Dan Bochsler, President
Kim Willmott, Vice-President
Charles Drane, Secretary/Treasurer
Firouz Haghighi, Director
Joseph Thompson, Director
Debbie Wacha, Director
Ernest Williams, Director

Christophe Trahan, EDC Director
Melissa Temple, Admin. Assistant
Mary Ann Admire, Marketing Analyst

NOTICE OF MEETING
ECONOMIC DEVELOPMENT CORPORATION
October 13, 2026
10:00 A.M.
PEDC Office
100 Willow Creek Pkwy, Suite A
Palestine, TX

Zoom Link:https://us06web.zoom.us/j/89699924513?pwd=PEKZ0yyI7c6CFbHSkXd50tb2g11r4n.1

Meeting ID: 896 9992 4513
Passcode: 484594

Note: when you are joining a Zoom meeting by phone, you can use your phone's dial pad to enter the commands *6 for toggling mute/unmute and *9 to "raise your hand." Learn more here.

Follow us live at: facebook.com/PalestineTxEDC

A. **CALL TO ORDER**

B. **PROPOSED CHANGES OF AGENDA ITEMS**

C. **PUBLIC COMMENTS**
Any citizen wishing to speak during public comments regarding an item on or off the agenda may do so during this section of the agenda. All comments must be no more than five minutes in length. Any comments regarding items, not on the posted agenda may not be discussed or responded to by the board. Members of the public may join via Zoom or in person.

D. **CONFLICT OF INTEREST DISCLOSURES**

E. **ITEMS FROM BOARD**

F. **DIRECTOR'S REPORT**

1. Review Monthly Director's Report.
   a.) Strategic Plan Activity
   b.) Retail Sector Data
   c.) Workforce Data
   d.) Development Services Report
   e.) All Other Economic Development Activities

2. Review Monthly Marketing Analyst Report.
   a.) Monthly Marketing Activities
   b.) Monthly Marketing Analytics
   c.) All Other Marketing Activities

G. **DISCUSSION AND ACTION ITEMS**

1. Consider approval of the PEDC minutes from September 8, 2026.

2. Consider approval of the September 2026 Financial Report.
3. Presentation by Texas Futura/ Lonestar Oil Tech. regarding the project in Willow Creek Business Park.
4. Discussion and possible action regarding CD investment and short term bond options for PEDC.
5. Discussion and possible action regarding a Lease Amendment and a First Amendment to the Performance Agreement with Bitcoin Mining Institute, LLC.
6. Discussion and Possible action regarding a Downtown Grant Performance Agreement with NCBA Enterprises, LLC.

H. **CLOSED SESSION**

The Board will go into Closed Session pursuant to Texas Government Code, Chapter 551, Subchapter D.

1. Section 551.087 deliberation regarding Economic Development negotiations
   a.) Texas Futura/ Lonestar Oil Tech.

I. **RECONVENE IN OPEN SESSION**

1. Discussion and possible action regarding Texas Futura/ Lonestar Oil Tech.

J. **ADJOURNMENT**

I certify that the above Notice of Meeting was posted at the main entrance of the Palestine Economic Development Corporation located at 100 Willow Creek Parkway, Suite A, Palestine, Texas, in compliance with Chapter 551 of the Texas Government Code on **Tuesday, October 6, 2026.**

M. Temple

Melissa Temple, EDC Admin. Assistant

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA) PERSONS IN NEED OF SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, CONTACT THE CITY SECRETARY'S OFFICE VIA EMAIL AT citysecretary@palestine-tx.org or 903-731-8414.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Review Monthly Director's Report.

SUMMARY:

Review Monthly Director's Report.
a.) Strategic Plan Activity
b.) Retail Sector Data
c.) Workforce Data
d.) Development Services Report
e.) All Other Economic Development Activities

RECOMMENDED ACTION:

Staff recommends the board review the monthly Director's Report.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Review Monthly Marketing Analyst Report.

SUMMARY:

Review Monthly Marketing Analyst Report.
a.) Monthly Marketing Activities
b.) Monthly Marketing Analytics
c.) All Other Marketing Activities

RECOMMENDED ACTION:

Staff recommends the board review the monthly Marketing Analyst Report.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Approval of the PEDC Minutes from September 8, 2026.

SUMMARY:

Consider approval of the PEDC minutes from September 8, 2026.

RECOMMENDED ACTION:

Staff recommends approving PEDC minutes from September 8, 2026.

Attachments

Minutes 09.08.2026

THE STATE OF TEXAS §
COUNTY OF ANDERSON §
CITY OF PALESTINE §

The Economic Development Board of the City of Palestine convened in a regular called meeting on Tuesday, September 2026, at 10:00 a.m., at PEDC Office, 100 Willow Creek Pkwy, Suite A, Palestine, Texas, with the following people present: President Dan Bochsler; Vice President Kim Willmott; Secretary/ Treasurer Charles Drane; Directors: Joseph Thompson, Debbie Wacha, Ernest Williams, and Firouz Haghighi.

Staff present: PEDC Director Christophe Trahan, Administrative Assistant Melissa Temple, and Marketing Analyst Mary Ann Admire.

Others Present: City Manager Teresa Herrera, Justin Jackson, Tyler Schmill, and Heather Cook (Via Zoom).

A. CALL TO ORDER
With a quorum present, President Dan Bochsler called the meeting to order at 10:00 a.m.

B. PROPOSED CHANGES OF AGENDA ITEMS
There were none.

C. PUBLIC COMMENTS
There were none.

D. CONFLICT OF INTEREST DISCLOSURES
There were none.

E. ITEMS FROM BOARD
There were none.

-City Finance Director Andrew Sibai entered the meeting at 10:05 a.m.

F. DIRECTOR'S REPORT

1. Review Monthly Director's Report.
   a.) Strategic Plan Activity
   b.) Retail Sector Plan Data
   c.) Workforce Data
   d.) Development Services Report
   e.) All Other Economic Development Activities

2. Review Monthly Marketing Analyst Report.
   a.) Monthly Marketing Activities
   b.) Monthly Marketing Analytics

G. DISCUSSION AND ACTION ITEMS

1. Consider approval of the PEDC minutes from August 11, 2026.

Motion by Director Firouz Haghighi, seconded by Director Joseph Thompson to approve item as presented. Upon vote, motion carried unanimously 7-0.

2. Consider approval of the August 2026 Financial Report.

Motion by Director Debbie Wacha, seconded by Director Ernest Williams to approve item as presented. Upon vote, motion carried unanimously 7-0.

3. Presentation by Justin Jackson regarding Tahwahkaro Distilling Company, LLC.

Justin Jackson updated the board on the company's current status.

4. Presentation by Tyler Schmill regarding Bitcoin Mining Institute, LLC.

Tyler Schmill gave an update to the board regarding needing an extension on his current Performance Agreement with PEDC.

-Director Firouz Haghighi stepped out of meeting at 10:48 a.m.

-Director Firouz Haghighi returned to meeting at 10:50 a.m.

-Director Ernest Williams stepped out of meeting at 10:54 a.m.

-Director Ernest Williams returned to meeting at 10:55 a.m.

-EDC Administrative Assistant Melissa Temple stepped out of meeting at 11:10 a.m.

-EDC Administrative Assistant Melissa Temple returned to meeting at 11:14 a.m.

