

STATE OF TEXAS)
)
COUNTY OF TRAVIS) **EFFLUENT REUSE AGREEMENT**

THIS EFFLUENT REUSE AGREEMENT entered into this ____ day of _____, 20__ (the, "Agreement") by and between the City of Manor, Texas, a Texas home-rule municipal corporation (the, "City"), and Shadowglen Golf, L.P. a Delaware limited partnership ("SGG").

WITNESSETH:

WHEREAS, the City and SGG are parties to that certain Effluent Reuse Agreement on or around the 18th day of April, 2012 (the "First Agreement"); and

WHEREAS, the term of First Agreement expired on the 18th day of April, 2022, and by the terms of the First Agreement, renewed for a period of one year and set to expire of the 18th day of April, 2023; and

WHEREAS, the City and SGG desire to enter into a new effluent agreement with updated terms.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency thereof is hereby acknowledged, the parties hereto agree to the following:

**ARTICLE I
DEFINITIONS**

Section 1.1. Definitions. Unless otherwise provided or unless the context otherwise requires, the follow terms in this Agreement will have the respective meanings specified below:

Agreement: "*Agreement*" means this Effluent Reuse Agreement.

Chapter 210 Authorization: "*Chapter 210 Authorization*" means Authorization No. R12900001 granted by the Commission to the City for disposal of Effluent on portions of the Golf Course Tract, a copy of which is attached as **Exhibit "A"** and incorporated herein for all purposes, as amended from time to time.

Commission: "*Commission*" means the Texas Commission on Environmental Quality or its successors.

Delivery Point: "*Delivery Point*" means the point of delivery where the City will deliver Effluent to SGG pursuant to this Agreement. The location of the Delivery Point is generally identified on **Exhibit "B"** attached hereto and incorporated herein by reference. The final location will be based on the approved construction plans for the Irrigation Water Transportation and Storage Facilities.

Effluent: "*Effluent*" means treated wastewater effluent from the Wastewater Treatment Plant operated by the City and disposed of by discharge, in accordance

with the Waste Discharge Permit and the rules of the Commission.

Golf Course: "Golf Course" means the golf course and related improvements constructed within the Golf Course Tract.

Golf Course Irrigation System: "Golf Course Irrigation System" means the controls, pumps, force mains, pipes, sprinkler heads, and other facilities used for the disposal of Effluent within the Golf Course Tract.

Golf Course Tract: "Golf Course Tract" means that certain real property consisting of Lots 1, 2, 3, & 4 of Shadowglen Golf Course, a subdivision in Travis County, Texas, recorded under document number 200300186 and a 2.2903 acre lot for the golf course maintenance facility, further described on **Exhibit "C"** attached hereto and incorporated herein by reference.

Irrigation Water: "Irrigation Water" means Effluent delivered by the City to SGG at the Delivery Point for irrigation of the Golf Course Tract.

Irrigation Water Rate: "Irrigation Water Rate" means the rate from time to time established and charged by the City for Irrigation Water under the terms and provisions and subject to the limitations set out in Section 6.2 of this Agreement.

Irrigation Water Transportation and Storage Facilities: "Irrigation Water Transportation and Storage Facilities" means gravity sewer lines, manholes, lift stations, force mains, meters, effluent holding tanks or ponds, and other facilities and appurtenances constructed, maintained, and used by SGG to convey Irrigation Water from the Delivery Point or to store Irrigation Water after delivery to the Delivery Point, including any future extensions or additions to such facilities.

Market Rate: "Market Rate" means the rate from time to time established and charged by the City for Effluent as amended and published in the City of Manor's Ordinances

Meter: "Meter" refers to the meter owned, operated and maintained by SGG, at the location approved by the City, for the sole purpose of measuring the amount of Wastewater Treatment Plant Effluent taken at the Delivery Point.

Party or Parties: The City and SGG are sometimes referred to in this Agreement individually as a "Party" and collectively as the "Parties".

Plant Site: "Plant Site" means the approximately 13.610 acre tract of land owned by the City where the Wastewater Treatment Plant is located.

SGG: "SGG" means ShadowGlen Golf, L.P., a Texas limited partnership, its successors and assigns.

Suit: "Suit" means the lawsuit SGG and Golf Works, Inc., filed suit against the City and certain other parties in Travis County (Texas) District Court numbered D-1-GN-08-0044680.

