

**REVISED AND RESTATED
ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

This Revised and Restated Economic Development Incentive Agreement (“Agreement”) is made and entered into by and between the City of Plano, Texas, (“City”), and Denbury Onshore, LLC, a Delaware limited liability company (“Company”), acting by and through their respective authorized officers and representatives.

W I T N E S S E T H:

WHEREAS, the City and Company entered into an original Economic Development Incentive Agreement (hereinafter “Original Agreement”) approved by the City Council in Resolution No. 2007-5-17 on May 29, 2007 for the creation of 275 Full-Time Job Equivalents which was replaced by an Economic Development Incentive Agreement (hereinafter “Replacement Agreement”) approved by the City Council in Resolution No. 2010-5-8 on May 10, 2010 which addressed a relocation of Company within the City and additional job creation commitments; and

WHEREAS, the City and Company further amended the Replacement Agreement to allow for additional incentives for the Company’s anticipated expansion and growth through the Amended and Restated Economic Development Incentive Agreement (hereinafter “Amended and Restated Agreement”) approved by the City Council in Resolution No. 2012-8-1 (R) on August 13, 2012 and the First Modification to the Amended and Restated Economic Development Incentive Agreement (hereinafter “First Modification to the Amended and Restated Agreement”) approved by the City Council in Resolution 2015-2-1(R) on February 2, 2015; and

WHEREAS, the agreements known as Amended and Restated Agreement and First Modification to the Amended and Restated Agreement were terminated in 2016; and

WHEREAS, the City and Company entered into a Second Amended and Restated Incentive Agreement (hereinafter “Second Amended and Restated Agreement”) approved by the City Council in Resolution No. 2016-6-2(R) on June 13, 2016 restating and amending the terms and conditions of the Replacement Agreement from 2010; and

WHEREAS, the City and Company entered into a First Modification to the Second Amended and Restated Incentive Agreement to assign the Company’s new location (hereinafter “First Modification to the Second Amended and Restated Agreement”) approved by the City Council on January 11, 2021; and

WHEREAS, Company has agreed to occupy approximately 104,000 square feet of office space located at 5851 Legacy Circle, Suite 1200, Plano, Texas 75024, (the “Property”) on or before February 28, 2021 and retain, transfer, create and maintain up to 525 Full-Time Job Equivalents whose assigned work location is at the Real Property within Company’s Human Resource system(s) of record(s) and who are residents of one of the eleven counties in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area (as shown on the map of Metropolitan and Micropolitan Statistical Areas of the United States and Puerto Rico published by the U.S. Census Bureau as of March 2020) or Cooke, Fannin or Grayson County (such fourteen-county area, “MSA Area”) for the term of this Agreement; and

WHEREAS, the Company has advised the City that a contributing factor that would induce the Company to relocate and expand its business and commercial activities in the City, thereby generating additional local sales tax revenues and increasing ad valorem tax values for the City, would be an agreement by the City to provide an economic development grant to the Company; and

WHEREAS, the City Council finds that the occupancy of at least 104,000 gross square feet of office space and the retention, creation or transfer of up to 525 Full-Time Job Equivalents whose assigned work location is at the Real Property within Company's Human Resource system(s) of record(s) and who are residents of the MSA Area will promote economic development, stimulate commercial activity and enhance the tax base and economic vitality of the City; and

WHEREAS, as of the Effective Date, Company has provided refunds representing 234 Full-Time Job Equivalents to the City in accordance with Section 4.03 hereof; and

WHEREAS, the City has adopted programs for promoting economic development; and

WHEREAS, the City is authorized by Tex. Loc. Gov't Code §380.001 *et seq.* to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, the City has determined that making an economic development grant to the Company in accordance with the terms and conditions set forth in this Agreement will further the objectives of the City, will benefit the City and its citizens and will promote local economic development and stimulate business and commercial activity in the City; and

WHEREAS, Company hereby acknowledges and agrees that the City has disbursed all funds contemplated by Article IV hereof and otherwise fully complied with its obligations under the Second Amended and Restated Agreement through the Effective Date. City hereby acknowledges and agrees that Company has met the minimum number of Full-Time Job Equivalents and otherwise fully complied with its obligations under the Second Amended and Restated Agreement through the Effective Date; and

WHEREAS, as of the Effective Date, the herein Revised and Restated Agreement supersedes and replaces the Replacement Agreement, the Second Amended and Restated Agreement and the First Modification to the Second Amended and Restated Agreement in their entirety.

