



RESOLUTION NO. 20160524-09

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR/CEO TO EXECUTE A LICENSE AGREEMENT TO USE DESIGNATED ROADS ON THE TAC-EAST CAMPUS TO EXPAL USA, INC.

WHEREAS, TexAmericas Center is a political subdivision of the State of Texas with the powers and authorities specified in Chapter 3503 of the Special District Local Laws Code of the State of Texas; and

WHEREAS, Expal USA, Inc. contacted TexAmericas Center to seek a License Agreement to Use Designated Roads on the TAC-East Campus; and

WHEREAS, the parties have come to the attached terms of agreement for said License Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of TexAmericas Center that the Executive Director/CEO shall be and he is hereby authorized to execute the attached License Agreement to Use Designated Roads; and

BE IT FURTHER RESOLVED, by the Board of Directors of TexAmericas Center that the Center appreciates the collaborative effort of Expal USA, Inc. to negotiate this License Agreement to Use Designated Roads on the TAC-East Campus as well as to locate its business operations, create jobs and contribute to the tax base in Bowie County, Texas.

PASSED AND APPROVED THIS 24th day of May, 2016.


Denis Washington, Chairman of the Board

ATTEST:


Boyd Sartin, Secretary/Treasurer

Attached: License Agreement to Use Designated Roads



LICENSE AGREEMENT TO USE DESIGNATED ROADS

This License Agreement is entered into by and between TexAmericas Center, a political subdivision of the State of Texas having its principal office at 107 Chapel Lane, New Boston, Bowie County, Texas 75570, hereinafter referred to as "TAC" and Expal USA, Inc., a Delaware Corporation having its principal office at 7400 Regency Rd., Marshall, Texas 75672, hereinafter referred to as "Licensee".

RECITALS

WHEREAS, TAC is the owner of property commonly known as TexAmericas Center-East being a part of the former Lone Star Army Ammunition Plant located in Bowie County, Texas; and

WHEREAS, Licensee is a private company which desires to use on a non-exclusive basis certain roads of TAC in association of its lease of properties (igloo bunkers and a production area) from TAC East Holdings Company No. 1; and

WHEREAS, TAC and Licensee have agreed to the terms of this License Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions set forth herein, TAC and Licensee do hereby agree as follows:

1. License. TAC does hereby grant to Licensee a non-exclusive License to use property owned by TAC upon the TexAmericas Center-EastCampus (the Licensed Premises) during the term of this License Agreement which property is described as follows:

Privately owned roads of TAC described as Oak Street, Cypress Street, Ellis Street, Montague Street and Cass Street, as described and located upon Exhibit "A" attached hereto.

2. Term of License. The Term of this License is for a period of 9 years and 1 month, beginning on June 1, 2016, and ending on the 30th day of June, 2025, unless terminated earlier as provided in this Agreement.

3. Option to Extend Term. Licensee may extend the term of this agreement beyond the expiration date provided in Section 2 above on the following conditions:

A. Licensee may, if it is not in default, either on the date required for the notice or on the date such extension commences, extend the term for one additional period of five (5) years. The extended term will begin on the day following the expiration date of the term specified in Section 2. If, at the date the original term expires, Tenant is in default beyond any grace period provided in this agreement, the remaining option is void. All of the terms and covenants of this agreement apply to all extended terms.

B. Licensee may exercise the option to extend this License Agreement by giving TAC notice of its intention to do so not later than six (6) months before the then current Term expires. Notice of an intention to exercise an option under this agreement must, to be effective, be sent by mail, fax, or email to TAC at the address provided in this agreement.

C. This License Agreement is executed ancillary to a Lease Agreement by and between TAC East Holdings Company No. 1 and Licensee with a commencement date of June 1, 2016 (the Production Area Lease), and a Lease Agreement by and between TAC East Holdings Company No. 1 (assignee from TexAmericas Center) and Licensee dated March 30, 2015, (the Bunker Lease) collectively herein the Leased Premises; and to provide access to the Leased Premises. In the event of the termination or expiration of said Lease Agreements, this License Agreement shall also terminate on the effective date of the termination or expiration of said Leases. If said Lease Agreements are renewed or extended, the License Agreement shall be automatically extended to terminate upon the termination or expiration of said Leases as extended. The Production Area Lease Agreement grants Licensee an Option to Purchase the Production Area Leased Premises. If Licensee exercises the Option to Purchase the Production Area Leased Premises, this License shall continue until such time that it is terminated in whole, or in part, by written mutual agreement of the Licensor and Licensee, or until the designated road or roads are dedicated as public roads, whichever first occurs.