Waste Discharge Permit: "Waste Discharge Permit" means Waste Discharge Permit No. WQ0012900001 issued by the Commission authorizing the discharge of treated wastewater effluent, a copy of which is attached as **Exhibit "D"** and incorporated herein for all purposes, as amended from time to time.

Wastewater Treatment Plant: "Wastewater Treatment Plant" means the Wilbarger Creek Wastewater Treatment Facility owned by the City located at 547 Llano St., Manor, Travis County, Texas 78653, as expanded from time to time by the City and that is subject to the Waste Discharge Permit.

City System: "City System" means the water and wastewater system owned

by the City and any expansions, improvements, enlargements, additions and replacements thereto (including the Wastewater Treatment Plant).

ARTICLE II
SUPPLY OF IRRIGATION WATER

Section 2.1. Supply of Irrigation Water for Golf Course Operations.

(a) Subject to the terms of this Agreement, the Waste Discharge Permit, and the Chapter 210 Authorization, the City will make available to SGG at the Delivery Point Wastewater Treatment Plant's Effluent as a supply of Irrigation Water solely for irrigation of the Golf Course Tract, provided, however, the City will have no obligation to make available a supply of Irrigation Water in excess of 500,000 gallons of Irrigation Water per day, or more than 182,500,000 gallons per year.

If the City has an available supply of Irrigation Water in excess of 500,000 gallons per day SGG will have the right to purchase the excess Irrigation Water at the City of Manor's Market Rate as set by City Ordinance. In the event that SGG exceeds the allowable 500,000 gallons of Irrigation Water on a given day and provided the City has Irrigation Water available, the City will not penalize SGG or charge Manor's Market Rate during the Initial Term. The City's obligation to deliver Irrigation Water to SGG hereunder will be subject to: (i) the volume of Effluent from the Wastewater Treatment Plant available at any given time; (ii) the water quality limitations and other requirements set forth in the Waste Discharge Permit; (iii) all provisions and limitations set forth in the Chapter 210 Authorization; and (iv) caused by acts of God, unusual weather conditions, fire, riots, sabotage, acts of domestic or foreign terrorism, or any other cause beyond the reasonable control of the City.

Without limiting the foregoing, the City will not be obligated to deliver Irrigation Water at the Delivery Point when: (1) the Irrigation Water does not meet the quality requirements established in the Waste Discharge Permit or the Chapter 210 Authorization, (2) during any period of time in which the facilities constructed by SGG are not properly operational in full compliance with this Agreement and all applicable regulatory requirements, or (3) if SGG misuses Irrigation Water, it is understood and agreed by SGG that, in such circumstances, the City will have the absolute and unconditional right to suspend delivery of the Irrigation Water to SGG at the Delivery Point until the violation is resolved; provided that if SGG does not cure the violation within thirty days of written notice from the City, the City may terminate this Agreement. As a condition precedent to the delivery of any Irrigation Water to SGG by the City pursuant to the terms of this Agreement, SGG and Golf Works, Inc. shall execute a Release and Indemnification Agreement and a Motion for Partial Nonsuit as provided in that certain Agreement for Temporary Water Service between the Parties and shall dismiss the Suit against the City.

(b) SGG acknowledges and agrees that any Irrigation Water not taken by SGG at the Delivery Point at the time it is available will be discharged to Wilbarger Creek and no longer available for use by SGG or otherwise utilized

at the sole discretion of the City.

(c) If the City does not deliver Irrigation Water at the Delivery Point and SGG is in compliance with the Agreement, upon reasonable request by SGG the City agrees to cooperate with SGG in its effort to obtain alternative or a supplemental source of Effluent to serve the Golf Course Tract.

ARTICLE III DISPOSAL OF IRRIGATION WATER

Section 3.1. Disposal of Irrigation Water.

- (a) SGG may not take Irrigation Water under this Agreement unless it is and remains compliant with all applicable requirements of the Chapter 210 Authorization and this Agreement.
- (b) Subject to the limitations set forth in this Agreement, SGG agrees to dispose of and use the Effluent delivered by the City and taken by SGG at the Delivery Point strictly in accordance and in full compliance with the Waste Discharge Permit, the Chapter 210 Authorization, and all other applicable regulatory requirements. SGG will be solely responsible for compliance with and will comply with all of the requirements applicable to the provider and the User under the Chapter 210 Authorization. The City will be solely responsible for compliance with and will comply with all of the requirements applicable to, the producer under the Chapter 210 Authorization.
- (c) SGG use of the Irrigation Water is limited to the Golf Course, the Golf Course Irrigation System, and the Golf Course Tract.

