
COOPERATIVE ENDEAVOR AGREEMENT

dated November 10, 2017

by and among

the City of Ruston, State of Louisiana,
Cooktown Road Economic Development District
of the City of Ruston, State of Louisiana

and

Hutton MT 17, LLC

relating to the economic development incentives
for a commercial development in the
Cooktown Road Economic Development District
of the City of Ruston, State of Louisiana

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COOPERATIVE ENDEAVOR AGREEMENT

THIS COOPERATIVE ENDEAVOR AGREEMENT (the "Agreement"), which shall be dated _____, 2017, is by and among:

CITY OF RUSTON, STATE OF LOUISIANA (the "City"), a political subdivision of the State of Louisiana, represented and appearing herein through Ronny Walker, Mayor, and Pam Womack, City Clerk, both duly authorized hereunto by virtue of a resolution adopted by the governing authority of the City on October 2, 2017, whose mailing address is 401 N. Trenton, Ruston, Louisiana 71245;

COOKTOWN ROAD ECONOMIC DEVELOPMENT DISTRICT OF THE CITY OF RUSTON, STATE OF LOUISIANA (the "District"), a political subdivision of the State of Louisiana, represented and appearing herein through Ronny Walker, Mayor of the City of Ruston, State of Louisiana, and Pam Womack, City Clerk, each duly authorized hereunto by virtue of a resolution adopted by the governing authority of the District on October 2, 2017, whose mailing address is 401 N. Trenton, Ruston, Louisiana 71245;

WHO DECLARED that they are each a political subdivision of the State of Louisiana and desire to avail themselves of the provisions of Article VI, Section 20 and Article VII, Section 14(C) of the Louisiana Constitution of 1974, The Local Services Law (Sub-Part A, Part VII, Chapter 2 of Title 33 of the Louisiana Revised Statutes of 1950, as amended), the Cooperative Economic Development Law (Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended), and Part II, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, *et seq.*), by entering into this Agreement for the objects and purposes and under the conditions, covenants and stipulations hereinafter set forth, with

HUTTON MT 17, LLC (the "Company"), a Delaware Limited Liability Company duly authorized to do business in the State of Louisiana, appearing herein through _____, Manager, duly authorized hereunto by virtue of that certain Joint Action by Unanimous Written Consent in Lieu of Meeting of the Managers and Members of Hutton MT 17, LLC, whose mailing address is 736 Cherry St., Chattanooga, TN 37402.

WITNESSETH

WHEREAS, Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, *et seq.*) (the "EDD Act") authorizes municipalities, parishes and certain other local governmental subdivisions to create economic development districts to carry out the purposes of the EDD Act, which economic development districts are political subdivisions of the State of Louisiana and possess such power and authority and have such duties as provided by the EDD Act and other law; and

WHEREAS, pursuant to the EDD Act, the City, acting through its governing authority, adopted Ordinance No. 1709 of 2017, on September 11, 2017, creating the District, in accordance with La. R.S. 33:9038.32, with boundaries as set forth on Exhibit A hereto, from

which District local sales tax increments are expected to be determined and used to fund the Cooktown Road Economic Development District Trust Fund (the "Trust Fund"); and

WHEREAS, La. R.S. 33:9038.39 further permits such economic development districts to levy sales and use taxes at a rate up to two percent (2.00%) for authorized purposes and in accordance therewith the District, acting through the Mayor and Board of Aldermen of the City, as its governing authority, adopted an ordinance on November 5, 2017, levying an additional sales tax of one-half of one percent (0.50%) in the District (the "EDD Tax"); designating the full amount of the EDD Tax as the tax increments in the District from which local tax increments will be determined and used to finance economic development projects in the District in accordance with and as authorized by Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended; and

WHEREAS, the proceeds of the EDD Tax (after paying the reasonable and necessary costs and expenses of collection and administering the EDD Tax), will be paid into the Cooktown Road Economic Development District of the City of Ruston Trust Fund established pursuant to La. R.S. 33:9038.34(O) (the "Trust Fund") and are dedicated and will be used to pay the costs of economic development projects, as defined in the EDD Act, particularly in La. R.S. 33: 9038.34(M) and La. R.S. 33:9038.36; and

WHEREAS, Article VI, Section 20 of the Louisiana Constitution of 1974 provides that a political subdivision may exercise and perform any authorized power and function, including financing, jointly or in cooperation with one or more political subdivisions, either within or without the state, or with the United States or its agencies; and