NOW THEREFORE, in consideration of the foregoing and the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby covenant and agree as follows:

Article I

Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth herein unless the context clearly indicates otherwise:

“Commencement Date” shall mean the earlier of the occupancy of the office space at the Real Property or March 1, 2011, whichever occurs first.

“Company” shall mean Denbury Onshore, LLC, a Delaware limited liability company.

“Effective Date” shall mean the last date on which all of the parties hereto have executed this Agreement.

“Event of Force Majeure” shall mean any contingency or cause beyond the reasonable control of a party including, without limitation, acts of God or the public enemy, war, riot, civil commotion, insurrection, government or de facto governmental action (unless caused by the intentionally wrongful acts or omissions of the party), fires, explosions or floods, strikes, slowdowns or work stoppages any of which event(s) directly and significantly impact the Company’s operations in the City. An economic downturn shall not constitute an Event of Force Majeure.

“Full-Time Job Equivalent(s)” shall mean one or more Company employees, whether individual or combined with other employees, whose assigned work location is at the Real Property within Company’s Human Resource system(s) of record(s), is a resident of the MSA Area, is paid a total 2,080 hours annually and issued an Internal Revenue Service W-2 form by the Company. Company shall retain a copy of the W-2 forms, or other similar documents, for each such person representing such person’s residence that is reported in the Company’s annual certification(s).

“Original Agreement” shall mean the Economic Development Incentive Agreement as approved by the City Council in their regular meeting on May 29, 2007. “Replacement Agreement” shall mean the Economic Development Incentive Agreement as approved by the City Council in their regular meeting on May 10, 2010. “Amended and Restated Agreement” shall mean the Economic Development Incentive Agreement as approved by the City Council on August 13, 2012 and terminated in 2016. “First Modification to the Amended and Restated Agreement” shall mean the Economic Development Incentive Agreement as approved by the City Council on February 2, 2015 and terminated in 2016. “Second Amended and Restated Agreement” shall mean the Economic Development Incentive Agreement as approved by the City Council on June 13, 2016. “First Modification to the Second Amended and Restated Agreement” shall mean the Economic Development Incentive Agreement as approved by the City Council on January 11, 2021. The parties acknowledge that Company has timely submitted Exhibit “A”, Exhibit “B” and Exhibit “B1” for years through February 2022.

“Real Property” or “Property” shall mean 5851 Legacy Circle, Suite 1200, Plano, Texas 75024.

Article II Term

The term of this Agreement shall begin on the Commencement Date and continue until February 28, 2023, unless sooner terminated as provided herein.

Article III Obligations of Company

In consideration for the grant of public funds as set forth in Section 4.01 below, the Company agrees to the following:

- (a) Occupy the Property on or before March 1, 2011; and
- (b) Transfer at least 275 Full-Time Job Equivalents from the Company's prior location at 5160 Tennyson Parkway, Plano, Texas at the Property on or before March 1, 2011; and
- (c) Create at least 125 new Full-Time Job Equivalents at the Property on or before March 1, 2011 such that the total number of Full-Time Job Equivalents at the Property on March 1, 2011 shall total at least 400 Full-Time Job Equivalents; and
- (d) Add at least an additional 125 new Full-Time Job Equivalents at the Property on or before December 31, 2011 such that the total number of Full-Time Job Equivalents at the Property on December 31, 2011 shall total at least 525 Full-Time Job Equivalents; and
- (e) Maintain all 525 created or transferred Full-Time Job Equivalents for which Company has received a grant payment at the Property for the remainder of the term of this Agreement; and
- (f) Use reasonable efforts to place all Company-managed hotel room nights, related to the Company's business activities, at facilities located in the City of Plano.

Article IV Economic Development Grant

4.01 **Grant.** In consideration of the Company successfully fulfilling the obligations as set forth in Article III above, the City agrees to provide the Company a cash grant of up to Five Hundred Eighty-Seven Thousand Five Hundred Dollars (\$587,500). This grant includes Two

Hundred Seventy-Five Thousand Dollars (\$275,000) the Company has already received pursuant to an Economic Development Agreement approved by the City Council in Resolution No. 2007-5-17 on May 29, 2007 for the 275 Full-Time Job Equivalents referenced in Article III (b) above. The Company agrees to maintain at the Property the transferred or created Full-Time Job Equivalents for which a cash grant has been paid by the City to the Company throughout the term of this Agreement as provided in Section 4.03 below. (Note: Subsequent to the Commencement Date, Company has received grant payments totaling Five Hundred Eighty-Seven Thousand Five Hundred Dollars (\$587,500) on October 17, 2008, April 5, 2011 and January 20, 2012.)

