A.T.
CHECKED BY: O.A.
JOB No. 250064
FILE: 250064 L6 & L7 B2 PINNACLE INDUSTRY CENTER - FM 1472 UNIT 14.DWG