ARTICLE IV REGULATORY MATTERS

Section 4.1. Ownership of Irrigation Water.

(a) The City will be the sole owner of and have exclusive dominion and control over the Irrigation Water until the Irrigation Water reaches the Delivery Point.

(b) Title to, exclusive dominion and control over, and responsibility for the Irrigation Water will pass from the City to SGG upon the delivery to the Delivery Point, at which time SGG will be solely responsible for the Irrigation Water. Notwithstanding any provision herein to the contrary,

however, SGG covenants and agrees that it will not sell the Irrigation Water to third parties, affiliates, or related entities, or otherwise dispose or use the Irrigation Water in a manner not expressly authorized under this Agreement, the Waste Discharge Permit, and the Chapter 210 Authorization.

Section 4.2. Regulation and Future Modifications. SGG will cooperate with the City as may be reasonably requested by the City to assure compliance with all of the City's obligations under the Chapter 210 Authorization and the Waste Discharge Permit, and in connection with any amendments or modifications to the Chapter 210 Authorization and the Waste Discharge Permit that the City may, from time to time, deem necessary or appropriate.

Section 4.3. Authorizations. The City has already received discharge authorization to provide Effluent to the Golf Course Tract.

ARTICLE IV OPERATIONS

Section 5.1. SGG Responsibilities.

SGG will be solely responsible for designing, constructing, operating, maintaining in good working order, and all costs and expenses related thereto, the Irrigation Water Transportation and Storage Facilities and the Golf Course Irrigation System in strict and full compliance with the construction plans approved by the City, the Waste Discharge Permit, and the Chapter 210 Authorization. SGG is also solely responsible for making all needed repairs, replacements, additions, and improvements, as may at any time be required, to ensure full compliance with the Waste Discharge Permit and the Chapter 210 Authorization. Relocations of the meter (the, "Meter") and construction plans for any repairs, replacements, additions, and improvements must be approved by the City

(a) SGG will be responsible for establishing and maintaining its own electrical service to operate the Irrigation Water Transportation and Storage Facilities within or near the Plant Site, and such service must be by separate meter and account in SGG's name.

(b) SGG will submit written monthly reports to the City regarding its activities under this Agreement, including, without limitation, the operation of the Irrigation Water Transportation and Storage Facilities, the

amount of Irrigation Water taken at the Delivery Point, and any other information or data required to be submitted to the Commission under the Chapter 210 Authorization or requested by the City or City's utility operator. SGG will also submit copies of any documents or data that are required to be created, maintained, or kept on file under the Chapter 210 Authorization within ten days of creation or modification of the document or data.

(c) SGG will maintain the fill line for the Irrigation Water storage facilities at the Delivery Point and will keep it free from obstructions at all times. SGG will secure the facilities located adjacent to the Point of Delivery either by a fence or a secure lockbox, provided that the City shall have access to such facilities for the purpose of reading the Meter.

(d) SGG will own, operate and maintain the Meter. The Meter shall be tested for accuracy by, and at the expense of, SGG, at least once each calendar year at intervals of approximately every twelve (12) months, and a report of such test shall be furnished to the City within thirty (30) days after completion of the test. SGG shall give the City notice of the Meter test at least two (2) weeks in advance and allow the City to witness the test. Upon request by SGG, the City agrees to provide SGG copies of the City's records/logs for the dates requested by SGG, detailing the Wastewater Treatment Plant's discharge to allow SGG to evaluate the reading of the Meter. In addition, the Meter may be tested and calibrated at any other reasonable time by either Party to this Agreement, provided that the Party making the test or calibration shall notify the other Party in writing at least two (2) weeks in advance and allow the other Party to witness the calibration. The expense of such additional test or calibration shall be borne by the Party requesting the test if the Meter is found to be within American Water Works Association (AWWA) standards for the type and size of meter and by SGG if the Meter is found to not be within American Water Works Association (AWWA) standards for the type and size of meter.