4.02 **Grant Payments.** In addition to the Two Hundred Seventy-Five Thousand Dollars (\$275,000) which the Company has already received, the Company shall be entitled to a payment of One Hundred Fifty-Six Thousand Two Hundred Fifty Dollars (\$156,250) from the City under this Agreement within thirty (30) days after the Company verifies to the City that the Company has met its obligations as set forth in Article III (a), (b) and (c) above (such payment referred to as the "Initial Grant Payment"). In order to receive payment under this Agreement, Company's initial certification verifying compliance with Article III (a), (b) and (c) above must be filed with the city on or before June 1, 2011. The Company shall be entitled to a second payment of One Hundred Fifty-Six Thousand Two Hundred Fifty Dollars (\$156,250) from the City under this Agreement within thirty (30) days after the Company verifies to the City that the Company has met its obligations as set forth in Article III (d) above. In order to receive the second payment of One Hundred Fifty-Six Thousand Two Hundred Fifty dollars (\$156,250) under this Agreement, Company's certification verifying compliance with Article III (d) above must be filed with the City on or before April 1, 2012. (Note: Subsequent to the Commencement Date, Company provided the required certifications and was fully paid the above amounts on April 5, 2011 and January 20, 2012.)

All certifications must be executed by the Company's chief executive officer or chief financial officer.

4.03 **Refunds.** In the event the Company allows Full-Time Job Equivalents at the Property to fall below the number of Full-Time Job Equivalents for which it has received a grant payment for more than one hundred eighty (180) consecutive days during the term of this Agreement, not the result of an Event of Force Majeure, the Company shall refund to the City an amount equal to One Thousand One Hundred Nineteen Dollars (\$1,119) for each lost Full-Time Job Equivalent. (Note: As of the Effective Date, Company has provided refunds representing 234 Full-Time Job Equivalents to the City in accordance with Section 4.03 hereof).

For purposes of determining whether the City is due a refund under this section, the Company shall certify to the City as set out in Section 4.02 above the actual number of Full-Time Job Equivalents at the Real Property for the compliance period using the form attached as Exhibit "BI". A failure to make the refund payment prior to or at the time of filing certification shall constitute an event of default. If a refund has been paid for one or more Full-Time Job Equivalent(s), Company is not entitled to any future payment for that lost Full-Time Job Equivalent(s) notwithstanding that it subsequently complies with the Full-Time Job Equivalent requirements of this Agreement at a later date. In no event shall Company be required to pay a

refund (i) for any Full-Time Job Equivalent more than once; or (ii) for a Full-Time Job Equivalent for which it never received a grant payment.

Except for the unlawful employment of undocumented workers as described below, it is understood that (i) the Company shall never be required to refund to the City, in the aggregate, any amount in excess of the total grant amount set forth in Section 4.01; and (ii) the sole and exclusive remedy of the City for any failure by the Company to maintain the Full-Time Job Equivalents on the Property pursuant to Article III above, shall be to receive a refund of the applicable portion of the Grant as determined in accordance with the terms of this Section 4.03.

In the event the Company, at any time during the term of this Agreement, is convicted of a violation under 8 U.S.C. Section 1324a(f) regarding the unlawful employment of undocumented workers, it shall reimburse the City all grant funds paid pursuant to this Agreement together with interest charged from the date of payment of the funds at the statutory rate for delinquent taxes as determined by V.T.C.A., Tax Code § 33.01 but without the addition of penalty. Repayment of grant funds and interest shall be due not later than one hundred twenty (120) days after the date the Company is convicted of the offense.

Article V Termination

5.01 **Events of Termination.** This Agreement terminates upon any one or more of the following:

(a) By mutual written agreement of the parties; or

(b) By expiration of the term and where no defaults have occurred; or

(c) If a party defaults or breaches any of the terms or conditions of this Agreement and such default or breach is not cured within thirty (30) days after written notice thereof by the non-defaulting party unless a longer period is provided. Any default under this provision and right to recover any claims, refunds, damages and/or expenses shall survive the termination of the Agreement.

The City Manager is authorized on behalf of the City to send notice of default and to terminate this Agreement for any default that is not cured.

5.02 **Effect of Termination/Survival of Obligations.** The rights, responsibilities and liabilities of the parties under this Agreement shall be extinguished upon the applicable effective date of termination of this Agreement, except for any obligations or default(s) that existed prior to such termination or as otherwise provided herein and those liabilities and obligations shall survive the termination of this Agreement, including the refund provision, maintenance of records, and access thereto.