D. In addition to the license to use the roads described herein, TAC agrees not to construct or install any improvements (other than roadway improvements) upon that portion of Ellis Street described in Exhibit "B" attached hereto. This restriction is intended to provide a "no inhabited building" restriction for blast arc safety purposes for Licensee's production facilities upon the Production Area Lease Tracts.

4. Consideration. Licensee will pay to TAC the initial sum of \$1,503.60 upon execution of this License Agreement as consideration for the blast arc limitations described in Section 3.D. above for the first year of the term hereof. Said sum shall be increased by 3% each year during the remaining term of this license. Annual payments of said increasing amount shall be due on or before June 1 of each year during the term hereof.

5. Taxes. Licensee shall render for taxation its equipment used in Bowie County, Texas, and shall pay any and all taxes assessed against said equipment. Licensee shall hold TAC harmless and indemnify TAC against any and all claims for taxes due including but not limited to penalties, interests and attorney's fees assessed.

6. Compliance with Laws.

A. Licensee may not use, or permit using, the Licensed Premises in any manner that results in waste of the premises or constitutes a nuisance or for any illegal purpose. Licensee, at its own expense, will comply, and will cause its officers, employees, agents, subcontractors, and invitees to comply with all applicable laws, ordinances, and governmental rules and regulations concerning the use of the Licensed Premises, including Hazardous Materials Laws and laws and regulations relating to the manufacture, storage and transportation of explosives.

B. **Hazardous Materials Laws** means any federal, state or local statute, ordinance, order, rule, or regulation of any type relating to the storage, handling, use, or disposal of any Hazardous Materials, the contamination of the environment, or any removal of such contamination, including, without limitation the Clean Water Act, 33 USC, Section 1251, et sec, listed pursuant to Section 307 of the Clean Water Act, materials defined as Hazardous Substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, materials defined as Hazardous Waste pursuant to Section 1004 of the Resource Conservation and Recovery Act, Petroleum, Asbestos, and Polychlorinated Biphenyls.

7. **Insurance.** Licensee must, at its own expense during the term of this agreement and any extended term, maintain insurance as follows:

A. Prior to the start of Term, Licensee shall procure and maintain in force Workers' Compensation Insurance, Employer's Liability Insurance, Automobile Insurance and General Liability Insurance. The General Liability Insurance shall include coverage for liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, contractual liability, and broad form property damage. The General Liability Insurance shall name TAC as an additional insured for liability arising out of the actions or inactions of Licensee.

Licensee's Employer's Liability, Business Auto Liability, and General Liability Policies, will procure and maintain during the entire period of its performance under this contract the following minimum insurance:

Worker's Compensation and Employer's Liability

Comply with federal and state worker's comp and occupational disease statutes

Employer's Liability (at least)

Bodily Injury by Accident: \$1,000,000.00
Bodily Injury by Disease: \$1,000,000.00

Auto Liability:

Bodily Injury (at least)
per person \$500,000.00
per occurrence \$1,000,000.00
Property Damage (at least)
per occurrence \$200,000.00

General Liability: (at least)

Per Occurrence: \$1,000,000.00
Aggregate: \$2,000,000.00

B. The Employer's Liability, Auto Liability and General Liability Coverages may be arranged under a single policy for the full limits required or by the combination of the underlying policies with the balance provided by excess and/or umbrella liability policies.

C. Licensee shall maintain in effect all insurance coverage required at Licensee's sole expense with insurance companies authorized to do business in the State of Texas. If Licensee fails to obtain or maintain any insurance coverage then TAC may deny the Licensee access to Licensed Property.