If, as a result of any test, the Meter is found to be registering inaccurately (in excess of American Water Works Association (AWWA) standards for the type and size of meter), the readings of the Meter shall be corrected at the rate of their inaccuracy for any period which is definitely known or agreed upon or, if no such period is known or agreed upon, the shorter of:

- (i) a period extending back either sixty (60) days from the date of demand for the test or, if no demand for the test was made, sixty (60) days from the date of the test; or

- (ii) a period extending back one half of the time elapsed since the last previous test; and the records of the readings, and of all payments which have been made on the basis of such readings, shall be adjusted accordingly. Nothing in this Agreement shall prevent the City from installing a meter or meters at or in the vicinity of the SGG Meter to check the accuracy of SGG's Meter.

ARTICLE VI RATES AND CHARGES

Section 6.1. Connection Fee. Provided that SGG is not in default hereunder, during the Initial Term as defined in Section 9.1, the City will not charge any connection fees, capital recovery fees, or impact fees of any kind for the provision of Irrigation Water under this Agreement.

Section 6.2. Rates for Service. During the Initial Term, the Irrigation Water Rate will be \$0.00 per 1,000 gallons of Irrigation Water, as measured at the Delivery Point. After the Initial Term, the Irrigation Water rate shall be the Market Rate, and payment for Irrigation Water, if applicable, must be made in accordance with the same timeframes, terms, and conditions set forth in the City's schedule of rates for its utility system as provided in City Ordinances, except as modified by this Agreement. SGG may not charge, directly or indirectly, the City any fee, charge, cost, or expense under this Agreement.

ARTICLE VII

IRRIGATION WATER TRANSPORTATION AND STORAGE FACILITIES

Section 7.1. Construction of Irrigation Water Transportation and Storage Facilities.

(a) SGG is solely responsible for the design and construction of the Irrigation Water Transportation and Storage Facilities in accordance with the Chapter 210 Authorization. SGG represents and warrants that the Irrigation Water Transportation and Storage Facilities and all related facilities and appurtenances, have been designed by a duly licensed and qualified engineer, licensed to practice engineering in the State of Texas selected by SGG and have been approved by the City (the "Project").

Engineer"), and all other regulatory bodies with jurisdiction. The design and all plans and specifications for any future repair, modification, expansion, or improvement will be subject to the approval of the City in its sole discretion and all governmental agencies with jurisdiction, including, without limitation, the Commission and Travis County, as applicable. SGG must promptly pay the costs of the Irrigation Water Transportation and Storage Facilities as they become due, including, without limitation, all costs of design, engineering, materials, labor, construction and inspection arising in connection with the Irrigation Water Transportation and Storage Facilities; all payments arising under any contracts entered into for the construction, replacement, or maintenance of the Irrigation Water Transportation and Storage Facilities; all costs incurred in connection with obtaining governmental approvals, certificates, permits, easements, rights-of-way, or sites required as a part of the construction, replacement, or maintenance of the Irrigation Water Transportation and Storage Facilities; and all out-of-pocket expenses incurred in connection with the construction, replacement or maintenance of the Irrigation Water Transportation and Storage Facilities. The City will not be liable to any contractor, engineer, attorney, materialman or other party employed or contracted with in connection with the construction, replacement, or maintenance of the Irrigation Water Transportation and Storage Facilities. SGG represents and warrants that all Irrigation Water Transportation and Storage Facilities were completed in full compliance with the terms of this Agreement and all applicable legal and regulatory requirements by December 31, 2012.

(b) All improvements and facilities constructed by or on behalf of SGG under this Agreement will be constructed in a good and workmanlike manner, and all materials used in the construction must be free from defects and fit for their intended use. Upon completion of construction, SGG provided the City with (i) final, "record" drawings approved by the Project Engineer; and (ii) a certificate of completion from the Project Engineer certifying that the construction of such improvements and facilities have been completed in accordance with the plans and specifications approved by the City. SGG will be responsible for the correction of any construction or engineering defects (1) identified during construction, (2) discovered subsequently by the City or SGG, and/or (3) required by the Commission, regardless of whether or not they occur within any applicable warranty period. If, after fourteen days written notice from the City to SGG, SGG fails to begin work to make any repairs or modifications to the Irrigation Water Transportation and Storage Facilities to correct any construction or engineering defects, then the City will have the right, but not the obligation, to make any necessary repairs or modifications to the Irrigation Water

Transportation and Storage Facilities constructed, and SGG will, upon demand, pay the City for the City's reasonable costs in correcting any defect or satisfying any claim including, but not limited to, construction costs, engineering fees, attorneys' fees, building or construction permits, filing fees, or court costs.