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974 provides that the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual; and

WHEREAS, Sub-Part A, Part VII, Chapter 2 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:1321, *et seq.*) ("The Local Services Law"), provides that political subdivisions may engage jointly in the construction, acquisition or improvement of any public project or improvement, the promotion and maintenance of any undertaking or the exercise of any power, provided at least one of the participants is authorized under a provision of general or special law to perform such activity or exercise such power as may be necessary for completion of the undertaking; and

WHEREAS, under The Local Services Law such arrangements may provide for the joint use of funds, facilities, personnel or property or any combination thereof necessary to accomplish the purposes of the agreement, and such agreements may include but are not limited to activities concerning the construction or acquisition or improvement, and operation, repair and maintenance of public projects or improvements; and

WHEREAS, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9020, *et seq.*) (the "Cooperative Economic Development Law"), provides that local governmental subdivisions (including municipalities) may cooperate or engage in cooperative endeavors providing for cooperative financing of economic development projects

with other local governmental subdivisions or with any other private or public entity or person, for the purpose of aiding in cooperative development, all as defined in the Cooperative Economic Development Law; and

WHEREAS, the Company proposes to construct a multiple-tenant retail facility in the District comprising approximately 120,000 square feet of retail space, including infrastructure, parking and other related facilities (the "Project"), and the City and District wish to provide financial assistance to the Company through the use of (i) incremental sales tax revenues collected within the District, together with (ii) additional funds provided by the City from other sources as provided herein (the "City Economic Development Contribution"); and

WHEREAS, the City and the District expect that they will receive benefits from the acquisition, construction and development of the Project in the form of increased employment, increased sales tax and property tax revenues, and the enhancement of retail shopping alternatives in the City to benefit residents of the City, as further set forth herein;

NOW, THEREFORE, the City, the District and the Company each agree to perform their respective obligations under this Agreement in accordance with the conditions, covenants and procedures set forth herein and in the exhibits attached hereto and made a part hereof as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. The following terms shall, for purposes of this Agreement, have the following meanings:

"EDD Act" shall mean Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, *et seq.*).

"Administrative Charge" shall mean one-half of one percent (0.50%) of the gross revenues of the EDD Tax received from the Collector, which shall be retained by the City to pay the reasonable expenses of the City and the District related to the administration of this Agreement.

"Agreement" shall mean this Cooperative Endeavor Agreement as it may be amended or modified from time to time or at any time in accordance with the terms hereof.

"Annual Base" shall mean the aggregate amount of the EDD Tax collected by the District during the most recently completed Fiscal Year prior to the establishment of the District (i.e. the Fiscal Year ended September 30, 2016), which has been determined to be zero dollars (\$0).

"Annual Increment" shall mean the amount by which the EDD Tax collected during any Fiscal Year exceeds the Annual Base, after the deduction of the Administrative Charge. The Annual Increment shall consist of and be equal to the aggregate Monthly Increment during each applicable Fiscal Year.

"City" shall mean the City of Ruston, State of Louisiana.

"City Economic Development Contribution" shall mean economic development funds that will be provided by the City in the amount of \$6,400,000, which City Economic Development Contribution will be provided by the City in the manner provided herein and used to pay a portion of the Reimbursement Undertaking hereunder in addition to the Net Revenues of the EDD Tax being used for the same purpose. At the option of the City, the City Economic Development Contribution may (but is not required to) include a portion of the proceeds of an issue of City of Ruston Sales Tax Increment Refunding & Revenue Bonds, Series 2017.

"Company" shall mean Hutton MT 17, LLC, a Delaware limited liability company, and its successors and assigns.

"Collector" shall mean the Lincoln Parish Sales and Use Tax Commission or such other person or entity that collects sales taxes on behalf of taxing authorities in Lincoln Parish.

"Cost of the Project" shall mean the total costs of constructing the Project, as described in Section 4.01(d), a portion of which will be reimbursed by the City Economic Development Contribution and a portion of which will be reimbursed by the EDD Tax Contribution, of which the City is agreeing herein to reimburse the Company the amounts provided herein.

"District" shall mean Cooktown Road Economic Development District of the City of Ruston, State of Louisiana, the boundaries of which are shown on Exhibit A hereto, and any expanded geographical area as the governing authority of the City shall designate by ordinance following the Effective Date in accordance with the EDD Act. Notwithstanding the terms of Section 5.11 hereof, no amendment to this Agreement or to Exhibit A hereto shall be required in the event the City expands the District's boundaries to encompass adjacent areas.