D. The policies of insurance required shall contain a provision that the coverages afforded under the policies will not be cancelled or allowed to expire until at least 30 days prior written notice has been given to the TexAmericas Center.

E. Licensee shall additionally obtain and maintain in force during the term and any extended term, of this Agreement, Pollution Legal Liability Insurance providing the following coverages:

- i. On-site clean up of new conditions arising out of Licensee's operations;
- ii. Third-Party claims for on-site bodily injury and/or property damage;
- iii. Pollution conditions resulting from transported cargo (third-party carrier or owned vehicle) while on TAC properties, streets, or adjacent entrances or exits; and
- iv. Punitive Damages, fines and penalties.

The policy shall provide coverages of not less than \$2,000,000.00 per loss and not less than \$4,000,000.00 in the aggregate. The deductible on the policy shall not be greater than \$25,000.00 per occurrence.

8. Hold Harmless and Indemnity. Licensee will indemnify and hold TAC harmless against any claims, demands, damages, costs, and expenses, including reasonable attorney's fees for defending claims and demands, arising from the conduct of Licensee's business on the Licensed Premises or its use of the Licensed Premises; from any breach by Licensee of any conditions of this License Agreement; or from any act of negligence of Licensee, its agents, contractors, subcontractors, employees, or licensees, on or about the Licensed Premises. If any action or proceeding is brought against TAC by any reason of any such claim, Licensee, on notice from TAC, will defend the action or proceeding by counsel acceptable to TAC. Licensee shall repair any and all damage caused to the Licensed Premises by Licensee, its agents, contractors, employees or other related parties.

9. Operational Limitations. Licensee shall at all times comply with the following operational limitations with regard to the Licensed Premises, to-wit:

A. Licensee shall observe the posted speed limits upon the designated roadways. In the event there is no posted limit upon the roadway, driver shall not exceed 35 mph.

B. All drivers of freight transport motor vehicles shall have a valid commercial operators license.

C. Trucks or other motor vehicles shall not exceed a weight limit of 80,000 pounds.

D. All personnel of Licensee involved in the use of the Licensed Premises shall register and obtain a badge for entry onto the TexAmericas Center-East Campus. Registration and badging is available at the offices of TAC.

10. Default. If Licensee defaults by failing to pay the monthly consideration within ten (10) days after its due date, or remains in default under any other condition of this License Agreement for thirty (30) days after written notice from TAC, TAC may, at its option, without notice to Licensee, terminate this License Agreement and pursue such remedies as it may have under the law.

11. Condition of Licensed Premises; Limitation of Tax Liability. Licensee has had the opportunity to inspect the Licensed Premises which are the subject matter of this License Agreement and accepts said Licensed Premises in their current condition as suitable for Licensee's use. Licensee accepts the condition of the Leased Premises in their current "AS IS-WHERE IS" condition. TAC shall have no responsibility to provide other than routine maintenance to said Licensed Premises during the term. Licensee hereby waives any and all claims it may now have, or may hereafter have, against TAC which arise out of Licensee's use of the Licensed Premises designated in this agreement.

12. Security Deposit. (Intentionally omitted).

13. Assignment. Licensee may not assign or otherwise transfer this License Agreement, or any right or interest in it, without TAC's written consent.

14. Notices and Addresses. All notices required or permitted under this agreement shall be delivered to the respective parties at their addresses as set forth below their signatures to this agreement.

15. Parties Bound. This agreement binds, and inures to the benefit of, the parties to this agreement and their respective successors and permitted assigns.

16. Texas Law To Apply. This agreement is to be construed under Texas law, and all obligations of the parties created by this agreement are performable in Bowie County, Texas. Any and all litigation arising out of this agreement shall be filed and maintained in the District Court of Bowie County, Texas.

