STATE OF TEXAS	§	**SECOND AMENDMENT TO**
	§	**TAX INCREMENT REINVESTMENT ZONE NO. TWO**
	§	**ECONOMIC DEVELOPMENT AGREEMENT AND**
COUNTY OF WILLIAMSON	§	**CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

This **Second Amendment to Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement** ("**Second Amendment**") is made by and between the **City of Taylor**, a Texas home rule municipality (the "**City**"), and Samsung Austin Semiconductor, LLC, a Delaware limited liability company (the "**Company**") (the City and the Company are collectively referred to as the "**Parties**" and singularly as a "**Party**"), acting by and through their respective authorized officers.

W I T N E S S E T H:

WHEREAS, the Parties previously entered into that certain *Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement* dated November 29, 2021 (the "**Original Agreement**") as amended by that certain *First Amendment to Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Agreement* dated July 15, 2022 (the "**First Amendment**") (the Original Agreement and First Amendment collectively referred to herein as the "**Agreement**"); and

WHEREAS, the Parties desire to further amend the Agreement, as set forth herein.

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

1. Article I of the Agreement is amended by amending the definition of "Completion of Construction", and the definition of "Development Review Reimbursement Agreement", to read as follows:

> "Development Review Reimbursement Agreement" shall mean that certain Development Review Reimbursement Agreement by and between Company and City, as amended by that First Amendment to the Development Reimbursement Agreement by and between the Company and City, and as further amended by that certain Second Amendment to the Development Review Reimbursement Agreement by and between Company and City."
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> "Completion of Construction" shall mean that: (i) the construction of the applicable phase of the Improvements as set forth in Section 4.3 has been substantially completed; or (ii) solely for Occupiable Improvements (as defined in Section 4.3), a temporary or final certificate of occupancy has been issued by the City for the occupancy of the applicable phase of the Improvements by the Company as set forth in Section 4.3, such issuance not to be unreasonably withheld, delayed or denied by the City."

2. Section 3.6 of the Agreement is hereby amended to read as follows:

"3.6 Alternative Grant Source.

Should City (a) reduce the percentage of its portion of the Tax Increment to be contributed to the Tax Increment Fund of the Reinvestment Zone during the term of this Agreement, (b) terminate the Reinvestment Zone or reduce the boundaries of the Reinvestment Zone prior to making all Annual Grant payments and DRRA Payments (subject to the Maximum DRRA Payment Amount), or (c) enter into any Participation Agreement that would reduce the amount of such Annual Grants and/or the DRRA Payments, or funding for such Annual Grants and/or the DRRA Payments that are required to be made to Company from the Tax Increment Fund by this Agreement, then City shall provide Company annual economic development grant payments for the remaining term of this Agreement from legal funds in the City's general fund in amounts equal to the difference between the such Annual Grant or the DRRA Payment, subject to the Maximum DRRA Payment Amount, as the case may be, that was actually provided, and the amount such Annual Grant or the DRRA Payment, as the case may be, would have been but for the reduction in the percentage of City contributions to the Tax Increment Fund of the Reinvestment Zone, or the boundary adjustment, or early termination of the Reinvestment Zone, or the Participation Agreement.

City intends to adopt an ordinance in May 2025 that conditionally reduces its participation and amends the boundaries of City of Taylor, Texas Tax Increment Reinvestment Zone No. Two (the "**Ordinance**"), which Ordinance would remove from the Reinvestment Zone that certain 7.72-acre tract of land that includes an onsite gas generator (the "**Linde Site**").

While any future reductions in the Reinvestment Zone boundaries will be subject to this Section 3.6, notwithstanding anything to the contrary herein, the Parties agree that the specific removal of the Linde Site pursuant to the Ordinance will not be subject to this Section 3.6 (except as described in Section 3.9 below). However, if the City reduces its participation percentage contribution to the Tax Increment Fund as described in the Ordinance, such action will be subject to this Section 3.6.

To implement this Section 3.6 following any such reduced participation as described in the Ordinance, City hereby agrees that to the extent such action results in a reduction in the amount of the Annual Grant payment to Company in any given year, City shall promptly make up for such reduction from its general funds (or from such other funds of the City as may be legally set aside consistent with Article III, Section 52(a) of the Texas Constitution), to make grants to Company equal to such reduction pursuant to its authority under Chapter 380 of the Texas Local Government Code, as amended, such that Company receives, without duplication, the full Annual Grant Amount each year as described in the Section 3.1 Schedule of Section 3.1(b) of the Agreement.

Notwithstanding anything to the contrary in this Agreement, Company waives any right to object or contest and does hereby consent to the City's action in the Ordinance amending the City's participation of the City's Tax Increment and amending the boundaries of City of Taylor, Texas Tax Increment Reinvestment Zone No. Two to exclude the real property on which the onsite gas generator is located and described in such Ordinance.

3. Section 3.9 of the Agreement is hereby amended to read as follows:

"3.9 Repayment of Development Review Reimbursement Agreement.

(a) Company will from time to time deposit funds in the Company Review Cost Escrow (as defined in the Development Review Reimbursement Agreement) to be expended by City solely for Company Development Review Costs and/or Third Party Development Review Costs that are City Out-of-Pocket Expenses (as those terms are defined in the Development Review Reimbursement Agreement) pursuant to the Development Review Reimbursement Agreement for the Initial Improvements (such amounts expended by City are the "**Reimbursable Expenses**").