"Economic Development Project" shall mean, without limitation, any and all projects suitable to any industry determined by the City and the District to create economic development, including, without limitation, public works and infrastructure and projects to assist the following industries within the meaning of Article VI, Section 21 of the Louisiana Constitution of 1974:

- (a) Industrial, manufacturing, and other related industries.
- (b) Housing and related industries.
- (c) Hotel, motel, conference facilities, and related industries.
- (d) Commercial, retail, and related industries.
- (e) Amusement, places of entertainment, theme parks, and any other tourism-related industry.
- (f) Transportation-related industries.
- (g) Hospital, medical, health, nursery care, nursing care, clinical, ambulance, laboratory, and related industries.

(h) Any other industry determined by the local governmental subdivision or issuer of revenue bonds, as appropriate, whose assistance will result in economic development.

"EDD Tax" shall mean the one half-of one percent (0.50%) sales and use tax levied in and by the District pursuant to an ordinance to be adopted by the governing authority of the District on or about November 6, 2017, effective April 1, 2019, and scheduled to terminate on March 31, 2039), and collected on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services in the District, all as defined in the Uniform Local Sales Tax Code (La. R.S. 47:337.1, *et seq.*), as it may be amended from time to time, or any other appropriate provision or provisions of law, as amended.

"EDD Tax Contribution" shall mean economic development funds that will be provided by the District from Net Revenues of the EDD Tax in the amount of up to \$3,000,000, which EDD Tax Contribution will be provided by the District in the manner provided herein and used to pay a portion of the Reimbursement Undertaking hereunder in addition to the City Economic Development Contribution.

"Effective Date" shall mean the date of this Agreement as specified herein.

"Fiscal Year" means the City's one-year accounting period as determined by the governing authority of the City, currently the year ending September 30 of each year.

"Force Majeure" means and shall be limited to: an event which is beyond the reasonable control of the Company and which causes a delay or failure to perform obligations hereunder, including without limitation acts of God, earthquake, fire, explosion, war, civil insurrection, acts of the public enemy, acts of civil or military authority, sabotage, terrorism, floods, lightning, hurricanes, tornadoes, severe snow storms, Indian uprisings, major equipment failure, utility disruption, failure of a major supplier to perform its obligation to the Company not arising out of or involving a failure toward such supplier by the Company, strikes, lockouts or other labor disputes with respect to which the Company has not been determined by the National Labor Relations Board to have engaged in any unfair labor practices, or change in law or the interpretation thereof by responsible authority which shall prohibit any change in the operation of the Project or materially increase the costs of the foregoing beyond those foreseeable on the date hereof, so long as, in any such case (i) such events are beyond the reasonable control of, and should not in the exercise of reasonable caution have been foreseen and avoided or mitigated by, the Company and (ii) the Company is using its best reasonable efforts to remedy the effects thereof.

"Future Project" shall mean any future improvements or capital projects by the Company within or proximate to the District, when and if approved for reimbursement in the manner set forth in Section 4.03 below.

"Monthly Base" shall mean the monthly amount of EDD Tax collected in the District prior to the Effective Date, which has been determined to be zero dollars (\$0).

"Monthly Collection" shall mean the EDD Tax collected within the District during each calendar month of the Term.

"Monthly Increment" shall mean the amount by which the Monthly Collection exceeds the Monthly Base, after the deduction of the Administrative Charge from the Monthly Collection.

"Net Revenues of the EDD Tax" shall mean all revenues of the EDD Tax received by the City and the District from the Collector, after the deduction of the Administrative Charge.

"Project" shall mean the acquisition, construction and installation by the Company of a multiple-tenant retail facility in the District comprising approximately 120,000 square feet of retail space, including infrastructure, parking and other related facilities.

"Reimbursement Undertaking" shall mean the agreement of the City and the District pursuant to this Agreement to reimburse the Company the costs of an Economic Development Project from (i) the City Economic Development Contribution which may include the costs shown on Exhibit B, and (ii) the EDD Tax Contribution as described herein. The scope of the Reimbursement Undertaking does not include reimbursement for work that is not within the agreed-upon scope of the Project.

"State" shall mean the State of Louisiana.

"Term" shall mean the term of this Agreement as set forth in Section 2.11 hereof.

"Termination Date" shall mean March 31, 2039.