5. Discussion and possible action regarding a First Amendment to the Performance Agreement with Three Owls Enterprises, LLC.

-Secretary/ Treasurer Charles Drane stepped out of meeting at 11:15 a.m.

Motion by Director Joseph Thompson, seconded by Vice President Ernest Williams, to approve item as presented. Upon vote, motion carried unanimously 6-0.

Secretary/ Treasurer Charles Drane returned to meeting at 11:18 a.m.

H. CLOSED SESSION

President Dan Bochsler announced that the board would go into closed session pursuant to Texas Government Code, Chapter 551, Subchapter D. The time was 11:18 a.m.

1. Section 551.087 deliberation regarding Economic Development negotiations
a.) Bitcoin Mining Institute, LLC.
b.) Tahwahkaro Distilling Company, LLC.
c.) Performance Agreement with The Overlook Lifestyle Apt Homes, LLC.

I. RECONVENE IN OPEN SESSION

President Dan Bochsler announced the board would reconvene into Open Session. The time was 12:15 p.m.

J. TAKE ANY NECESSARY ACTIONS REGARDING CLOSED SESSION ITEMS

1. Bitcoin Mining Institute, LLC.

No action taken.

2. Tahwahkaro Distilling Company, LLC.

No action taken.

3. Performance Agreement with The Overlook Lifestyle Apt Homes, LLC.

Motion by Secretary/ Treasurer Charles Drane, seconded by Vice President Kim Willmott to approve the incentive payment to The Overlook Lifestyle Apt Homes, LLC for work completed under their Performance Agreement. Upon vote, the motion carried unanimously 7-0.

K. ADJOURNMENT

With no other business to put before the Board, President Dan Bochsler adjourned the meeting at 12:18 p.m.

PASSED AND APPROVED THIS 13th DAY OF October 2026.

_____
Dan Bochsler, President

ATTEST:

_____
Melissa Temple, Administrative Assistant

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	September 2026 Financial Report.

SUMMARY:

Consider approval of the September 2026 Financial Report.

RECOMMENDED ACTION:

Staff recommends approving the September 2026 Financial Report.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Presentation by Texas Futura/ Lonestar Oil Tech. regarding the project in Willow Creek Business Park.

SUMMARY:

Presentation by Texas Futura/ Lonestar Oil Tech. regarding the project in Willow Creek Business Park.

RECOMMENDED ACTION:

Staff recommends the board view the presentation being given by Texas Futura/Lonestar Oil Tech.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Discussion and possible action regarding CD investment and short term bond options for PEDC.

SUMMARY:

Discussion and possible action regarding CD investment and short term bond options for PEDC.

RECOMMENDED ACTION:

Staff recommends the board take possible action regarding CD investment options and short term bonds for PEDC.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Discussion and possible action regarding a Lease Amendment and a First Amendment to the Performance Agreement with Bitcoin Mining Institute, LLC.

SUMMARY:

Discussion and possible action regarding a Lease Amendment and a First Amendment to the Performance Agreement with Bitcoin Mining Institute, LLC.

RECOMMENDED ACTION:

Staff recommends approval of the First Amendment to the Lease and Performance Agreement with Bitcoin Mining Institute, LLC.

Attachments

Bitcoin Minning Institute, LLC Performance Agreement

First Amendment to Lease Agreement

First Amendment to Performance Agreement

ECONOMIC DEVELOPMENT PERFORMANCE INCENTIVE AGREEMENT MADE PURSUANT TO SECTION 505.158 OF THE TEXAS LOCAL GOVERNMENT CODE

This *Economic Development Performance Incentive Agreement Made Pursuant to Section 501.158 of the Texas Local Government Code* (the "Agreement") is made and entered into by and between the **Palestine Economic Development Corporation**, a Texas non-profit Type B economic development corporation **(the "PEDC")**, created and operated pursuant to the provisions of Chapters 501 and 505, Local Government Code, as amended, and **Bitcoin Mining Institute, LLC**, a Texas limited liability company duly registered to transact business in the state of Texas, with its principal offices located at 75 Dogwood Lane West #48, Crockett, Texas 75835 **("BMI")**. Collectively, the PEDC and BMI may be referred to herein as the **"Parties"** and, each separately, as a **"Party."**

RECITALS

WHEREAS, the PEDC has established policies to adopt and provide for such reasonable projects, as are permitted by law, to attract industry, to create and retain primary jobs, and to promote or develop new or expanded business enterprises within the City of Palestine, Anderson County, Texas **(the "City")**, and, thereby, expand the growth and enhance the economic stability of the City; and,

WHEREAS, pursuant to Section 505.158, Local Government Code, the PEDC may execute performance agreements with certain business enterprises to provide funding or to make expenditures of public funds on behalf of a business enterprise in furtherance of permissive economic development projects; and,

WHEREAS, with certain capital investments and job creation, BMI desires and proposes to invest in the City by leasing, maintaining and operating a computer repair and workforce training facility within the City of Palestine, Anderson County, Texas at the Property, defined below, for ten (10) years; and,

WHEREAS, on December 9, 2025, the PEDC passed and approved PEDC Resolution No. R-03-25, declaring its desire and intent to grant BMI certain economic development incentives in exchange for BMI's creation of three hundred forty (340) full-time jobs with a gross payroll of approximately $1 million and a capital investment of $8.025 million, with that capital investment consisting of approximately $5,450,000 in building and other real property improvements and $2,575,000 in personal property, within the City of Palestine, Anderson County, Texas **(the "Project")**; and,

WHEREAS, the Parties entered into a *Non-Binding Letter of Intent*, approved by the PEDC's Board of Directors on December 9, 2025, attached hereto as ***Exhibit A***, whereby the Parties negotiated and informally captured the intent and agreement of the Parties pertaining to the Project, which the Parties now intend to formally translate into this Agreement; and,

WHEREAS, the PEDC's Board of Directors has found that the expenditures proposed hereunder are an economic investment in the City and are required, suitable, and necessary to promote and develop new and expanding business enterprise and to maintain a higher level of employment, economic activity, and stability; and,

WHEREAS, the PEDC's Board of Directors has determined that the financial incentives and expenditures proposed pursuant to this Agreement are consistent with and meet the definition of "project," as that term is defined in Section 505.158, Local Government Code, and meet the definitions of "cost" as that term is defined in Section 501.152, Local Government Code; and,

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the PEDC and BMI each agree to as follows:

AGREEMENT

ARTICLE 1
Project

1.01 Project Property. BMI shall lease, improve, maintain, and operate a computer repair and workforce training facility within the limits of the City, at 200 Vista Ridge, Palestine, Texas 75801, more particularly described as Lot 5 (consisting of nine acres) shown on a REPLAT of part of Lot 1, Block 1 of Willow Creek Business Park, Phase 1, William S. McDonald Survey A043, Anderson County, Texas, such REPLAT being of record in the Map Records of Anderson County, Texas (the **"Property"**).

1.02 Project Purpose. The land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements are intended to promote new or expanded business development.

ARTICLE II
Authorization and Findings

2.01 Recitals. The foregoing Recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, representations, consideration, and promises that bind the Parties.