17. Prior Agreements Superseded. This agreement constitutes the parties' sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter of this agreement.
18. Amendment. No amendment, modification or alternation of this agreement is binding unless in writing, dated subsequent to the date of this agreement, and executed by both of the parties.
19. Attorney's Fees and Costs. If, as a result of either party's breaching this agreement, the other party employs an attorney to enforce its rights under this agreement, then the breaching or defaulting party will pay the other party the reasonable attorney's fees and costs incurred to enforce this agreement.
20. Time of Essence. Time is of the essence of this agreement.
21. Alternative Dispute Resolution. TAC and Licensee shall submit in good faith to mediation any and all disputes before filing suit. Each party shall pay its own counsel fees in such mediation and shall each pay one-half of the mediator's charges. The parties shall mutually agree upon the mediator, and upon failure to agree within thirty (30) days of a request by either party to mediation, shall request the County Judge of Bowie County to select a mediator whose selection shall be binding on the parties. All mediations shall take place in Bowie County, Texas.
22. LIMITATION OF WARRANTIES. THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER KIND ARISING OUT OF THIS AGREEMENT. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE, IF ANY, EXPRESSLY STATED IN THIS AGREEMENT.
23. Army Imposed Restrictions. Notwithstanding any other provision of this agreement, this agreement is made subject to, and Licensee agrees to be bound by those certain exceptions, limitations, covenants, conditions and reservations set forth in the Deed Without Warranty conveying the TexAmericas Center-East Campus Premises from the United States of America, acting by and through the Secretary of the Army to Red River Redevelopment Authority (now TexAmericas Center) to the extent said provisions apply to the Licensed Premises. A copy of the Deed Without Warranty is available at the offices of TAC.
24. Reserved Right to Dedicate Roads. Licensor reserves the right to dedicate one or more or all of the roadways designated in this License Agreement as public roads or streets without the joinder or consent of Licensee. Upon such public dedication, or dedications, this License shall automatically terminate as to the publicly dedicated road or roads.

EXECUTED and EFFECTIVE as of the date of the second party to execute the same as indicated below.

TLXAMERICAS CENTER

By: 

Scott Norton,
Executive Director/CEO

107 Chapel Lane
New Boston, Texas 75570
Telephone: 903-223-9841
Facsimile: 903-223-8742
Email: scott.norton@texamericascenter.com

Date: 6/1/16

LICENSEE
EXPAL USA, INC.

By: 

Name: Steve Dart
Title: CEO
Address: 7400 Regency Rd.
Marshall, Texas 75672
Telephone: 903 472-4970
Facsimile: 903 472-6304
Email: steve.dart@me.com

Date: 6/1/16

EXHIBIT "A"
TO
LICENSE AGREEMENT
TEXAMERICAS CENTER TO EXPAL USA, INC.

Road Descriptions:

A. The following Roads identified and described in that certain Deed Without Warranty from the United States of America to Red River Redevelopment Authority dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real Property Records of Bowie County, Texas, to-wit:

- (1) Oak Street, identified as Proposed 4th Street and described as Tract 20 of said Deed;
- (2) Cypress Street, identified as Proposed 5th Street and described as Tract 10 of said Deed;
- (3) Cass Street, identified as Proposed Washington Street and described as Tract 19 of said Deed;

B. Ellis Street, described as follows:

All that certain lot, tract or parcel of land lying and situated in the William H. Fore Headright Survey, Abstract 214, Bowie County, Texas, being part of that certain tract of land described as Tract 3 – Between Proposed 4th and 5th Street Parcel w/ 2123.097 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the North line of the said Tract 3 and the South line of that certain tract of land described as Tract 20 – Proposed 4th Street w/ 58.304 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, said corner bears South 86 degrees 39 minutes 55 seconds West (basis of bearings) a distance of 5930.89 feet along the North line of the said Tract 3 and the South line of the said Tract 20, to a 1/2 inch steel rod (control monument no. 1), found for a corner, the Northwesterly Corner of the said Tract 3;

THENCE North 86 degrees 39 minutes 55 seconds East a distance of 200.24 feet along the North line of the said Tract 3 and the South line of the said Tract 20, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the North line of the said Tract 3 and the South line of the said Tract 20, said corner bears North 86 degrees 39 minutes 55 seconds East a distance of 1224.57 feet along the North line of the said Tract 3 and the South line of the said Tract 20, to a 1/2 inch steel rod (control monument no. 2), capped Texas MG 5760, found for a corner;