"Trust Fund" shall mean the Cooktown Road Economic Development District Trust Fund established pursuant to La. R.S. 33:9038.34(O), which constitutes a special trust fund for the furtherance of Economic Development Projects, into which the revenues of the EDD Tax will be deposited and expended in the manner set forth herein.

SECTION 1.02. Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement furnished from time to time in connection with this Agreement unless the context otherwise requires.

ARTICLE II

REPRESENTATIONS OF THE CITY AND THE DISTRICT

SECTION 2.01. City and District Authority. The City and the District have all requisite power pursuant to the EDD Act, Article VI, Section 20 and Article VII, Section 14(C) of the Louisiana Constitution of 1974, the Local Services Law and the Cooperative Economic Development Law to enter into this Agreement and perform their obligations hereunder, and there are no contracts or obligations in conflict herewith.

SECTION 2.02. Collections. The District and the City both hereby represent that the current internal collection process of the City are adequate for the purpose of collecting, classifying, reconciling, calculating and remitting the EDD Tax.

SECTION 2.03. Accuracy of Base Collections. The City and the District hereby covenant and represent that the Monthly Base and Annual Base as stated herein are accurate in all material respects.

SECTION 2.04. Availability of Funds. The City covenants and represents that the sources of funding for the City Economic Development Contribution are lawfully available to be utilized in the manner set forth herein.

SECTION 2.05. Reimbursement Undertaking. The City and the District hereby acknowledge that the Monthly Increment and the Annual Increment are dedicated herein for the purposes stated herein, and that any deviation by the City and the District from the terms of this Agreement could result in a substantial impairment of the City's and District's ability to perform its obligations or to pay the Reimbursement Undertaking to the Company when due and payable. The City and the District agree not to take any action or to fail to take any action expressly or fairly implied hereunder which could reasonably be considered to jeopardize its ability to pay the Reimbursement Undertaking.

SECTION 2.06. Scope of Project. The Project will require the City, the District, and the Company to incur significant public infrastructure and other development costs that are within the scope of the definition of "Economic Development Project," as defined in R.S. 33:9038.34(M) of the EDD Act. The Reimbursement Undertaking under this Agreement, however, will not exceed the City Economic Development Contribution plus the EDD Tax Contribution being used to reimburse a portion of the Costs of the Project.

SECTION 2.07. Public Hearing. The City has (i) conducted a public hearing, (ii) created and designated the District and (iii) on behalf of the City and the District, approved the execution of this Agreement.

SECTION 2.08. No Suits. Except as may be otherwise disclosed in writing, to the best of the knowledge of the District and the City, there is no action suit, investigation or proceeding pending, or threatened, against the District or the City, before any court, arbitrator, or administrative or governmental body, or insurance of operations of the District or the City or which might adversely affect the ability of the District or the City to comply with their respective obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement and the Reimbursement Undertaking.

SECTION 2.09. Agreement not Intended to be Indebtedness. Although the City and the District may issue bonds or other indebtedness relating to the District, the essence of the undertakings of the City and the District hereunder is for the City, the District and the Company to work cooperatively for the payment of the costs of Economic Development Projects, as described and defined in the EDD Act, and specifically for the reimbursement to the Company of a portion of the Cost of the Project not to exceed the City Economic Development Contribution plus the EDD Tax Contribution. The undertakings of the City and the District described herein do not represent and are not intended to create any indebtedness on the part of the City or the District, since such undertakings of the City and the District do not involve any loan of moneys or assets of the City or the District or *vice versa*, nor the issuance of any indebtedness by the City or the District, but rather provide solely for the cooperative use of the revenues of the EDD Tax for the purposes and under the conditions described herein.

SECTION 2.10. Non-Appropriation Clause. The City and/or the District shall only make payment of any part of the Reimbursement Undertaking as may lawfully be made from funds budgeted and appropriated for that purpose during the then current Fiscal Year. Should the governing authority of the City and/or the District fail to budget, appropriate or otherwise make available funds to pay the Reimbursement Undertaking then this Agreement insofar as it relates to any such payments due in the then current Fiscal Year shall require no further payments in such Fiscal Year.

SECTION 2.11. Term of this Agreement. This Agreement shall be effective upon execution by all the parties hereto and shall terminate on the Termination Date.

