

EXHIBIT A

PROFESSIONAL SERVICES REIMBURSEMENT AGREEMENT

This Professional Services Reimbursement Agreement (this “Agreement”), effective as of the 20th day of May, 2025 (the “Effective Date”), is made and entered into by and between the City of Fair Oaks Ranch, Texas (the “City”) and Bitterblue, Inc., a Texas corporation (the “Developer”), herein collectively referred to as (“Party” or “Parties”).

WHEREAS, the Developer or affiliates of the Developer desire to develop land in the corporate limits of the City as further described in Exhibit A hereto (the “Property”);

WHEREAS, the Parties have determined that the financing of a portion of the costs of the public improvements necessary for the development of the Property, can be achieved by means of Chapter 372, Texas Local Government Code, as amended, entitled the Public Improvement District Assessment Act (“PID Act”); and

WHEREAS, the Developer desires to develop the Property and has caused a petition to be filed with the City related to the development of the Property for the Post Oak Public Improvement District (“PID”) under the PID Act; and

WHEREAS, the Parties hereto recognize that the City will continue to incur expenses through the entire PID review process until final completion of the development (“City Expenses”) including but not limited to: professional services, legal publications, notices, reproduction of materials, public hearing expenses, recording of documents, engineering fees, attorney fees, and special consultant fees, and fees for the administrative time of the City staff, but excluding costs directly related to the issuance of the bonds and paid for from proceeds of any bonds; and

WHEREAS, the Developer hereby agrees to pay for reasonable and necessary professional services provided by the consultants listed on Exhibit B and by additional consultants approved in writing by the Developer (collectively, the “City Consultants”).

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, the Parties agree as follows:

1. Payment for Professional Services. At the time the City creates the PID, pursuant to the PID Act, the Developer shall deposit with the City \$35,000.00 (the “Initial Deposit”) for payment of City Expenses necessary to conduct the review and creation of the PID request, the PID review process and other expenses incurred prior to, but in connection with, any assessment levy:

- (a) The City agrees to hold all Developer's contributions in a separate fund maintained by the City which may only be used for City Expenses related

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to the PID.

- (b) The City will pay City Expenses out of the amount deposited with the City and keep accounting of all charges for City Expenses incurred for the PID and any unused portion of the amount deposited shall be returned to the Developer within thirty (30) days of the City's payment of the final invoice.
- (c) Upon request, the City will submit copies of all monthly invoices to the Developer showing amounts paid for City Expenses for any City Consultant fees that are consistent with Exhibit B. The City may redact any information covered by attorney/client privilege, work product doctrine, or other information allowed to be kept confidential under the Texas Public Information Act.
- (d) After any monthly City Consultant fees have been paid as City Expenses, the City Consultants shall not be paid for the same City Expenses through any additional invoices or through PID bond proceeds.
- (e) Notwithstanding anything to the contrary, City Expenses invoiced and due within thirty (30) days prior to the closing of PID bonds may be paid to City Consultants, at Developer's option, through PID bond proceeds upon the closing of PID bonds.
- (f) The Developer may be reimbursed from proceeds of bonds issued in connection with the PIDs created by the City Council containing all or a portion of the Property, if any, for City Consultant fees paid in accordance with this Agreement and the PID Act.
- (g) The Developer agrees that in the event the fund described in Section 1(a) for City Expenses balance falls below \$10,000.00 and upon written notice from the City, then Developer shall remit an additional amount of not less than \$10,000.00 within five (5) business days of receipt of such notice.
- (h) In the event the balance for City Expenses is exhausted, upon written notice, Developer shall pay the balance owed in full within fifteen (15) days in addition to the remittance of the additional funds as provided above.
- (i) In the instance that deposits of additional funds are not timely made, the City has no obligation to incur any additional City Expenses in connection with the PID.