2.02 Performance Agreement. The PEDC and BMI enter into this Agreement so that the PEDC may provide a direct incentive to BMI under the Project. In accordance with Section 505.158, Local Government Code, this Agreement contains a schedule of additional jobs to be created or retained through the Project, a description of the capital investment to be made by BMI as consideration for any direct incentives provided by the PEDC, and the terms under which repayment must be made if BMI does not meet the performance requirements set forth in this Agreement.

2.03 New or Expanded Business Development. Pursuant to Section 505.158, Local Government Code, the PEDC declared this Project to include land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the PEDC to promote new or expanded business development under PEDC Resolution No. R-03-25.

2.04 Authority of Parties. Each Party represents and warrants to the other Party that it has all requisite power and authority to execute, deliver, and to perform its obligations under this Agreement; and, upon execution of this Agreement, this Agreement will constitute valid and binding legal obligations of each party.

ARTICLE III
Definitions

3.01 Definitions. As used in this Agreement, the following terms shall have the meaning set forth below:

(a) The **"Board,"** also known as the PEDC's **"Board of Directors,"** is the governing body of the PEDC, appointed by the City Council, to exercise all such powers of the PEDC and to do all lawful acts and things allowable and not otherwise prohibited by law, the City's Home Rule Charter or Code of Ordinances, or the PEDC's Articles of Incorporation, Certificate of Formation, or Bylaws, as those all may be amended from time-to-time.

(b) **"Capital Investment"** shall mean the Eight Million Twenty-Five Thousand Dollars ($8,025,000) capital investment BMI shall make in consideration of the economic development incentives provided by the PEDC pursuant to this Agreement. Such capital investment shall consist of no less than Five Million Four Hundred Fifty Thousand Dollars ($5,450,000) in buildings and real property improvements and not less than Two Million Five Hundred Seventy-Five Thousand Dollars ($2,575,000) in personal property improvements on or at the Property.

(c) **"Cash Incentive"** is shall mean the reduced lease rate which includes, 1) no rental fees for the first six months of the lease agreement, and 2) a 50% lease reduction for the remainder of the first five years of the lease resulting in a total cash incentive value of Eight Hundred Five Thousand Six Hundred Eight Dollars ($805,608) in consideration for BMI's representations, promises, and covenants in this Agreement.

(d) The **"Cure Period"** is that period during which, upon receipt of written notice of default, the defaulting Party must correct and cure its failure to perform under this Agreement. The Cure Period shall begin upon the date of written notice of the default. The Cure Period shall then last for a period of thirty (30) days thereafter.

(e) A **"Default"** is a material breach of this Agreement – that allows for the termination of this Agreement – that occurs if BMI (i) fails to comply with any one or all of the

terms of this Agreement, (ii) if any representation by BMI in this Agreement is found to be false or misleading in any respect, or (iii) BMI defaults on the lease agreement.

(f) The **"Effective Date"** of this Agreement as used herein shall mean the date on which this Agreement is last executed by BMI or the PEDC.

(g) An **"Event of Bankruptcy or Insolvency"** means the dissolution or termination of BMI's existence as an ongoing business, insolvency, the appointment of a receiver for any of BMI's property or inventory and such appointment is not terminated within ninety (90) days after such appointment is initially made.

(h) A **"FTE"** is a full-time employee, which means any individual who works at least 40 hours a week for BMI.

(i) **"Incentives"** are those exclusive economic development benefits received by BMI, from the PEDC, as provided for in this Agreement, in consideration for the representations, promises, and covenants of BMI.

(j) The **"Period of Performance"** is the period of time during which BMI shall establish and maintain ongoing and uninterrupted business operations at the Properties for a period of at least ten (10) years beginning on August 31, 2026, and ending on February 9, 2036.

(k) **"Project"** means those certain economic development incentives, those being the reduced rate lease of the Property exchange for BMI's creation of three hundred forty (340) full-time jobs, a capital investment of approximately $8.025 MM within the boundaries of the City of Palestine in Anderson County, Texas, and all other responsibilities of BMI as contained in this Agreement, including those specifically appearing herein Article IV.

3.02 Terms Not Listed. There may be terms not listed herein this Article that appear in this Agreement. Those terms not listed herein this Article shall be provided those meanings assigned herein this Agreement or as is otherwise obvious or stated.

ARTICLE IV
BMI's Obligations

4.01 Obligations of BMI. In consideration of receiving those economic development incentives provided to BMI by the PEDC and as described in this Agreement, BMI agrees it shall:

(a) ***Lease of the Property.*** BMI agrees that it shall lease the Property for a period beginning on February 10, 2026, and concluding on February 9, 2036 ("Lease Term" or "Period of Performance").

(b) ***Ongoing and Uninterrupted Business Operations.*** BMI shall maintain ongoing and uninterrupted business operations at the Properties for a period of at least ten (10) years during the Period of Performance. Operations at the facility shall begin no later than August 31, 2026.

(c) ***Capital Investment.*** BMI shall make a capital investment of Eight Million Twenty-Five Thousand Dollars ($8,025,000), with such capital investment consisting of Five Million Four Hundred Fifty Thousand Dollars ($5,450,000) in buildings and real property improvements and an investment of Two Million Five Hundred Seventy-Five Thousand Dollars ($2,575,000) in personal property **(BMI "Capital Investment")**. At the PEDC's request, BMI shall provide tax records which may include but is not limited to, tax returns, receipts, cancelled checks, and bank statements, evidencing that BMI has expended not less than Five Million Four Hundred Fifty Thousand Dollars ($5,450,000) in buildings and real estate property improvements and not less than Two Million Five Hundred Seventy-Five Thousand Dollars ($2,575,000) in personal property improvements on or at the Property, with such improvements being in conformity with the City's Home Rule Charter and Code of Ordinances.

(d) ***Jobs to be Created.*** On or before August 31, 2031, BMI shall employ at least three hundred forty employees **("FTEs")** in accordance with the schedule below. On or before December 15 of each year of Project operations during the Period of Performance, BMI shall provide verification of employment for each PTE employed by BMI and engaged in Project operations during the immediately preceding year using the "Employment Verification Form" attached and incorporated hereto as ***Exhibit C***.

(i) **Year One.** Within the first year of Project operations, BMI shall employ a minimum of twenty (20) FTEs with a gross annual payroll of One Million Dollars ($1,000,000).

(ii) **Year Two.** In the second year of Project operations, BMI shall employ a minimum of forty (40) additional FTEs.

(iii) **Year Three.** In the third year of Project operations, BMI shall employ a minimum of sixty (60) additional FTEs.

(iv) **Year Four.** In the fourth year of Project operations, BMI shall employ a minimum of one hundred (100) additional FTEs.

(v) **Year Five.** In the fifth year of Project operations, BMI shall employ a minimum of one hundred twenty (120) additional FTEs.

(vi) **Total Peak Employment.** Notwithstanding anything provided herein, peak employment shall be no less than three hundred forty (340) total FTEs.

ARTICLE V
Direct Incentives and Expenditures

5.01 **Cash Incentive.** The PEDC agrees, subject to the terms and conditions of this Agreement, the PEDC shall lease the Property to BMI at a reduced lease rate. The PEDC shall require no rental payments during the first six months of the lease which shall be referred to as the "Construction Period." For the remainder of the first five years of the lease, the lease rate will be at a reduced rate of $2.00 per square foot per year. The last five years of the lease will be leased at a full rate of $5.00 per square foot per year. The total value of this cash incentive is Eight Hundred Five Thousand Six Hundred Eight Dollars ($805,608) during the first five (5) years of the Term of the lease.