ARTICLE III

COOPERATIVE ENDEAVOR OBLIGATIONS

SECTION 3.01. Relating to Article VII, Section 14 of the Louisiana Constitution. In entering into this Agreement it is not the intent of the City, the District or the Company to enter into a gratuitous transfer of public funds because such parties expect that the acquisition, construction and installation of the Project will be an "Economic Development Project" within the meaning of La. R.S. 33:9038.34, and that they will each receive something of value in return for the performance of their obligations hereunder, which is:

(a) in the case of the City, the development and elimination of blighted and vacant property, promotion of economic development in the City, the creation of jobs, enhancement of the property tax and sales tax base of the City, the creation of additional local retail shopping alternatives for residents of the City, and the generation of additional sales and property tax revenues for infrastructure and other necessary capital expenditures in and for the City;

(b) in the case of the District, the development and elimination of blighted and vacant property, the promotion of economic development in the District, the creation of jobs, the enhancement of the property tax and sales tax base of the District, the creation of additional local retail shopping alternatives for residents of the City, and the generation of additional sales and property tax revenues for infrastructure and other necessary capital expenditures in and for the District;

(c) in the case of the Company, the acquisition, construction and development of the Project.

Additionally, the City, the District and the Company will have reciprocal obligations relating to the satisfaction of the additional requirements set forth herein with respect to the allocation, expenditure and use of the EDD Tax and the City Economic Development Contribution.

The City and the District further find and determine that (a) both the City and the District have the legal authority to enter into this Agreement, and (b) the Project will be an Economic Development Project within the meaning of the EDD Act that creates a public benefit, specifically the development and elimination of blighted and vacant property, the creation of jobs, the enhancement of the property tax, and sales tax base of the City, the creation of additional local retail shopping alternatives for residents of the City, an increase in the generation

of sales and property tax revenues for infrastructure and other necessary capital expenditures in and for the City, proportionate to its Reimbursement Undertaking.

The City, the District, and the Company agree and acknowledge that Article VII, Section 14 of the Louisiana Constitution requires that the City and the District receive equivalent value from Company for the Reimbursement Undertaking, in the form of the Project from Company that is in compliance with all plans, specifications, and applicable standards. To that end, the Company agrees and acknowledges that the Company has the affirmative obligation to construct the Project and to deliver and dedicate to the City and the District any public infrastructure improvements that are in compliance with plans, specifications, and applicable standards.

SECTION 3.02. Collection Process. The EDD Tax shall be collected, accounted for and remitted by the Lincoln Parish Sales and Use Tax Commission (or its successor) in the same manner as other sales taxes are collected in the City, and shall be deposited by the City on behalf of the District into the Trust Fund immediately upon receipt thereof from the Collector.

SECTION 3.03. Calculations. Collections from the District received in any month as a result of audits shall be treated as current collections for such month for purposes of this Agreement.

If it is determined that for any period of time less monies have been transferred than were due, for whatever reason, the District shall direct an adjustment in the Monthly Increment paid into the Trust Fund in order that the shortfall or over-collection of revenues due to the District for any prior period is eliminated as soon as practicable and in any event no more than ninety days subsequent to the recalculation giving rise to the need for the adjustment, provided that the District shall not be obligated to use any funds for adjustments other than from Net Revenues of the EDD Tax.

SECTION 3.04. Rescission or Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior written consent of the affected parties hereto, as well as a certificate of the District setting forth a determination by the District that, taking into account all relevant facts and circumstances, including, if and to the extent the District deems appropriate, an opinion of counsel as to legal matters and other consultants and advisors, such action will not have a material adverse effect on the interest of the Company or its assignee in the Reimbursement Undertaking.

SECTION 3.05. Public Utilities. The City agrees that it will construct and install the public utilities providing service to the Project as follows:

(a) Electric utility, drinking water, wastewater and other public utility service lines and equipment will be provided up to the property line of the Project at the City's expense, and the City will engage engineers at its own expense to determine the cost of additional public utility property, such as lift stations, as may be necessitated by the Project;

(b) Within the Company's property the capital cost of electrical equipment, drinking water, wastewater and other public utility service lines and equipment shall be paid by the Company but will be considered as a Cost of the Project and reimbursed hereunder.

Upon completion, user fees for electric, drinking water, wastewater and other public utility services provided to the Project will be paid by the consumers of such services in the District on the same basis as other utility customers in the City.