Article VI

Retention and Accessibility of Records

6.01 Company shall maintain the fiscal records and supporting documentation for expenditures of funds associated with this Agreement. Company shall retain such records, and any supporting documentation for the greater of: (1) five (5) years from the end of the Agreement period; or (2) the period required by other applicable laws and regulations.

6.02 Company gives City, its designee, or any of their duly authorized representatives, access to and the right to examine relevant books, accounts, records, audit reports, reports, files, documents, written or photographic material, videotape and other papers, things, or personal and Real Property belonging to or in use by Company pertaining to the Economic Development Program Grant (the "Records") upon receipt of ten (10) business days written notice from the City. The City's access to Company's books and records will be limited to information needed to verify that Company is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by City. In no event shall City's access to Company's Records include any access to any personal and/or medical data of any employees of Company except to confirm payroll information compliance for Full-Time Job Equivalents.

Company shall not be required to disclose to the City any information that by law Company is required to keep confidential. Should any good faith dispute or question arise as to the validity of the data provided, the City reserves the right to require Company to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of Company. The rights to access the Records shall terminate five (5) years after the termination or expiration of this Agreement. Failure to provide reasonable access to the Records to authorized City representatives shall give the City the right to suspend or terminate this Agreement as provided for in Section 5 above, or any portion thereof, for reason of default.

All Records shall be retained by Company for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries and open record requests are completed. Company agrees to maintain the Records in an accessible location.

Article VII

Assignment

This Agreement may not be assigned without the express written consent of the non-assigning party, except that the Company may assign this Agreement without obtaining the City's consent (a) to one of its wholly owned affiliates, or (b) to any person or entity that directly or indirectly acquires, through merger, sale of stock, purchase or otherwise, all or more than ninety (90) percent of the assets of the Company as long as the Company gives sixty (60) days prior written notice to the City and the assignee executes an agreement with the City to be bound to all the terms and conditions of this Agreement and be responsible for any default(s) that occurred prior to or after the assignment.

For any assignment not covered by (a) or (b) in the preceding paragraph, the Company must obtain the prior approval of the City through its City Manager and the assignee must agree to be bound to all the terms and conditions of this Agreement and to accept all liability for any default that occurred prior to and/or after the assignment.

Any assignment agreement must be furnished in a form acceptable to the City and be provided at least thirty (30) days prior to the effective assignment date. City agrees to notify the potential assignee of any known default, but such notification shall not excuse defaults that are not yet known to the City.

Article VIII Miscellaneous

8.01 **No Joint Venture.** It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create a partnership or joint venture among the parties. Neither party shall have any authority to act on behalf of the other party under any circumstances by virtue of this Agreement.

8.02 **Notice of Bankruptcy.** In the event Company files for bankruptcy, whether involuntarily or voluntary, Company shall provide written notice to the City within three (3) business days of such event.

8.03 **Authorization.** Each party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

8.04 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the party at the address set forth below (or such other address as such party may subsequently designate in writing) or on the day actually received if sent by courier or otherwise hand delivered.

If intended for the City: City of Plano, Texas
Attn: Mr. Mark D. Israelson
City Manager
1520 Avenue K
P.O. Box 860358
Plano, TX 75086-0358

With a copy to:
City of Plano, Texas
Attn: Ms. Paige Mims
City Attorney
1520 Avenue K
P.O. Box 860358
Plano, TX 75086-0358

If intended for the Company:
Denbury Onshore, LLC
Attn: Mr. Kevin Ashby
Tax Director
5851 Legacy Circle, Suite 1200
Plano, TX 75024

With a copy to:
Denbury Onshore, LLC
Attn: General Counsel
5851 Legacy Circle, Suite 1200
Plano, TX 75024

8.05 **Compliance with Equal Rights Ordinance.** Company agrees to comply with Section 2-11(F) of the City Code of Ordinances, which reads as follows:

“It shall be unlawful for an employer to discriminate against any person on the basis of race, color, sex, religion, age, national origin, genetic information, sexual orientation, gender identity, disability status or United States military/veteran status by the following actions or inactions:

- (a) for an employer to fail or refuse to hire, or to discharge, any person;
- (b) for an employer to discriminate against any person with respect to compensation, terms, conditions or privileges, of employment;
- (c) for an employer to limit, segregate or classify employees or applicants for employment in any way that would deprive or tend to deprive a person of employment or employment opportunities, or that would otherwise adversely affect a person's status as an employee;
- (d) for an employment agency to fail or refuse to refer for employment, or to otherwise discriminate against, any person because of a protected employment characteristic;
- (e) for an employment agency to classify or refer for employment any person, on the basis of a protected employment characteristic;
- (f) for a labor organization to exclude or expel from its membership, or to otherwise discriminate against, any person because of a protected employment characteristic;
- (g) for a labor organization to fail or refuse to refer for employment any person because of a protected employment characteristic;
- (h) for a labor organization to limit, segregate or classify its members or applicants for membership, in any way that would deprive or tend to deprive a person of employment or

employment opportunities, or that would otherwise adversely affect a person's status as an employee or as an applicant for employment;

(i) for a labor organization to cause or attempt to cause an employer to discriminate against a person in violation of this subsection;

(j) for an employer, a labor organization or a joint labor-management committee, to discriminate against any person because of a protected employment characteristic in the admission to, or employment in, any program established to provide apprenticeship or other training;

(k) for an employer to print or publish, or cause to be printed or published, any notice or advertisement relating to employment by the employer that indicates any

(l) for an employment agency to print or publish, or cause to be printed or published, any notice or advertisement relating to membership in or any classification or referral for employment by the employment agency that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic; or

(m) for a joint labor-management committee to print or publish, or cause to be printed or published, any notice or advertisement relating to admission to, or employment in, any program established to provide apprenticeship or other training by the joint labor-management committee that indicates any preference, limitation, specification or discrimination, based on a protected employment characteristic.”

Company also understands that it is entitled to apply to the City Manager for a waiver from the Equal Rights Ordinance’s application to its business if applying it would conflict with state or federal law. During the review of the waiver request, the contract will be placed on hold.

8.06 **Entire Agreement.** This Agreement is the entire Agreement between the parties with respect to the subject matter covered in this Agreement. There is no other collateral oral or written agreement between the parties that in any manner relates to the subject matter of this Agreement.

8.07 **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Texas, without giving effect to any conflicts of law rule or principle that might result in the application of the laws of another jurisdiction. Venue for any action concerning this Agreement, the transactions contemplated hereby or the liabilities or obligations imposed hereunder shall be in the State District Court of Collin County, Texas.

8.08 **Amendment.** This Agreement may only be amended by the mutual written agreement of the parties.

8.09 **Severability.** In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or

unenforceable, a provision shall 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.

8.10 **Recitals.** The recitals to this Agreement are incorporated herein.

8.11 **Authorized to Bind.** The persons who execute their signatures to this Agreement represent and agree that they are authorized to sign and bind their respective parties to all of the terms and conditions contained herein.

8.12 **Counterparts.** This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

This Agreement shall be effective upon the last date on which all parties have executed this Agreement.

ATTEST:

CITY OF PLANO, TEXAS, a home-rule
municipal corporation

Lisa C. Henderson, CITY SECRETARY

Mark D. Israelson, CITY MANAGER
Date: _____

APPROVED AS TO FORM:

Paige Mims, CITY ATTORNEY

ATTEST:

DENBURY ONSHORE, LLC, a Delaware
limited liability company

Name: _____
Title: _____

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT "B1"

ANNUAL CERTIFICATE OF COMPLIANCE

Please select one of the options below before signing and returning the certification:

_____ a. I hereby certify that Denbury Onshore, LLC is in compliance with each applicable term as set forth in the Agreement and the transferred or added number of Full-Time Job Equivalents has not fallen below the number for which Denbury Onshore, LLC has received a grant payment in accordance with the terms and conditions set out in Article IV of the Agreement. I further certify that as of December 31 of the prior year, the number of Full-Time Job Equivalents was _____.

_____ b. I hereby certify that Denbury Onshore, LLC is not in compliance with each applicable term as set forth in the Agreement and the transferred or added number of Full-Time Job Equivalents has fallen below the number for which Denbury Onshore, LLC has received a grant payment. I further certify that as of December 31 of the prior year, the number of Full-Time Job Equivalents was _____ and that the City of Plano has been refunded the appropriate amount as required by Article IV, Section 4.03 of the Agreement.

ATTEST:

DENBURY ONSHORE, LLC, a Delaware
limited liability company

Name: _____
Title: _____

By: _____
Name: _____
Title: _____
Date: _____

NOTE: This form is due by January 31 of each year beginning on January 31, 2012, and as long as this Agreement is in effect.

This Certificate of Compliance should be mailed to:

City of Plano
Finance Department
P.O. Box 860358
Plano, TX 75086-0358