ARTICLE VI
Term

6.01 This Agreement shall be effective as of the Effective Date and shall terminate on February 9, 2036, which is the end of the ten (10) year period following the commencement of the lease on February 10, 2026, if not terminated earlier as provided herein.

ARTICLE VII
Events of Default; Termination

7.01 **Declaration of Default.** During the period which this Agreement is effective, BMI is in default if: (i) BMI fails to comply with any of the terms of this Agreement; (ii) if any representation by BMI in this Agreement is found to be false or misleading in any respect, or (iii) BMI defaults on the lease agreement. **("Default").**

7.02 **Notice and Opportunity to Cure.** Unless otherwise stated herein this Agreement, if any Party fails to meet its obligations under this Agreement during the Period of Performance, the other Party will terminate this Agreement. Prior to such termination, the non-defaulting Party shall provide written notice to the defaulting Party of the default and intent to terminate this Agreement. Upon receipt of written notice of default, the defaulting Party shall be allowed a period of thirty (30) days to correct and cure such failure **(the "Cure Period").**

7.03 **Termination.**

(a) ***Default.*** In the event BMI defaults on or causes a default of this Agreement, this Agreement may then be terminated by the PEDC.

(b) ***Ad Valorem Taxes.*** BMI shall pay all ad valorem property taxes assessed on the value of improvements on the Property as well as its business personal property on the Property and shall make payment directly to the Anderson County Appraisal

District. In the event of BMI's delinquency, the PEDC reserves the right to pay BMI's ad valorem taxes, including all penalties and interest, on the leasehold; however, BMI shall be liable to Landlord for repayment of such ad valorem taxes, penalties, and interest to the PEDC within 30 days of the date of written notice of the PEDC's payment. In the event BMI allows the *ad valorem* taxes on the Property to become delinquent and fails to cure within the Cure Period, this Agreement may then be terminated by the PEDC.

(c) ***Discontinuation of Operations.*** In the event BMI discontinues the operation of the computer repair and workforce training facility for any reason other than a force majeure event, as defined in this Agreement, for a period of more than one (1) year during the Period of Performance, then this Agreement shall terminate.

(d) ***Bankruptcy or Insolvency***. BMI shall be deemed in default under this Agreement, which shall be deemed a breach hereunder, if BMI experiences an Event of Bankruptcy or Insolvency. In any bankruptcy proceeding resulting from an Event of Bankruptcy or Insolvency, BMI agrees to identify, on all bankruptcy schedules, the PEDC as a secured creditor of BMI to the greatest extent allowed by law.

7.04 **Recapture.** If BMI fails to meet any of its Performance Obligations as specified in this Agreement, then this Agreement shall terminate. BMI has the obligation to and shall repay the PEDC the total amount of the Cash Incentive, such amount to be prorated based upon the number of years of the incentive that BMI has realized thus far, within thirty (30) days of BMI's receipt of the PEDC's written notice of termination of this Agreement. By way of example and not limitation, if BMI fails to meet any Performance Obligations in the middle of the second year of performance, it has received one and one-half years of reduced rent and must repay the Cash Incentive in an amount prorated for the one and one-half (1.5) years or 30% of the Cash Incentive. BMI understands and agrees that in the event PEDC exercises its recapture rights under this provision, the lease of the Property shall terminate, and all building and real property improvements on the Property shall become the property of the PEDC.

ARTICLE VIII
Indemnification

BMI, IN PERFORMING ITS OBLIGATIONS UNDER THIS AGREEMENT, IS ACTING INDEPENDENTLY, AND THE PEDC ASSUMES NO RESPONSIBILITIES OR LIABILITIES TO THIRD PARTIES IN CONNECTION WITH BMI'S OPERATIONS ON THE PROPERTY, THE PREMISES, TENANT IMPROVEMENTS, OR ANY OTHER IMPROVEMENTS TO THE PROPERTY. BMI AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE PEDC, ITS OFFICERS, AGENTS, EMPLOYEES, AND VOLUNTEERS IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES FROM AND AGAINST CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, CAUSES OF ACTION, AND LIABILITY OF EVERY KIND, INCLUDING BUT NOT LIMITED TO EXPENSES OF LITIGATION OR SETTLEMENT, COURT COSTS, AND ATTORNEY'S FEES

WHICH MAY ARISE DUE TO ANY DEATH OR INJURY TO A PERSON OR THE LOSS OF, LOSS OF USE OF, OR DAMAGE TO PROPERTY ARISING OUT OF OR OCCURRING AS A CONSEQUENCE OF THE PERFORMANCE OF THIS AGREEMENT, INCLUDING ANY ERRORS OR OMISSIONS, OR NEGLIGENT ACT OR OMISSION OF THE PEDC, ITS OFFICERS, AGENTS, OR EMPLOYEES.

ARTICLE IX
Access to Information

9.01 Access to Information. BMI agrees to allow the PEDC, upon request, access to information necessary to ensure compliance with this Agreement.

ARTICLE X
Miscellaneous Provisions

10.01 Mutual Assistance. BMI and the PEDC shall do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out those terms and provisions.

10.02 Representation and Warranties. BMI represents and warrants to the PEDC that it has the requisite authority to enter into this Agreement. BMI represents and warrants to the PEDC that it will not violate any Federal, State, or local laws in completing the Project and that all proposed improvements shall conform to all applicable building codes and all other applicable ordinances and regulations.

10.03 Section or Other Headings. Section or other headings contained in this Agreement are for reference purposes only and shall not affect, in any way, the meaning or interpretation of this Agreement.

10.04 Attorney's Fees. Except as otherwise expressly provided herein, each party shall bear its own costs and attorney's fees in connection with this Agreement, including any dispute relating thereto.

10.05 Entire Agreement. This Agreement and the Exhibits attached hereto embody the entire agreement between the Parties relative to the subject matter hereof, and there are no oral or written agreements between the Parties, nor any representations made by either Party relative to the subject matter hereof, which are not expressly set forth herein.

10.06 Amendment. Except as otherwise provided in this Agreement, this Agreement shall be subject to changes, amendments, or modifications only in writing with the signatures and mutual consent of all Parties hereto.

10.07 Beneficiaries. This Agreement shall bind and benefit the respective parties and their legal successors and shall not be assignable, in whole or in part, by any party without first obtaining written consent of the other party. Nothing in this Agreement shall be construed to establish any third-party beneficiaries.

10.08 Force Majeure. In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, except the obligation to pay amounts owed or required to be paid pursuant to the terms of this Agreement, then the obligations of such Party, to the extent affected by such Force Majeure and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the force majeure relied upon, the Party whose contractual obligations are affected thereby shall give notice and full particulars of such force majeure to the other Party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term **"Force Majeure,"** as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, tornadoes, storms, floods, washouts, drought, arrests, restraint of government, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply resulting in an inability to provide water necessary for operation of the water and wastewater systems hereunder, if any, and any other inabilities of any Party, whether similar to those enumerated or otherwise, which are not within the control or the Party claiming such inability, which such Party could not have avoided by the exercise of due diligence and care.