THENCE South 43 degrees 04 minutes 14 seconds West a distance of 72.51 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE South 00 degrees 31 minutes 26 seconds East a distance of 5746.38 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE South 50 degrees 15 minutes 44 seconds East a distance of 65.52 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the South line of the said Tract 3 and the North line of that certain tract of land described as Tract 10 – Proposed 5th Street Parcel w/ 81.718 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, said corner bears North 79 degrees 59 minutes 59 seconds East a distance of 788.18 feet along the South line of the said Tract 3 and the North line of the said Tract 10, to a 1/2 inch steel rod, capped Texas MG 5760, found for a corner;

THENCE South 79 degrees 59 minutes 59 seconds West a distance of 202.77 feet along the South line of the said Tract 3 and the North line of the said Tract 10, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the South line of the said Tract 3 and the North line of the said Tract 10, said corner bears South 79 degrees 59 minutes 59 seconds West a distance of 3748.86 feet along the South line of the said Tract 3 and the North line of the said Tract 10, to a concrete nail, found for a corner, lying in the South line of the said Tract 3 and the North line of the said Tract 20;

THENCE North 39 degrees 44 minutes 16 seconds East a distance of 77.37 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE North 00 degrees 31 minutes 26 seconds West a distance of 5758.16 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE North 46 degrees 55 minutes 46 seconds West a distance of 69.04 feet to the point of beginning and containing 13.552 acres of land, at the time of this survey.

This description is based on the survey and plat made by Jeffrey A. Wood, Registered Professional Land Surveyor No. 6220, on July 24, 2015.

C. Montague Street, described as follows:

All that certain lot, tract or parcel of land lying and situated in the William H. Fore Headright Survey, Abstract 214, Bowie County, Texas, being part of that certain tract of land described as Tract 3 – Between Proposed 4th and 5th Street Parcel w/ 2123.097 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch steel rod, capped MTG 101011-00, set or a corner, lying in the North line of the said Tract 3 and the South line of that certain tract of land described as Tract 20 –

Proposed 4th Street w/ 58.304 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, said corner bears North 71 degrees 31 minutes 55 seconds West a distance of 1709.54 feet along the North line of the said Tract 3 and the South line of the said Tract 20, to a 1/2 inch steel rod, capped Texas MG 5760, found for a corner, North 82 degrees 26 minutes 00 seconds West a distance of 332.83 feet, to a 1/2 inch steel rod (control monument no. 2), capped Texas MG 5760, found for a corner, lying in the North line of the said Tract 3 and the South line of the said Tract 20, South 86 degrees 39 minutes 55 seconds West (basis of bearings), a distance of 7355.70 feet along the North line of the said Tract 3 and the South line of the said Tract 20, to a 1/2 inch steel rod (control monument no. 1), found for a corner, the Northwesterly Corner of the said Tract 3;

THENCE South 71 degrees 31 minutes 55 seconds East a distance of 211.55 feet along the North line of the said Tract 3 and the South line of the said Tract 20, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the North line of the said Tract 3 and the South line of the said Tract 20, said corner bears South 71 degrees 31 minutes 55 seconds East a distance of 2278.95 feet, to a 1/2 inch steel rod, capped Texas MG 5760, found for a corner, lying in the North line of the said Tract 3 and the South line of the said Tract 20;

THENCE South 53 degrees 57 minutes 23 seconds West a distance of 61.41 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE South 00 degrees 33 minutes 20 seconds East a distance of 4999.97 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE South 45 degrees 10 minutes 15 seconds East a distance of 71.19 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the South line of the said Tract 3 and the North line of that certain tract of land described as Tract 10 – Proposed 5th Street Parcel w/ 81.718 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, said corner bears South 89 degrees 47 minutes 11 seconds East a distance of 1697.38 feet along the South line of the said Tract 3 and the North line of the said Tract 10, to a 1/2 inch steel rod, found for a corner;