(c) SGG is not and will not be construed as the City's agent in contracting for any improvements or work hereunder, and will have no authority to pledge, mortgage, hypothecate, or otherwise encumber any interest in the Wastewater Treatment Plant, the Plant Site, or any other property of the City. SGG will indemnify and hold harmless the City from and against any and all mechanics', materialmen's, or other liens or claims (and all reasonable costs and expenses associated therewith) arising out of any such work. SGG will not create or permit to be created or remain, and will discharge, at SGG's sole cost and expense, any and all liens, encumbrances, or charges levied on account of any builder's, supplier's, mechanic's, laborer's, materialmen's, or similar lien which might become a lien, encumbrance, or charge upon the Wastewater Treatment Plant, or any other property of the City, or the income derived therefrom, with respect to any work or services performed or material furnished by or at the direction of SGG. If any such liens, encumbrances, or charges are at any time filed against the Wastewater Treatment Plant, or any other property of the City, by reason of work or services performed or material furnished by or at the direction of SGG, SGG will, within 30 days after the filing thereof, cause the same to be fully discharged and released of record by payment, deposit, bond, order of a court of competent jurisdiction, or otherwise. In addition, SGG will not bring or allow to be brought any hazardous materials upon any portion of the Wastewater Treatment Plant, or other property of Grantor.

Section 7.2. Easements/License Agreements.

(a) License Agreements. If the City requires SGG to access property or improvements located within the City's Outfall Easement dated January 31, 2003 between the City and Cottonwood Holdings, Ltd., Document No. 2003023718, the City will execute a license agreement with SGG in a form acceptable to the City. The Parties will execute the license agreement attached hereto as **Exhibit "E"** granting SGG the right to use the TXDOT bore under the terms and conditions set forth therein (the "License Agreement") at the time they execute this Agreement.

(b) Easements and Other Rights and Approvals for Off-Site Transmission Facilities. SGG is solely responsible for the acquisition of any

easements, other real property rights, and other approvals needed for the construction, maintenance, improvement, or replacement of the transmission line and other facilities that will convey Irrigation Water from the Delivery Point to the Golf Course Tract and any facilities necessary for the storage of Irrigation Water before disposal by irrigation.

ARTICLE VIII REMEDIES

(a) Default by SGG. If SGG defaults or breaches any of its representations or covenants hereunder, the City may in its sole discretion:

(i) Terminate this Agreement without thereby incurring any liability to SGG; provided SGG has failed to cure the default or breach within thirty days of written notice from the City;

(ii) Pursue all legal or equitable remedies, including, without limitation, enforcement of specific performance; and

(iii) Recover from SGG all reasonable expenses incurred in pursuing its legal rights hereunder, including reasonable attorneys' fees, costs, and expenses.

(b) Default by the City. If the City defaults or breaches any of its representations or covenants hereunder, SGG may in its sole discretion:

(i) Seek a writ of mandamus from a court of competent jurisdiction compelling and requiring the City to observe and perform its obligations under this Agreement;

(ii) Pursue all legal or equitable remedies, including, without limitation, enforcement of specific performance; and

(iii) Recover from the City all reasonable expenses incurred in pursuing its legal rights hereunder, including reasonable attorneys' fees, costs, and expenses.

Section 8.2. INDEMNIFICATION. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT, SGG AGREES TO WHOLLY INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY AND ITS OFFICERS, EMPLOYEES,

CONSULTANTS, AND AGENTS FROM ALL CLAIMS, LOSSES, EXPENSES, FINES, DAMAGES, AND LIABILITIES, INCLUDING REASONABLE COSTS, LITIGATION EXPENSES, AND ATTORNEYS' FEES (COLLECTIVELY, "LOSSES"), ARISING FROM OR RELATING TO SGG'S FAILURE TO PERFORM UNDER THIS AGREEMENT, OR ANY WILLFUL OR NEGLIGENT ACT OR OMISSION OF SGG, ITS OFFICERS, AGENTS, SERVANTS, AND EMPLOYEES, INCLUDING LOSSES ARISING OUT OF OR RELATING TO DAMAGE TO PROPERTY, INJURY TO OR DEATH OF PERSONS (INCLUDING THE PROPERTY AND PERSONS OF THE PARTIES AND THEIR AGENTS, SERVANTS, CONTRACTORS AND EMPLOYEES), LOSS OF USE OF PROPERTY, LOSS OF REVENUE, ECONOMIC OR OTHER LOSSES; AND NON-COMPLIANCE WITH APPLICABLE LAW AND REGULATIONS. THE OBLIGATIONS IN THIS PARAGRAPH APPLY WHETHER ALLEGED OR ACTUAL NEGLIGENT OR GROSS NEGLIGENT ACTS OR OMISSIONS OR OTHER FAULT OF THE CITY CAUSED THE LOSS IN WHOLE OR IN PART. THESE OBLIGATIONS INCLUDE WITHOUT LIMITATION, CLAIMS BY SGG'S EMPLOYEES AGAINST THE CITY AND SGG'S FAILURE TO PAY CONTRACTORS OR AMOUNTS DUE FOR UTILITIES.