10.09 Notice. Any notice provided or permitted to be given under this Agreement must be in writing and may be served by (i) depositing the same in the United Stated mail, addressed to the party to be notified, postage prepaid, registered or certified mail, return receipt requested; or (ii) delivering the same in person to such party; or (iii) utilizing an overnight or messenger delivery service that retains regular records of delivery and receipt. The initial addresses of the parties for the purpose of notice under this Agreement are as follows:

If to the PEDC:
Palestine Economic Development Corporation
Attn: President
100 Willow Creek Parkway, Ste. A
Palestine, Texas 75801

With a copy to:
Randle Law Office Ltd., L.L.P.
Attn: Heather N. Cook
820 Gessner Road
Suite 1570
Houston, Texas 77024

If to BMI:
Bitcoin Mining Institute , LLC
Attn: Tyler Schmill, President
75 Dogwood Lane West #48
Crockett, Texas 75835

10.10 Interpretation. Regardless of the actual drafter of this Agreement, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against any Party.

10.11 Applicable Law. This Agreement and any amendment thereto shall be performable and enforceable in Anderson County, Texas, and shall be construed in accordance with the laws of the State of Texas. Nothing in this Agreement shall constitute a waiver by the PEDC of its governmental or sovereign immunity, to the extent applicable, nor shall the PEDC's enforcement of any legal right or assertion of any affirmative defense arising out of this Agreement constitute a waiver of the PEDC's governmental or sovereign immunity, to the extent applicable. Nothing in this Agreement shall be construed at the PEDC's express or implied consent to being sued, to the extent said consent is required by law.

10.12 Severability. In the event of any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporations, or circumstance, shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity, or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the application, validity, or constitutionality of the remaining parts of this Agreement shall not be affected thereby.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

10.14 No Joint Venture. Nothing contained in this Agreement is intended by the Parties to create a joint venture or any other joint partnership between the Parties.

[EXHIBIT INDEX]

Exhibit A – *Non-Binding Letter of Intent*
Exhibit B – ***Lease Agreement***
Exhibit C – Employment Verification Form
Exhibit D – *Additional Declarations and Acknowledgments*

{Signature pages to follow}

IN WITNESS WHEREOF, and in acknowledgment that the Parties hereto have read and understood each and every provision hereof, the Parties have executed this Agreement on the dates subscribed below:

PEDC:

PALESTINE ECONOMIC DEVELOPMENT CORPORATION

By: _____
DAN BOCHSLER, President

Date of Execution by the PALESTINE ECONOMIC DEVELOPMENT CORPORATION:
February 10th, **2026**

ATTEST:

By: _____
Charles Drane, *PEDC Secretary*

✓ Palestine Economic Development Corp
100 Willow Creek Pkwy, Ste A
Palestine, TX 75801

STATE OF TEXAS §
§
ANDERSON COUNTY §

This instrument was acknowledged before me on the 10th day of February 2026, by **Dan Bochsler, *President*, Palestine Economic Development Corporation,** on behalf of said municipal corporation.

MELISSA GAYLE TEMPLE
Notary ID #131866024
My Commission Expires
January 31, 2029

Melissa Gayle Temple
NOTARY PUBLIC, State of Texas

BMI:

BITCOIN MINING INSTITUTE, LLC

By: _____
Tyler Schmill, President

Date of Execution by BITCOIN MINING INSTITUTE, LLC:
February 10th, **2026**

STATE OF TEXAS §
§
ANDERSON COUNTY §

This instrument was acknowledged before me on the 10th day of February 2026, by **Tyler Schmill, President, Bitcoin Mining Institute, LLC,** on behalf of said business entity.

MELISSA GAYLE TEMPLE
Notary ID #131866024
My Commission Expires
January 31, 2029

Melissa Gayle Temple
NOTARY PUBLIC, State of Texas

VG-9-2026-1084

Anderson County
Mark Staples
Anderson County Clerk

Document Number: 2026 - 1084

Real Property Recordings

AGREEMENT

Recorded On: February 17, 2026 11:45 AM

Number of Pages: 13

" Examined and Charged as Follows: "

Total Recording: $69.00

********** THIS PAGE IS PART OF THE INSTRUMENT **********
Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number:	2026 - 1084
Receipt Number:	20260217000039
Recorded Date/Time:	February 17, 2026 11:45 AM
User:	Melissa H
Station:	ANCO_WS467

Record and Return To:

PALESTINE ECONOMIC DEVELOPMENT CORP
100 WILLOW CREEK PKWY, STE A

PALESTINE TX 75801

STATE OF TEXAS
COUNTY OF ANDERSON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Anderson County, Texas.

Mark Staples
Anderson County Clerk
Anderson County, TX

Mark Staples

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement ("Agreement"), is effective as of August 10, 2026 ("Effective Date"), and is entered into by and between Palestine Economic Development Corporation, a Type B economic development corporation organized under Chapter 501 and 505 of the Local Government Code, located in Palestine, Anderson County, Texas ("Landlord") and Bitcoin Mining Institute, LLC, a Texas limited liability company located at 75 Dogwood Lane West #48, Crockett, Texas 75835 ("Tenant"). Collectively, the Landlord and the Tenant may be referred to herein as the "Parties" and, each separately, as a "Party."

RECITALS

WHEREAS, the Landlord and Tenant entered into that certain Lease Agreement effective February 10, 2026, ("Lease") under the terms of which the Landlord leased to Tenant certain land and improvements located at 200 Vista Ridge, Palestine, Texas 75801 including the approximately 44,736 square foot building and parking facility more particularly described as Lot 5 (consisting of nine acres) shown on a REPLAT of part of Lot 1, Block 1 of Willow Creek Business Park, Phase 1, William S. McDonald Survey, A043, Anderson County, Texas, such REPLAT being of record in the Map Records of Anderson County, Texas ("Premises");

WHEREAS, the Parties desire to amend the Lease to extend the term of the Lease and to provide for an additional six (6) months of lease payments which will be offset by an additional six (6) months during which no lease payments shall be due; and

WHEREAS, the Parties understand that the extension will result in an additional Sixty-Seven Thousand One Hundred Four Dollars ($67,104.00) in rent payable by Tenant to Landlord during the term of the Lease; and

WHEREAS, the Parties desire to amend the address of the Tenant for notice.

NOW, THEREFORE, for and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The Recitals contained herein are true and correct and are incorporated herein for all purposes.

2. Section 1 of the Lease is hereby deleted and replaced with the following:

   "**Lease and Term**. Landlord hereby leases to Tenant the Premises. This Lease shall be for a term of ten years (10) years which shall commence on February 10, 2026 ("Commencement Date") and shall terminate on August 9, 2036, at 11:59 p.m. ("Termination Date")."

3. Section 2 of the Lease is hereby deleted and replaced with the following:

"Monthly Rental Payment. No rental payments shall be due during the first twelve (12) months of the Term which shall be referred to as the **"Construction Period."** Beginning on February 10, 2027, Tenant shall pay to Landlord Seven Thousand Four Hundred Fifty-Six Dollars and No Cents ($7,456.00) ($2.00 per square foot per year)(**"Initial Rent") ** on a monthly basis, on or before the fifth (5th) day of each calendar month during the Term**.** Beginning on February 10, 2031, and continuing through the end of the Term, Tenant shall pay to Landlord Eighteen Thousand Six Hundred Forty Dollars and No Cents ($18,640.00) ($5.00 per square foot per year)(**"Final Rent") ** on a monthly basis, on or before the fifth (5th) day of each calendar month."