SECTION 3.06. Scope and Specifications of Project. The parties hereto agree that the scope, specifications and anticipated Costs of the Project are set forth herein. The parties further agree that Costs of the Project may be later amended and supplemented after execution of this Agreement to insert the specific completed plans, specifications, and schedule for construction of the Project as approved by the parties, which shall become a part of this Agreement for all purposes. Notwithstanding any language to the contrary, the parties expressly acknowledge and agree that the Project shall be constructed in strict accordance with the plans and specifications for the Project and all applicable state and local requirements, codes, and standards/guidelines, including, but not limited to, City of Ruston Construction Standards and the Unified Development Code (hereinafter sometimes referred to, in globo, as "Applicable Standards").

ARTICLE IV

REIMBURSEMENT OF COSTS

SECTION 4.01. Construction and Installation of the Project. (a) The Company has or shall construct and install the Project at its own expense in consideration and anticipation of the Reimbursement Undertaking, and the Company has and will use its commercially reasonable efforts to properly construct the Project. The Company explicitly agrees to comply with all zoning and construction laws and to cooperate with administrative personnel of the City and the District in all respects necessary to so comply. Except as provided in Section 3.05(a), the Company shall be responsible for constructing the components of the Project comprising necessary utilities and public works infrastructure in accordance with all Applicable Standards, as defined in Section 3.06 above), in cooperation with the City Department of Public Works. All such utilities and public works infrastructure shall not be considered to have been accepted for perpetual maintenance by the City unless first tested and accepted by the City.

(b) [RESERVED]

(c) As an additional incentive, the City shall waive all municipal building and permitting fees relating to the construction and installation of the Project. The City will also assist and facilitate any zoning amendments necessary in accordance with City procedures, and will assist the Company in securing necessary permits for and inspections of the Project from the Louisiana State Fire Marshall

(d) The Company has and will use its commercially reasonable efforts to construct the Project. The Company reasonably expects that the Project will be completed and placed in service on or about June 1, 2019, and that the overall capital cost of developing the Project will be approximately \$25,000,000 of which an amount equal to the City Economic Development Contribution and up to the EDD Tax Contribution will be reimbursed in the manner provided by this Agreement.

(e) Actual costs of the Project to be paid from the City Economic Development Contribution and up to the EDD Tax Contribution shall be documented to the City by the

Company in such form and in sufficient detail to allow the City or its duly appointed representatives to make an independent determination that (i) the total Cost of the Project being paid by the Reimbursement Undertaking is at least equal to the amount for which reimbursement is being made hereunder, and (ii) for such other purposes as the City may reasonably request. Any such documentation shall be accompanied by a sworn statement of an authorized representative of the Company that the actual costs described in such documentation are true and accurate and are all with respect to the Project, and by an engineer's certificate in substantially the form attached hereto as Exhibit C. Once such documentation and actual costs (up to the amount of the City Economic Development Contribution plus up to the EDD Tax Contribution) have been approved by the City, there shall be no need or obligation of the Company to provide additional requisitions or requests for reimbursement of the amounts so approved, and reimbursement of the approved costs shall continue in the manner set forth in below until the earlier to occur of the Termination Date or the date on which a cumulative amount equal to the full amount of the Reimbursement Undertaking shall have been paid to the Company in the manner provided in Section 4.02(c).

SECTION 4.02. Reimbursement Undertaking. The District shall reimburse the Company for a portion of the Cost of the Project, as documented and approved in accordance with Section 4.01(e), as follows:

(a) The City, for itself and on behalf of the District, shall budget for each Fiscal Year, beginning with the Fiscal Year ending September 30, 2018, the anticipated revenues and expenditures of the EDD Tax, if any, and the amount of other funds that the City will utilize for the purpose of administering this Agreement and shall transfer such amounts to the Company as needed to make such payments. The City shall retain from the gross revenues of the EDD Tax an amount equal to the Administrative Charge. Prior to adoption, the City shall furnish the Company with any proposed budget or budget amendment relative to the Reimbursement Undertaking, and shall furnish the Company with the adopted budget and/or budget amendment, as the case may be.

(b) Included in such budget shall be an amount, which shall not exceed the amounts described in Section (c) and (d) below, that the City, on behalf of the District, will pay to the Company as reimbursement for the Reimbursement Undertaking described herein and documented in accordance with Section 4.01(e). If, during the course of a Fiscal Year, the anticipated Net Revenues of the EDD Tax for such Fiscal Year increase beyond the initial amount budgeted, then such increased revenues and reimbursement amount shall be reflected in a budget amendment, however in no event shall the City or the District be obliged to make any reimbursement payment to the Company during any period in excess of the amounts described in Section (c) and (d) below.