(b) City agrees to repay to Company the Reimbursable Expenses, without the accrual of any interest, solely from the Tax Increment (except as otherwise described in this Section 3.9) in annual payments (each a "**DRRA Payment**" and collectively, the "**DRRA Payments**"), the total of such annual payments not to exceed (i) Nine Million U.S. Dollars ($9,000,000.00) if Company meets the Equipment Threshold (as defined in the Development Review Reimbursement Agreement) and (ii) Five Million U.S. Dollars ($5,000,000.00) if Company does not meet the Equipment Threshold (such amount referred to in the preceding sub-clauses (i) and (ii) and in Section 3.1 of the Development Review Reimbursement Agreement, the "**Maximum DRRA Payment Amount**"), the first DRRA Payment being due on the Annual Payment Date following the sixth (6^{th}) anniversary of the Commencement Date and each DRRA Payment thereafter being due on the Annual Payment Date of each calendar year thereafter until the Annual Payment Date following the thirtieth (30^{th}) anniversary of the Commencement Date (the "**Final Payment**" with the due date of the Final Payment being the "**Final Payment Date**"). If the day on which a DRRA Payment is due falls on a Saturday or Sunday, the DRRA Payment shall be due on the next day that is not a Saturday or Sunday.

(c) The amount of each DRRA Payment shall, subject to the Maximum DRRA Payment Amount, be equal to the balance of Tax Increment remaining on deposit in the Tax Increment Fund on the Annual Payment Date after (i) payment of the administrative costs described in Section 3.2(a)(i) and the Annual Grant and (ii) subtracting $50,000 (being the minimum balance required to be retained in the Tax Increment Fund described in Section 3.2(a)(ii)). In addition, as an additional payment of the DRRA Payments and subject to the Maximum DRRA Payment,

City will, on an annual basis beginning the on the Annual Payment Date following the sixth (6th) anniversary of the Commencement Date and continuing until the Annual Payment Date following the thirtieth (30th) anniversary of the Commencement Date, pay Company from its general funds (or from such other funds of the City as may be legally set aside consistent with Article III, Section 52(a) of the Texas Constitution), an economic development grant pursuant to its authority under Chapter 380 of the Texas Local Government Code, as amended, with such grant in an amount up to ten percent (10%) of the real property taxes assessed on the Linde Site and improvements (as described in the Ordinance) and collected for each tax year after removal of the Linde Site from the Reinvestment Zone as described in the Ordinance.

(d) Following City's Final Payment as described in Section 3.9(b) above, if there is remaining unpaid balance of Reimbursable Expenses (taking into account all DRRA Payments made under this Section 3.9 and subject to the Maximum DRRA Payment), then City shall promptly pay such remainder from its general funds (or from such other funds of the City as may be legally set aside consistent with Article III, Section 52(a) of the Texas Constitution), as an economic development grant to Company pursuant to the City's authority under Chapter 380 of the Texas Local Government Code, as amended.

(e) For clarity, this Section 3.9 does not create any obligation of City to repay funds provided by Company for Third Party Development Review Costs (as defined in the Development Review Reimbursement Agreement), other than Third Party Development Review Costs that are City Out-of-Pocket Expenses (as defined in the Development Review Reimbursement Agreement) pursuant to Section 3.2(e) of the Development Review Reimbursement Agreement."

4. Section 4.3 of the Agreement is hereby amended to read as follows:

"4.3 Completion of Construction of the Initial Improvements. Company shall, subject to delays resulting from one or more events of Force Majeure and/or an uncured breach of a Related Agreement by City, cause Completion of Construction of the Initial Improvements on or before December 31, 2028 in phases as set forth below:

(a) By December 31, 2026, Company will cause Completion of Construction of a minimum of 3,000,000 square feet of Improvements (not including temporary construction facilities such as temporary modular or mobile structures) for which temporary or final certificates of occupancy may be issued, such issuances not to be unreasonably withheld, delayed or denied by the City ("**Occupiable Improvements**"), and a minimum of 3,000,000 square feet of non-Occupiable Improvements ("**Non-Occupiable Improvements**"), for a total minimum of 6,000,000 square feet of Occupiable Improvements and Non-Occupiable Improvements; and

(b) By December 31, 2028, Company will cause Completion of Construction of a minimum of an additional 1,000,000 square feet of Occupiable Improvements, for a total minimum of 4,000,000 square feet of Occupiable Improvements and a total minimum of 7,000,000 square feet of Occupiable Improvements and Non-Occupiable Improvements."

5. The Agreement shall continue in full force and effect, except as amended by this Second Amendment. Unless otherwise stated in this Second Amendment, capitalized terms in this Second Amendment have the same meanings given to them in the Agreement.

6. Subject to the Conditions Precedent (as defined below), this Second Amendment shall be effective on the date this Second Amendment (including all counterparts) bears the signature of the authorized representatives of all Parties.

7. This Second Amendment may be executed in identical counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument. This Second Amendment may be executed in facsimile or electronically transmitted portable document format (".PDF") or by electronic means, and such signatures shall have the same force of law as one executed and witnessed by the Parties in person.

8. 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 Second Amendment.

9. Conditions Precedent. This Second Amendment is subject to and the obligations of the Parties are expressly conditioned on the following (the "**Conditions Precedent**"): (i) the Parties' execution of the Second Amendment to the Development Review Reimbursement Agreement; (ii) the Parties' execution of the First Amendment to the Tax Abatement Agreement; and (iii) the City issuing a written confirmation to Company no later than April 30, 2025 that the milestones set forth in Section 4.3(b) of the version of the Agreement in effect immediately prior to execution of this Second Amendment have been met in full as of December 31, 2024.

(signature pages to follow)

EXECUTED on this 1st day of May, 2025.

CITY OF TAYLOR, TEXAS

By: _____
Dwayne Ariola, Mayor

APPROVED AS TO FORM:

By: _____
Mark Schroeder, City Attorney

EXECUTED on this 30th day of April, 2025.

SAMSUNG AUSTIN SEMICONDUCTOR, LLC

By: _____
Name: Bonyoung Koo
Title: President