4. The notice provision in Section 24 is hereby amended to provide the following updated address for Tenant:

"**Bitcoin Mining Institute, LLC**
200 Vista Ridge
Palestine, Texas 75801
Attn: Tyler Schmill, CEO"

5. Except as herein amended, the terms of Lease remain in full force and effect and are hereby ratified and confirmed.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.

SIGNATURE PAGES TO FOLLOW.]

Landlord

Palestine Economic Development Corporation

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
§
COUNTY OF ANDERSON §

This instrument was acknowledged before me on the ____ day of _____, 2026, by the Dan Bochsler, President of the Palestine Economic Development Corporation, on behalf of said corporation.

_____
NOTARY PUBLIC, State of Texas

Tenant

Bitcoin Mining Institute, LLC

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
§
COUNTY OF ANDERSON §

This instrument was acknowledged before me on the ____ day of _____, 2026, by the Tyler Schmill, Chief Executive Officer, Bitcoin Mining Institute, LLC, on behalf of said corporation.

_____
NOTARY PUBLIC, State of Texas

FIRST AMENDMENT TO PERFORMANCE AGREEMENT

THIS FIRST AMENDMENT TO PERFORMANCE AGREEMENT ("First Amendment") is made effective the ___ day of _____, ___, ("Effective Date") by and among Palestine Economic Development Corporation, a Texas non-profit Type B economic development corporation ("PEDC"), and Bitcoin Mining Institute LLC, a Texas limited liability company ("BMI"). Collectively, the PEDC, and BMI may be referred to herein as the "Parties" and, each separately, as a "Party."

RECITALS

A. The Parties entered into that certain Economic Development Performance Incentive Agreement executed by PEDC on February 10, 2026 ("Performance Agreement"), which is incorporated herein by reference.

B. Unless otherwise defined herein, all capitalized terms used in this First Amendment shall have the same meanings as defined in the Performance Agreement.

C. The Parties desire to amend the Lease Agreement that was executed subsequent to the Performance Agreement to extend the term of the Lease and to provide for an additional six (6) months of lease payments which will be offset by an additional six (6) months during which no lease payments shall be due.

D. The Parties wish to modify the Performance Agreement as set forth herein to ensure the successful completion of the obligations and requirements under the Performance Agreement.

E. The ultimate purposes and goals of the Performance Agreement for encouraging economic development and job creation can still be met; therefore, the extension of deadlines and clarification of obligations and security are warranted to accomplish those purposes and goals.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The above-stated recitals are true and correct and are incorporated herein by reference and made a part hereof.

2. Section 3.01(c) of the Performance Agreement is hereby deleted and replaced with the following:

> **"Cash Incentive"** shall mean the reduced lease rate which includes, 1) no rental fees for the first twelve months of the lease agreement, and 2) a 60% lease reduction for the remainder of the first five years of the lease resulting in a total cash incentive value of Six Hundred Forty-Eight Thousand Six Hundred Seventy-Two Dollars ($648,672) in consideration for BMI's representations, promises, and covenants in this Agreement.

3. Section 3.01(j) of the Performance Agreement is hereby deleted and replaced with the following:

> The **"Period of Performance"** is the period of time during which BMI shall establish and maintain ongoing and uninterrupted business operations at the Properties for a period of at least ten (10) years beginning on August 31, 2026, and ending on August 31, 2036.

4. Section 4.01(a) of the Performance Agreement is hereby deleted and replaced with the following:

> ***Lease of the Property.*** BMI agrees that it shall lease the Property for a period beginning on February 10, 2026, and concluding on August 9, 2036 ("Lease Term" or "Period of Performance").

5. Section 5.01 of the Performance Agreement is hereby deleted and replaced with the following:

> ***Cash Incentive.*** The PEDC agrees, subject to the terms and conditions of this Agreement, the PEDC shall lease the Property to BMI at a reduced lease rate. The PEDC shall require no rental payments during the first twelve months of the lease which shall be referred to as the "Construction Period." For the remainder of the first five years of the lease, the lease rate will be at a reduced rate of $2.00 per square foot per year. The last five years of the lease will be leased at a full rate of $5.00 per square foot per year. The total value of this cash incentive is Six Hundred Forty-Eight Thousand Six Hundred Seventy-Two Dollars ($648,672) during the first five (5) years of the Term of the lease.

6. The notice provision in Section 10.09 is hereby amended to provide the following updated address for BMI:

> **Bitcoin Mining Institute , LLC**
> Attn: Tyler Schmill, President
> 200 Vista Ridge
> Palestine, Texas 75801

7. Except as expressly set forth in this First Amendment, the Parties hereby restate and reaffirm all other representations, warranties and covenants stated in the Performance Agreement. Except as expressly modified by this First Amendment, all other terms and conditions of the Performance Agreement shall continue unmodified and remain in full force and effect.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.
SIGNATURE PAGES TO FOLLOW.]

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed as of the Effective Date.

Palestine Economic Development Corporation
(a Texas non-profit Type B economic development corporation)

By: _____
Name: Dan Bochsler
Its: President

Bitcoin Mining Institute
(a Texas limited liability company)

By: _____
Name: Tyler Schmill
Its: President

This is the signature page to that certain First Amendment to Performance Agreement effective October ____, 2026.

Agenda Date:	10/13/2026
To:	Palestine Economic Development Corporation
From:	Melissa Temple, EDC Administrative Assistant
Agenda Item:	Discussion and Possible action regarding a Downtown Grant Performance Agreement with NCBA Enterprises, LLC.

SUMMARY:

Discussion and Possible action regarding a Downtown Grant Performance Agreement with NCBA Enterprises, LLC.

RECOMMENDED ACTION:

Staff recommends making a finding of completion and issuing final payment for work completed pursuant to the Downtown Grant Performance Agreement with NCBA Enterprises, LLC.

Attachments

NCBA Enterprises, LLC. Performance Agreement

R & R Construction Paid Invoice

R & R Construction Paid Invoice Pt.2

Finished Photos

DOWNTOWN GRANT PERFORMANCE AGREEMENT

This Downtown Grant Performance Agreement ("GRANT AGREEMENT") is executed by and between the Palestine Economic Development Corporation, a Texas Section 4B Economic Development Corporation ("PEDC"), whose address is 100 Willow Creek Pkwy. Suite A, Palestine, Texas 75801, and NCBA Enterprises, LLC, ("APPLICANT"), a Texas limited liability company whose current address is 10800 Woodmeadow Parkway, Dallas, Texas 75228.

RECITALS

WHEREAS, the PEDC is an Economic Development Corporation, organized under the Texas Development Corporation Act of 1979, Article 5190.6, Section 4B of Vernon's Texas Civil Statutes, now Section 501 et seq. of the Texas Local Government Code (the Act), and authorized by the City of Palestine, Texas (City);

WHEREAS, the PEDC has adopted, and the City approved, a Downtown Grant Program ("GRANT PROGRAM");

WHEREAS, the APPLICANT submitted its Application dated October 9, 2025 for a Downtown Grant ("APPLICATION"); and

WHEREAS, the APPLICANT plans to make real property capital investments of **Two Hundred Three Thousand Seven Hundred Forty-Three Dollars and Ninety-Three Cents ($203,743.93)** for the purpose of complete roof replacement at the vacant property located at 520 N. Perry St, Palestine, TX 75801 ("PROJECT"). PEDC has found that the proposed improvements of APPLICANT'S property will encourage economic development in the City and will add to the ad valorem tax rolls of the City and other local taxing entities, and the PEDC and City have approved a cash performance grant to APPLICANT that matches funds expended by APPLICANT not to exceed a grant of **Sixty-Three Thousand Three Hundred Twenty-Five Dollars and Twenty Cents ($63,325.20)** ("GRANT").