THENCE North 89 degrees 47 minutes 11 seconds West a distance of 200.02 feet along the South line of the said Tract 3 and the North line of the said Tract 10, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, lying in the South line of the said Tract 3 and the North line of the said Tract 10, said corner bears North 89 degrees 47 minutes 11 seconds West a distance of 1872.81 feet along the South line of the said Tract 3 and the North line of the said Tract 10, to a 1/2 inch steel rod, capped Texas MG 5760, found for a corner, lying in the South line of the said Tract 3 and the North line of the said Tract 10;

THENCE North 44 degrees 49 minutes 45 seconds East a distance of 70.24 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE North 00 degrees 33 minutes 20 seconds West a distance of 5033.10 feet, to a 1/2 inch steel rod, capped MTG 101011-00, set for a corner, at an angle point;

THENCE North 36 degrees 02 minutes 37 seconds West a distance of 86.13 feet to the point of beginning and containing 11.871 acres of land, at the time of this survey.

This description is based on the survey and plat made by Jeffrey A. Wood, Registered Professional Land Surveyor No. 6220, on July 24, 2015.

D. Ellis Street Extension to Bunker Area

All that certain lot, tract or parcel of land lying and situated in the William H. Fore Headright Survey, Abstract 214, Bowie County, Texas, being a part of those certain tract of land described as Tract 3 – Between Proposed 4th and 5th Street Parcel w/ 2123.097 acres, Tract 10 – Proposed 5th Street Parcel (Now known as Cypress Street), with 81.718 acres, and Tract 8 – South of Proposed 5th Street Parcel, with 4586.02 Acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, and being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch steel rod found for a corner, capped Texas MG 5760, the Southwest corner of the said 2123.097 acre tract;

THENCE North 00 degrees 00 minutes 00 seconds East a distance of 5713.10 feet and North 90 degrees 00 minutes 00 seconds East a distance of 6707.79 feet, and South 89 degrees 35 minutes 37 seconds East a distance of 267.82 feet to a 1/2 inch steel rod set for a corner, capped MTG 101011-00, at the POINT OF BEGINNING;

THENCE South 89 degrees 35 minutes 37 seconds East a distance of 100.01 feet to a 1/2 inch steel rod set for a corner, capped MTG 101011-00, lying in the West line of that certain tract of land described as Tract Two (Area E), with 419.186 acres in the deed from TexAmericas Center to TAC East Holdings Company No. 1, dated July 28, 2015, recorded in Document No. 2015-8269 of the Real Property Records of Bowie County, Texas, said corner bears North 00 degrees 31 minutes 26 seconds West a distance of 2073.41 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00 (control monument), and North 43 degrees 04 minutes 14 seconds East a distance of 72.51 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00, lying in the South line of that certain tract of land described as Tract 20 – Proposed 4th Street w/ 58.304 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, the Northwest corner of the said 419.186 acre tract;

THENCE South 00 degrees 31 minutes 26 seconds East (basis of bearings) a distance of 3672.97 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00 (control monument);

THENCE South 50 degrees 15 minutes 44 seconds East a distance of 65.52 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00, the Southwest corner of the said 419.186 acre tract, lying in the North line of the said 81.718 acre tract (Cypress Street);

THENCE South 10 degrees 09 minutes 13 seconds East a distance of 88.54 feet to a point for a corner, at an angle point;

THENCE South 54 degrees 45 minutes 51 seconds West a distance of 144.16 feet to a point for a corner, at an angle point;

THENCE South 08 degrees 44 minutes 20 seconds West a distance of 39.98 feet to a point for a corner, at an angle point;

THENCE South 18 degrees 18 minutes 30 seconds West a distance of 196.40 feet to a point for a corner to a point for a corner, at an angle point;

THENCE South 14 degrees 27 minutes 08 seconds West a distance of 19.56 feet to a point for a corner, lying in the North line of that certain tract of land described as Tract 1 (Area V), with 646.998 acres in the deed from Texamericas Center to TAC East Holdings Company No. 1, dated July 28, 2015, recorded in Document No. 2015-8269 of the Real Property Records of Bowic County, Texas;

THENCE South 89 degrees 21 minutes 11 seconds West a distance of 31.07 feet along the North line of the said 646.998 acre tract to a point for a corner;