Section 8.3. NO REPRESENTATIONS OR WARRANTIES. SGG HEREBY EXPRESSLY ASSUMES ALL RISK AND PERILS ASSOCIATED WITH THIS AGREEMENT AND THE USE OF THE EFFLUENT AS PERMITTED HEREIN. THE CITY WILL HAVE NO RESPONSIBILITY, LIABILITY, OR OBLIGATION WITH RESPECT TO ANY PROPERTY OR ACTIVITY OF SGG, IT BEING ACKNOWLEDGED AND UNDERSTOOD BY SGG THAT THE SAFETY AND SECURITY OF ANY SUCH PROPERTY AND ACTIVITIES ARE THE SOLE RESPONSIBILITY AND RISK OF SGG. THE CITY MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, REGARDING THE PLANT SITE, OR THE EFFLUENT, INCLUDING BUT NOT LIMITED TO, THE FITNESS FOR ANY USE BY SGG, AND THE QUALITY OF THE EFFLUENT, WITH ANY APPLICABLE LAW, OR THE COMPLIANCE OF THE CONSTRUCTION OF ANY IMPROVEMENTS ON THE PLANT SITE WITH ANY APPLICABLE LAWS, RULES, REGULATIONS, AND

RESTRICTIONS. THIS PROVISION WILL SURVIVE ANY TERMINATION OF THIS AGREEMENT.

Section 8.4. SGG, AND SGG ON BEHALF OF ITS SUCCESSORS (IF PERMITTED), GUESTS, INVITEES, EMPLOYEES, CONTRACTORS, AND AGENTS, HEREBY RELEASE THE CITY AND ITS OFFICERS, EMPLOYEES, AND AGENTS FROM LIABILITY FOR ANY CLAIMS WITH RESPECT TO USE OF THE EFFLUENT GRANTED HEREUNDER BUT NOT FROM ANY CLAIMS FOR THE CITY'S DEFAULTS OR BREACHES OF ANY OF ITS REPRESENTATIONS OR COVENANTS UNDER THIS AGREEMENT. THIS PROVISION WILL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE IX GENERAL

Section 9.1. Term. Unless terminated by mutual agreement of the Parties or as otherwise permitted herein, this Agreement will continue in force and effect for a period of 5 years (the "Initial Term"), and may thereafter be renewed in writing by mutual agreement of the Parties for two additional five year terms, each additional renewal requiring the written agreement of the Parties.

Section 9.2. Waiver. The failure of either party to insist, in any one or more instances, upon the performance of any of the terms, covenants or conditions of this Agreement, will not be construed as a waiver or relinquishment of_ the future performance of any such terms, covenant, or condition or relinquishment of the future performance of any such term, covenant, or condition by the other party, but the obligation of such party with respect to such future performance will continue to be in full force and effect.

Section 9.3. Modification. This Agreement may be changed or modified only with the mutual written consent of the Parties.

Section 9.4. Captions. The captions appearing at the first of each section or paragraph in this Agreement are included solely for convenience and may not be considered or given any effect in construing this Agreement.

Section 9.5. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement is ever be held

by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances will not be affected that holding.

Section 9.6. Addresses and Notice.

(a) Notices shall be mailed to the addresses designated and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

To the City
City of Manor, Texas

To SGG:

Attn: City Manager

105 E. Eggleston St.

Manor, TX 78653

With a copy to:

The Knight Law Firm, LLP

Attn: Paige Saenz

223 W. Anderson Ln.

Ste. A-105

Austin, TX 78752

(b) All notices will be deemed to have been given on the date of mailing or sending of such notice. Any Party may change its address by providing at least five days' prior written notice to the other Party.

Section 9.7. Assignability.

