

**MUTUAL SETTLEMENT AND RESCISSION OF TAX ABATEMENT AGREEMENT
BETWEEN THE CITY OF SEGUIN, TEXAS AND CEREALTO SEGUIN, LLC**

On October 27, 2015, the City of Seguin, Texas (the "City"), and Cerealto Seguin, LLC ("Cerealto") entered into a Tax Abatement Agreement (the "Agreement") pursuant to Chapter 312 of the Texas Tax Code.

The Agreement provided that Cerealto would build a 250,000 square foot facility at a cost of approximately \$58,000,000.00 for which the City would abate 60% of the ad valorem taxes, on a decreasing schedule, for a period of five years.

Due to circumstances beyond the Parties control, Cerealto has not been able to build the facility and in all likelihood will not build the facility in the near future.

Rather than declare the Agreement in default, it is in the best interest of Cerealto and the City to mutually settle this matter and rescind the Agreement.

NOW THEREFORE, the City of Seguin, Texas and Cerealto Seguin, LLC do hereby agree:

The October 27, 2015, Tax Abatement Agreement entered into by the Parties is hereby rescinded and that neither Cerealto nor the City have any further obligations thereunder.

The Parties hereby irrevocably and unconditionally release and forever discharge and acquit each other, and as applicable their respective owners, successors, heirs, assigns, agents, attorneys, representatives, insurers, any trustees or conservators appointed on their behalf, and all related business entities, their parent, subsidiary, affiliated and related companies, together with their respective past, present and future predecessors, successors, assigns, officers, directors, shareholders, agents, attorneys, employees, insurers, and their respective heirs and legal representatives, from any and all claims, whether known or unknown, which any party has, may have, or may have had, arising out of or in any way related to Agreement, even if not reasonably discoverable at this time, except for claims related to the enforcement hereof. Each party agrees that it has not assigned, transferred, or conveyed in any manner all or part of its legal claims or legal rights against any other parties. This release shall be binding upon all parties hereto, and their respective successors, assigns, affiliates, agents, employees, insurance companies and legal representatives.

The Parties and their respective affiliates, agents, servants, employees, successors or assigns deny all liability, and it is understood and agreed that this Agreement is a compromise of any and all claims arising under the Agreement or related matters, and that the agreements made herein are not to be construed as an admission of liability on the part of any party or as any admission as to the nature and extent of any damages allegedly sustained by any party.

Each person signing this Agreement warrants and represents that he or she has the authority to sign on behalf of himself or herself and of the person or entity he or she represents, and that this agreement has been validly authorized and constitutes a legally binding and enforceable obligation.

This agreement shall be construed and interpreted in accordance with the laws of the State of Texas, notwithstanding any conflict of law provisions or choice of law rules. The Parties specifically agree that exclusive jurisdiction for the enforcement, interpretation or any other claim arising out of or related to this Agreement shall be in either the state or federal courts located in Texas.

This Agreement constitutes the entire agreement and understanding of the parties hereto and supersedes all prior agreements, arrangements, and understandings related to the subject matter hereof. No representation, warranty, recital covenant, or statement of intention has been made by or on behalf of any party hereto which is not embodied in this agreement, and no party hereto shall be bound by or liable for any alleged representation, warranty, recital covenant, or statement of intention not so set forth.

This agreement may be executed in several counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument.

BEFORE SIGNING BELOW, THE UNDERSIGNED DECLARES THAT HE OR SHE IS COMPETENT TO EXECUTE THIS MUTUAL SETTLEMENT AND RESCISSION AGREEMENT, THAT HE OR SHE HAS READ AND FULLY UNDERSTANDS IT, AND THAT HE OR SHE VOLUNTARILY EXECUTES IT WITH FULL KNOWLEDGE OF ITS CONTENTS AND MEANING FOR THE PURPOSE OF OBTAINING THE ABOVE-STATED AGREEMENTS.

Signed this ___ day of March 2018.

By: _____

Douglas G. Faseler, City Manager

Cerealto Seguin, LLC

By: _____

Printed name and title