(c) Reimbursement payments shall be made by the City, on behalf of the District, to the Company, on a quarterly basis in arrears, on or about January 1, April 1, July 1 and October 1 of each year, commencing no earlier than October 1, 2018, in the following order of priority of sources:

- (i) FIRST, from the City Economic Development Contribution; and
- (ii) NEXT, from the Net Revenues of the EDD Tax.

(d) After all of the City Economic Development Contribution shall have been paid to the Company, reimbursement payments shall continue to be made by the City solely from Net Revenues of the EDD Tax an amount that does not exceed the lesser of:

- (i) One hundred percent (100%) of actual Net Revenues of the EDD Tax received by the District during such period; or
- (ii) the maximum amount of the EDD Tax Contribution.

(e) Except with respect to approval of any Future Projects, as described below, the City and the District shall have no further Reimbursement Undertakings hereunder after such time that a cumulative amount equal to the Reimbursement Undertaking shall have been paid to the Company under this Section. After a cumulative amount equal to the documented Reimbursement Undertaking has been paid to the Company, the City and the District agree that the District shall retain 100% of any previously collected but undisbursed EDD Tax, and any future revenues of the EDD Tax, for authorized purposes.

SECTION 4.03. Future Projects. In addition to the Project, the Company may request that the City and the District reimburse it for the cost of one or more other Economic Development Projects within the District or proximate to the District. In such event, the Company shall submit to the City a written request for reimbursements for such Future Project(s), together with proposed amendment(s) to this Agreement containing a description of such Future Project(s) and the proposed terms of reimbursement. Notwithstanding the foregoing, the City and the District are under no obligation to approve such request, to finance or reimburse the Company for the costs of any such Future Project(s), or to finance or reimburse the Company under the same terms as are agreed to herein with respect to the Project.

SECTION 4.04. Limited Source of Payment of Reimbursement Undertaking. The Company hereby recognizes, acknowledges and agrees that the source of payment of the Reimbursement Undertaking described in Section 4.02(c) and 4.02(d) above is strictly limited to the City Economic Development Contribution and Net Revenues of the EDD Tax. THE COMPANY SHALL HAVE NO RECOURSE AGAINST THE CITY OR THE DISTRICT TO MAKE REIMBURSEMENT PAYMENTS TO THE COMPANY FROM ANY OTHER SOURCES WHATSOEVER.

SECTION 4.05. No Repeal of EDD Tax. For so long as the Reimbursement Undertaking is unsatisfied, the City and the District pledge not to reduce or repeal the EDD Tax (other than on its scheduled termination date) or take any other action or fail to take any action that would impair the Reimbursement Undertaking set forth herein.

SECTION 4.06. Successors and Assigns. The District and the City acknowledge that the Company may assign any or all of its rights under this Agreement (including the rights to the Reimbursement Undertaking), without the consent of the City or the District, provided that any such assignment shall be in writing, shall contain a specific provision that the successor assumes all of the obligations of the Company under this Agreement arising on or after the effective date of such transfer, and shall be furnished to the City and the District.

ARTICLE V

MISCELLANEOUS

SECTION 5.01. Liberal Construction. This Agreement shall be construed liberally to secure the beneficial intents and purposes hereof.

SECTION 5.02. Notices. All reports, statements or notices required or advisable to be given hereunder shall be deemed to be given if sent to the parties hereto at the addresses shown in the appearances to this Agreement.

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by email, fax or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth above, or as to each party at such other addresses or numbers as shall be designated by such party in a written notice to the other party.

SECTION 5.03. Further Assurances. From time to time hereafter, the City and the District shall execute and deliver such additional instruments, certificates or documents, and take all such actions as each party hereto may reasonably request for the purpose of fulfilling their obligations hereunder. Without limiting the foregoing, within fifteen (15) days following the request from any party hereto, each other party shall deliver to the requesting party, an estoppel certificate stating, to the best of such parties' knowledge or belief: (i) whether or not this Agreement is in full force and effect and the extent to which this Agreement has been supplemented, modified or amended; (ii) whether or not there are any defaults or breaches under this Agreement or conditions that, with the passage of time, the giving of notice, or both, would constitute a default or breach under this Agreement (and, if applicable, the nature of such defaults, breaches or conditions); (iii) whether the conditions and agreements under this Agreement have been satisfied or performed as of the date of such estoppel certificate (and, if applicable, the nature of any failures); and (iv) the amounts of paid and unpaid reimbursements for the term of the Agreement or for particular years thereof. Any such statement or certificate may be conclusively relied upon by the party requesting the estoppel certificate.