(a) None of SSG's rights or obligations under this Agreement may be assigned (including by operation of law) to any person or entity without the prior written agreement of the City. Each owner of the Golf Course and

Golf Course Tract will during its period of ownership, enjoy SGG's rights under this Agreement and be responsible for SGG's obligations under this Agreement. Neither SGG nor any future owner of the Golf Course and Golf Course Tract will be liable or responsible for any obligations arising under this Agreement that relate to periods of time other than when it owns the Golf Course and Golf Course Tract.

(b) The City's rights and obligations under this Agreement will automatically transfer to all future owners of the City's System. Each owner of the City's System will, during its period of ownership, enjoy the City's rights under this Agreement and be responsible for the City's obligations under this Agreement. Neither the City nor any future owner of the City's System will be liable or responsible for any obligations arising under this Agreement that relate to periods of time other than when it owns the City's System.

Section 9.8. Lender Protection and Acknowledgment. SGG agrees to obtain from any lender with a lien on or security interest in the property affected by this Agreement an appropriate acknowledgment of the City's rights hereunder.

Section 9.9. Extent of Agreement. This Agreement may be amended only by written instrument signed by the Parties. Nothing contained in this Agreement is intended to or will be construed to benefit any third party.

Section 9.10. Entirety of the Agreement. This Agreement constitutes the entire Agreement and understanding between the parties and supersedes all previous agreements, understandings, discussions, or representations concerning its subject matter.

Section 9.11. Counterpart. This Agreement may be signed in multiple counterpart originals.

Section 9.12. Choice of law. This Contract is to be governed by and shall be construed in accordance with the laws of the State of Texas without regard to conflicts of law principles, thereof. Proper venue for any dispute or litigation shall be only in Travis County, Texas.

Section 9.13. Counterparts. This Contract may be executed in two or more counterparts, each of which will be deemed and original, but all of which together constitute one and the same instrument.

Section 9.14. Statutory Verifications.

- (a) To the extent this Contract constitutes a contract for goods or services within the meaning of Section 2270.002 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2270 of the Texas Government Code, and subject to applicable Federal law, SGG represents that neither SGG nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of SGG (i) boycotts Israel or (ii) will boycott Israel through the term of this Contract. The terms “boycotts Israel” and “boycott Israel” as used in this paragraph have the meanings assigned to the term “boycott Israel” in Section 808.001 of the Texas Government Code, as amended.
- (b) To the extent this Contract constitute a governmental contract within the meaning of Section 2252.151 of the Texas Government Code, as amended, solely for purposes of compliance with Chapter 2252 of the Texas Government Code, and except to the extent otherwise required by applicable federal law, SGG represents that SG nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of SG is a company listed by the Texas Comptroller of Public Accounts under Sections 2270.0201, or 2252.153 of the Texas Government Code.
- (c) SG 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 Contract. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, and to the extent such Section is not inconsistent with a governmental entity’s constitutional or statutory duties related to the issuance, incurrence, or management of debt obligations or the deposit, custody, management, borrowing, or investment of funds. As used in the foregoing verification, "boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company: (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by the preceding statement in (A).
- (d) SG 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 have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association during the term of this Contract. The foregoing verification is made solely

to comply with Section 2274.002, Texas Government Code. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” means: (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; but does not include (a) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; or (b) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.

- (e) Form 1295. Texas law and the City requires that business entities, as defined in Texas Government Code, Section 2252.908, who contract with the City complete the on-line of Form 1295 "Certificate of Interested Parties" as promulgated by the Texas Ethics Commission (<https://www.ethics.state.tx.us/filinginfo/1295/>). Form 1295 is also required for any and all contract amendments, extensions or renewals. Prior to any payment to SG hereunder, SG shall provide proof of submission to the City Secretary that the appropriate Form 1295 documentation has been submitted.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in duplicated by their duly authorized this ____ day of _____, 20____.

THE CITY OF MANOR, TEXAS.

BY: _____

NAME: _____

TITLE: _____

ATTEST:

BY: _____

NAME: _____

TITLE: _____

SHADOWGLEN GOLF, LP
a Delaware limited partnership

BY: _____

NAME: _____

TITLE: _____

EXHIBIT A
(SEE ATTACHED)

EXHIBIT B
(SEE ATTACHED)

EXHIBIT C
(SEE ATTACHED)

EXHIBIT D
(SEE ATTACHED)

EXHIBIT E
(SEE ATTACHED