NOW, THEREFORE, in consideration of mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. APPLICANT'S OBLIGATIONS

1.1. The GRANT PROGRAM, APPLICATION, and APPLICATION GRANT APPROVAL are incorporated herein by reference as if specifically set forth herein.

1.2. APPLICANT accepts such grant subject to PEDC and City approval.

1.3. APPLICANT recognizes that, pursuant to the terms and provisions of Texas law, this GRANT AGREEMENT will not be valid and binding on PEDC until it is approved by the City Council of the City of Palestine, Texas.

1.4. APPLICANT will secure completion of the improvements in compliance within its APPLICATION, the GRANT APPLICATION APPROVAL, and the GRANT PROGRAM before October 26, 2026.

1.5. APPLICANT will obtain all permits required by the CITY or otherwise required by other government authorities for the improvement project.

1.6. PEDC, by its designated representative, shall have the right to inspect during the construction of the improvements and, following APPLICANT'S notice of completion, to evaluate APPLICANT'S compliance with the APPLICATION, the GRANT APPLICATION APPROVAL, and the GRANT PROGRAM.

2. FUNDING

2.1. APPLICANT shall provide PEDC with written notification of project completion by certified mail, return receipt requested, stating that all improvements have been completed in accordance with the APPLICATION and GRANT APPLICATION APPROVAL and GRANT PROGRAM, and that full payments have been made for all labor and materials with attached payment receipts for materials and labor, required permits, inspection reports, and project photographs.

2.2. Upon PEDC'S receipt of APPLICANT'S notification of completion, an on-site inspection may be made by a representative or representatives of PEDC. Such inspection shall not be considered in any way as a reflection of PEDC'S approval on the quality, safety, or reliability of the improvements, such being the sole responsibility of APPLICANT.

2.3. Following on-site inspection, PEDC will review the findings and may request additional information if needed and then either notify the APPLICANT of compliance or identify items of non-compliance. APPLICANT shall correct the items of non-compliance within thirty (30) days of notice thereof or this GRANT AGREEMENT shall be immediately cancelled and the APPLICANT shall immediately refund of all grant monies received to date, if any.

2.4. Upon the PEDC board of directors making a finding of completion of the project, as per the terms of the APPLICATION, the GRANT APPLICATION APPROVAL and the GRANT AGREEMENT, payment of the total grant award will be made.

3. REPRESENTATION AND WARRANTIES

APPLICANT represents and warrants to PEDC that:

3.1. APPLICANT has the power and authority, corporate or otherwise, to conduct its business and to perform all of its obligations under this GRANT AGREEMENT.

3.2. APPLICANT'S execution, delivery, and performance of this GRANT AGREEMENT has been duly authorized by all necessary action, corporate or otherwise, and does not and will not violate any provision of any existing law, rule, regulation, contract, or lien by which APPLICANT or its property or assets is bound or affected.

3.3. To the best of APPLICANT'S knowledge neither it, nor any division, branch, subsidiary, or related agency of the APPLICANT, is a party to any administrative or legal proceeding that is active or threatened against the APPLICANT or APPLICANT'S officers which may result in any material adverse change in APPLICANT'S business operations or assets which may be the subject of this GRANT AGREEMENT.

3.4. APPLICANT represents and warrants that they are not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Government Code.

3.5. Information, documentation, and other material in connection with the GRANT AGREEMENT may be subject to public disclosure pursuant to Chapter 552 of the Government Code **(the "Public Information Act")**. To the extent, if any, that any provision of the Agreement is in conflict with the Public Information Act, such provision shall be void and have no force or effect.

In accordance with Section 2252.907 of the Government Code, APPLICANT is required to make any information created or exchanged with the PEDC pursuant to the GRANT AGREEMENT, regardless of contrary provisions contained herein, and not otherwise excepted from disclosure under the Public Information Act, available in a format that is accessible by the public at no additional charge to the PEDC.

3.6. ***No Indemnification by the PEDC.*** APPLICANT and the PEDC expressly acknowledge that the PEDC'S authority to indemnify and hold harmless any third party is governed by Article XI, Section 7, of the Texas Constitution and any provision that purports to require indemnification by the PEDC is invalid. Nothing in this GRANT AGREEMENT requires that the PEDC incur debt, assess or collect funds, or create a sinking fund.

3.7. APPLICANT is aware of the limitations imposed on this GRANT and the use of funds by law and acknowledges that the funds herein granted shall be utilized solely for purposes authorized under law and by the terms of this GRANT AGREEMENT. In the event that an audit determines that the financial incentives granted under this GRANT AGREEMENT were not used for proper purposes, APPLICANT agrees to reimburse PEDC for the sums of money spent for purposes not authorized by law or this GRANT AGREEMENT, with interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate. The payment of interest shall be from the date that the money was spent for purposes not authorized by law or this GRANT AGREEMENT.

3.8. APPLICANT does not and will not knowingly employ an undocumented worker, as that term is defined by Tex. Gov't. Code Sec. 2264.001, directly or indirectly through a contractor or subcontractor. If, after receiving the funds herein granted, APPLICANT is convicted of a violation under 8 U.S.C. § 1324a(t), APPLICANT shall repay the amount of the grant paid by PEDC to APPLICANT with interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate. The payment of interest shall be, no later than 120 days after the date that APPLICANT receives notification of such a violation.

3.9. APPLICANT shall fully comply with all local, state and federal laws applicable or otherwise implicated by APPLICANT'S receipt of funds under this GRANT PROGRAM, which includes but is not limited to APPLICANT'S compliance with Title VII, Civil Rights Act of 1964, as amended, the Texas Labor Code, the Drug Free Workplace Act of 1988, and the Americans with Disabilities Act, as well as APPLICANT'S refraining from discrimination of persons based on race, color, religion, sex (including pregnancy, childbirth, and related medical conditions; sexual orientation), national origin, disability, age, citizenship status, genetic information, political affiliation or participation in civil rights activities. Furthermore, while the City of Palestine fully supports the exercise of freedom of speech, the City of Palestine will not financially support or fund projects that incorporate or promote ideas of hate or which are intended to vilify, humiliate, or incite hatred against a group or a class of persons on the basis of race, religion, skin color, sexual identity, gender identity, ethnicity, disability or national origin.

3.10. APPLICANT will use all commercially reasonable efforts to continue operations in Palestine, Anderson County, Texas.

3.11. APPLICANT shall timely pay all ad valorem taxes due and owed by it to the CITY and all other taxing authorities having jurisdiction over the APPLICANT'S property. APPLICANT shall also timely pay any and all water and sewer bills owed to the CITY. In addition, APPLICANT shall timely pay all employment, income, franchise, and other taxes owed by it to all local, state, and federal government entities.

3.12. APPLICANT shall properly notify the Anderson County Appraisal District of all capital improvements, personal property, and equipment and shall list the City of Palestine as the taxable situs of all capital improvements, personal property, and equipment located on the property.