Failure of the Developer to meet its obligations under this Section 1 may result in the suspension of any active development permits until such obligations are cured, or revocation of active development permits if the obligation is not cured within twenty-one (21) days after the City's delivery to the Developer of written notice of failure to meet such obligations. In the event that Developer fails to meet the obligations under this Section 1, Developer's lender may make the

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payment to the City to cure.

2. No Obligation regarding PID. The Developer acknowledges that the City has no obligation to include any specific items in PID plans or budgets, or issue any bonds or other indebtedness with respect thereto, and nothing contained within this Agreement shall create any such obligation. The Developer's obligation to pay the City Expenses shall exist and continue independent of whether the PID or bonds or other indebtedness are approved. The payments(s) made by the Developer under this Agreement are not contingent upon any outcome of the negotiations between the City and the Developer, and this Agreement shall confer no vested rights or development rights on the Property or to the Developer. Further, this Agreement shall provide no assurances, promises, or covenants to approve any development in the Property.

3. Termination. The Developer's obligation to pay for City Expenses under this Agreement shall expire upon the issuance of PID bonds, at which time the City will provide the Developer with a final statement of account and will refund to the Developer any funds deposited by the Developer that were not expended or encumbered by the City, except where the Parties expressly agree to the contrary. Upon termination of this Agreement for any reason, any balance of the Initial Deposit and any balance of any additional payment(s) made by Developer under this Agreement that exceed the City Expenses incurred as of termination shall be returned to Developer.

4. Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the transactions contemplated herein.

5. Amendment. This Agreement, and any exhibit hereto, may only be amended, altered or revoked by written instrument executed by the Parties.

6. Successors and Assigns. Neither City nor Developer may assign or transfer their interest in the Agreement without prior written consent of the other Party.

7. Notice. Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States Mail, Certified, with Return Receipt Requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing:

To the City: Attn: City Manager
 City of Fair Oaks Ranch
 7286 Dietz Elkhorn Rd.
 Fair Oaks Ranch, Texas 78009
 shuizenga@fairoaksranchtx.org

With a copy to: Attn: Stephanie Leibe
 Norton Rose Fulbright US LLP
 98 San Jacinto Blvd., Suite 1100
 Austin, Texas 78701

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To the Developer: Attn: Scott Teeter
 Bitterblue Inc.
 11 Lynn Batts Lane, Suite 100
 San Antonio, Texas, 78218

With a copy to: Attn: Caroline McDonald
 Brown & McDonald, PLLC
 100 NE Loop 410 STE 1385
 San Antonio, Texas 78216

8. 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 either party.

9. Applicable Law. This Agreement is made, and shall be construed in accordance with the laws of the State of Texas and venue shall lie in Kendall County, Texas.

10. Severability. In the event any portion or provision of this Agreement is illegal, invalid, or unenforceable under present or future law, then and in that event, it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

11. 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.

12. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Developer's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

13. Verifications of Statutory Representations and Covenants. The Developer makes the following representations and covenants pursuant to Chapter 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under the common control with the Developer within the meaning of SEC Rule 405, 17

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C.F.R. Section 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

[SIGNATURE PAGES TO FOLLOW]

EXHIBIT A

CITY OF FAIR OAKS RANCH, TEXAS

By _____

Name: Greg Maxton

Title: Mayor

DEVELOPER

BITTERBLUE, INC.,

a Texas corporation

By: _____

Its:

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PROPERTY METES AND BOUNDS

Exhibit B

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CITY CONSULTANTS

PID Application Expenses ⁽¹⁾	
Budget item	Cost Estimate
City of Fair Oaks Ranch, Texas	\$5,000
P3Works (PID Administrator)	20,000
SAMCO (Financial Advisor)	15,000
Norton Rose Fulbright (Bond Counsel)	15,000
Denton Navarro Rodriguez Bernal	15,000
Santee & Zech, P.C.	
Total	\$70,000

⁽¹⁾ Estimated, subject to change for purposes of PID creation and the levy of assessments for the PID. Does not include additional costs associated with the issuance of bonds, which would be paid from a separate budget for bond issuance costs and reimbursed from bond proceeds.