THENCE North 14 degrees 27 minutes 08 seconds East a distance of 28.67 feet to a point for a corner, at an angle point;

THENCE North 18 degrees 18 minutes 30 seconds East a distance of 194.90 feet to a point for a corner, at an angle point;

THENCE North 08 degrees 44 minutes 20 seconds East a distance of 27.29 feet to a point for a corner, at an angle point;

THENCE North 47 degrees 30 minutes 30 seconds West a distance of 77.21 feet to a point for a corner, at an angle point;

THENCE North 06 degrees 04 minutes 26 seconds West a distance of 88.96 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00, lying in the North line of the said 81.718 acre tract (Cypress Street);

THENCE North 39 degrees 44 minutes 16 seconds East a distance of 77.37 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00;

THENCE North 00 degrees 31 minutes 26 seconds West a distance of 3691.29 feet to the point of beginning and containing 9.391 acres of land, at the time of this survey.

This description is based on the survey and plat made by Jeffrey A. Wood, Registered Professional Land Surveyor No. 6220, on March 23, 2016.

EXHIBIT "B"
TO
LICENSE AGREEMENT
TEXAMERICAS TO EXPAL USA, INC.

Blast Arc/Uninhabited building restricted tract, a portion of Ellis Street described as follows:

All that certain lot, tract or parcel of land lying and situated in the William H. Fore Headright Survey, Abstract 214, Bowie County, Texas, being part of that certain tract of land described as Tract 3 – Between Proposed 4th and 5th Street Parcel w/ 2123.097 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, and being more particularly described by metes and bounds as follows:

COMMENCING at a 1/2 inch steel rod found for a corner, capped Texas MG 5760, the Southwest corner of the said 2123.097 acre tract;

THENCE North 00 degrees 00 minutes 00 seconds East a distance of 2438.71 feet and North 90 degrees 00 minutes 00 seconds East a distance of 6675.63 feet, and South 89 degrees 35 minutes 37 seconds East a distance of 329.93 feet to a 1/2 inch steel rod set for a corner, capped MTG 101011-00, at the POINT OF BEGINNING;

THENCE North 00 degrees 31 minutes 26 seconds West a distance of 3274.97 feet to a 1/2 inch steel rod set for a corner, capped MTG 101011-00;

THENCE South 89 degrees 35 minutes 37 seconds East a distance of 100.01 feet to a 1/2 inch steel rod set for a corner, capped MTG 101011-00, lying in the West line of that certain tract of land described as Tract Two (Area E), with 419.186 acres in the deed from TexAmericas Center to TAC East Holdings Company No. 1, dated July 28, 2015, recorded in Document No. 2015-8269 of the Real Property Records of Bowie County, Texas, said corner bears North 00 degrees 31 minutes 26 seconds West a distance of 2073.41 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00 (control monument), and North 43 degrees 04 minutes 14 seconds East a distance of 72.51 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00, lying in the South line of that certain tract of land described as Tract 20 – Proposed 4th Street w/ 58.304 acres in the deed from United States of America to Red River Redevelopment Authority, now known as TexAmericas Center, dated September 1, 2010, recorded in Volume 5898, Page 1 of the Real property Records in Bowie County, Texas, the Northwest corner of the said 419.186 acre tract;

THENCE South 00 degrees 31 minutes 26 seconds East a distance of 3274.97 feet along the West line of the said 419.186 acre tract to a 1/2 inch steel rod set for a corner, capped MTG 101011-00, said corner bears South 00 degrees 31 minutes 26 seconds East (basis of bearings) a distance of 398.00 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00 (control monument), and South 50 degrees 15 minutes 44 seconds East a distance of 65.52 feet to a 1/2 inch steel rod found for a corner, capped MTG 101011-00, the Southwest corner of the said 419.186 acre tract;

THENCE North 89 degrees 35 minutes 37 seconds West a distance of 100.01 feet to the point of beginning and containing 7.518 acres of land, at the time of this survey.

This description is based on the survey and plat made by Jeffrey A. Wood, Registered Professional Land Surveyor No. 6220, on January 13, 2016.