3.13. If APPLICANT'S operations, past or present, cause the CITY or PEDC to be fined by any governmental entity, this AGREEMENT shall terminate immediately and the PEDC will have no further obligations under this GRANT AGREEMENT and APPLICANT shall immediately repay the CITY or PEDC for such fines, penalties, and expenses within thirty (30) days.

3.14. If the business property, that being 520 N Perry St., Palestine, Texas 75801, is sold, conveyed, or utilized for a purpose not originally intended by the GRANT APPLICATION

within two years of grant funding being awarded to APPLICANT, APPLICANT shall be required to reimburse the PEDC immediately for the full amount of the grant.

4. REMEDIES

4.1. Upon default, the non-defaulting party shall have the right to seek any remedy available in law or equity including, termination of this GRANT AGREEMENT, recovery of GRANT funds, and pre-judgment and post-judgment interest at the rate provided by law or as otherwise provided by this GRANT AGREEMENT (whichever is greater).

4.2 **Attorney's Fees.** Except as otherwise expressly provided herein, each party shall bear its own costs and attorney's fees in connection with this Agreement, including any dispute relating thereto.

5. MISCELLANEOUS PROVISIONS

5.1. All representations, warranties, covenants, and agreements, as well as rights and benefits for the parties to this GRANT AGREEMENT shall survive the payment of grant funds to APPLICANT.

5.2. This GRANT AGREEMENT may not be assigned by APPLICANT without the prior written consent of PEDC. No such assignment shall relieve APPLICANT of any of its obligations under this GRANT AGREEMENT.

5.3. The GRANT AGREEMENT may not be amended, modified, altered, or changed unless in writing, signed by both parties to this GRANT AGREEMENT and approved by the City of Palestine.

5.4. APPLICANT SHALL INDEMNIFY AND HOLD THE PEDC, ITS EMPLOYEES, AND ITS AGENTS HARMLESS FOR ANY DAMAGES, BOTH PERSONAL AND PROPERTY, WHICH MAY RESULT DIRECTLY OR INDIRECTLY FROM ANY INCIDENT ASSOCIATED WITH PROJECT BOTH DURING AND AFTER CONSTRUCTION, AND THAT PEDC, ITS EMPLOYEES, AND ITS AGENTS SHALL NOT BE LIABLE FOR ANY DEBTS INCURRED IN ASSOCIATION WITH THE EXECUTION AND COMPLETION OF THE SUBJECT PROJECT OF THIS APPLICATION.

PEDC, ITS EMPLOYEES, AND ITS AGENTS, DO NOT ATTEST TO THE QUALITY, SAFETY, OR CONSTRUCTION OF A PROJECT ELIGIBLE FOR, OR RECEIVING GRANT FUNDING. THEREFORE, PEDC, ITS EMPLOYEES AND AGENTS SHALL BE HELD HARMLESS BY THE APPLICANT FOR ANY PROJECT WHOSE APPLICATION HAS BEEN APPROVED OR HAS RECEIVED ACTUAL GRANT FUNDING.

5.5. **Severability.** In the event of any one or more words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement, or the application thereof to any person, firm, corporations, or circumstance, shall be held by a court of competent jurisdiction to be invalid or unconstitutional for any reason, then the application, invalidity, or unconstitutionality of such words, phrases, clauses, sentences, paragraphs, sections, or other parts of this Agreement shall be deemed to be independent of and severable from the remainder of this Agreement, and the application, validity, or constitutionality of the remaining parts of this Agreement shall not be affected thereby.

5.6. This GRANT AGREEMENT shall be binding upon an inure to the benefit of the parties and their respective heirs, administrators, and assigns.

5.7. No failure or delay on the part of the PEDC in exercising any right, power, or exercise hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No notice to or demand on APPLICANT in any case shall entitle APPLICANT to any other or further notice or demand in similar or other circumstances.

5.8. All notices, consents, requests, demands, and other communication hereunder shall be in writing and shall be deemed to have been duly given to the party hereto if mailed by certified mail, prepaid, to the APPLICANT'S address shown above as first written.

5.9. Time is of the essence of this agreement.

5.10. Neither party will be liable for delays or failure in its performance hereunder to the extent that such delay or failure is caused by acts of God, war, terrorism, or threats of terrorism, natural disaster, strike, lockout, labor dispute, work stoppage, fire, third-party criminal act, quarantine restriction, epidemic, pandemic, act of government, or other events outside of the reasonable control of a party (a "Force Majeure Event"); provided that the delayed party took reasonable precaution to prevent the impact of the Force Majeure Event.

5.11. This GRANT AGREEMENT shall be deemed a contract made under the laws of the State of Texas and for all purposes shall be construed in accordance with the Laws of said State. The venue shall be in Anderson County, Texas.

5.12. The providing of this GRANT AGREEMENT by PEDC to APPLICANT by any means of delivery constitutes an offer by PEDC to APPLICANT to accept this GRANT AGREEMENT on the terms and conditions contained therein, subject to approval by the City of Palestine City Council. If APPLICANT has not accepted the offer by ninety (90) days from the date approved by the City Council of the City of Palestine, Texas, the offer will lapse, and the offer and this GRANT AGREEMENT shall become null and void.

6. TERM

6.1. This GRANT AGREEMENT shall be effective on the date of the last signature below. The GRANT AGREEMENT shall terminate one year from the date that the PEDC board of directors

makes a finding of completion of the project pursuant to Section 2.5 of this GRANT AGREEMENT or earlier as otherwise terminated according to the provisions of this GRANT AGREEMENT.

AGREED and **SIGNED** to be effective as of the Effective Date.

For the Applicant(s):
NCBA Enterprises LLC

By _____ Date 2-5-26
Natasha Williams, Manager

For the PEDC:
Palestine Economic Development Corporation

By _____ Date 2-2-26
Dan Bochsler, Board President

APPROVED:
City of Palestine, Texas

By _____ Date 1-26-26
Mitchell Jordan, Mayor

PAYMENT RECEIPT

Business/Issuer: R&R Construction
Address: 1801 Rayburn Ave, Mesquite
Tx 75149
Phone: (469)-602-4368

Date Issued: 11/15/2025

Received From: Rosendo de la paz
Description of work: TPO work

Amount Paid: $87,000
Payment Method: Check

Total Due: $0.00
Balance Remaining: $0.00 (PAID IN FULL)

Notes: All goods/services listed above have been fully paid for.
No outstanding balance remains.

R&R Construction LLC

Free Estimates | Quality Guaranteed

(Spanish) (469)-602-4368 | (English) (469)-434-7846

rosendodelapaz6@gmail.com

PAID

Customer Name: Natasha Williams

Date: 09/05/26

Address: 520 N Perry st, Palestine Tx

Estimate #: 002

PROJECT OVERVIEW

SCOPE OF WORK

- Remove all decking pieces
- Replace all decking (3/4)
- Remove all metal sheets
- Install all new metal sheets
- Install all new ridge (white)
- Hauled away all old materials and swept the job site

NOTES:

Estimate valid for 30 days. Includes materials, labor, and cleanup.

Any structural repair or decking replacement will be billed separately.

Subtotal:	$97,200
Tax:	$0.00
Total:	**$97,200**

Payment Status: PAID

Balance Due: $0.00