SECTION 5.04. Venue. Any suit brought by any party hereto arising out of or by reason of this Agreement, or otherwise, shall be brought, if against the District, the City or the Company, in the 3rd Judicial District Court, Lincoln Parish, Louisiana.

SECTION 5.05. Severability. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provisions of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

SECTION 5.06. No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, trustee, officer, agent or employee of the City or the District, in his or her individual capacity, and neither the officers thereof nor any official executing this Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement. No partner, member, shareholder, officer, director, trustee, beneficiary, employee, agent, contractor or consultant of the Company (disclosed or undisclosed) shall have any personal liability to the City, the District or the City Finance Department or any of their respective successors in interest with respect to the subject matter of this Agreement.

SECTION 5.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

SECTION 5.08. Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

SECTION 5.09. Governing Law. This Agreement shall be constructed in accordance with and governed by the laws of the State of Louisiana.

SECTION 5.10. Non-shareholder Contributions to Capital. The City hereby designates the reimbursements from the City Economic Development Contribution and the EDD Tax Contribution paid to the Company pursuant hereto, and each portion thereof, as non-shareholder contributions to capital of the Company pursuant to Section 118 of the Internal Revenue Code of 1986 (and successor provisions thereto) and intends such payments to be a reimbursement for costs incurred by the Company in connection with the Project.

SECTION 5.11. Amendment and/or Modification. Neither this Agreement nor any term, provision or exhibit hereof may be changed, waived, discharged, amended or modified orally, or in any manner other than by an instrument in writing signed by all of the parties hereto.

[SIGNATURE PAGES FOLLOW]

THIS COOPERATIVE ENDEAVOR AGREEMENT IS THEREFORE DONE AND PASSED in multiple counterparts as of the date aforesaid, in the presence of the undersigned competent witnesses, who hereunto sign their names with the City, the District and the Company.

CITY OF RUSTON,
STATE OF LOUISIANA

ATTEST:

By: *Ramona Hunt*
City Clerk

By: *A Walker*
Mayor

COOKTOWN ROAD ECONOMIC
DEVELOPMENT DISTRICT OF THE CITY
OF RUSTON, STATE OF LOUISIANA

ATTEST:

By: *Ramona Hunt*
City Clerk, City of Ruston

By: *A Walker*
Mayor, City of Ruston

WITNESSES:

[Signature]
Pam Womack

[SIGNATURES CONTINUE ON NEXT PAGE]

THIS COOPERATIVE ENDEAVOR AGREEMENT IS THEREFORE DONE AND PASSED in multiple counterparts as of the date aforesaid, in the presence of the undersigned competent witnesses, who hereunto sign their names with the City, the District and the Company.

HUTTON MT 17, LLC

WITNESSES:



Two handwritten signatures are written over two horizontal lines. The top signature is in cursive and appears to be 'K. J. [unclear]'. The bottom signature is also in cursive and appears to be 'S. [unclear]'.

By: _____

Name: _____

Title: _____

[Handwritten signature]
[Handwritten name: Gregory Cook]
[Handwritten title: President]

**EXHIBIT A
to Cooperative Endeavor Agreement**

**BOUNDARIES AND MAP OF
COOKTOWN ROAD ECONOMIC DEVELOPMENT DISTRICT
OF THE CITY OF RUSTON, STATE OF LOUISIANA**

The following map depicts the boundaries of the District. Following the map is a legal description of the privately-owned property that makes up substantially all of the District:



That certain tract of land, fronting on Louisiana Highway No. 544 / Cook Town Road and on U. S. Interstate No. 20, situated in, but not limited to, the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 18 North – Range 3

West, Land District North of Red River, City of Ruston, Lincoln Parish, Louisiana, as per that certain Plat of Survey for Richard S. Seaward, dated 10/17/01 by William T. Lowe, P.L.S., being more particularly described as follows:

Commence at the Southwestern corner of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 14, Township 18 North – Range 3 West, Land District North of Red River, City of Ruston, Lincoln Parish, Louisiana, as per the U. S. Interstate No. 20 right-of-way plans for State Project No. 740-00-27, and run thence for a bearing of North and distance of 199.80 feet and to that 1" iron pipe at a fence corner representing the intersection with the Northern right-of-way of said Interstate No. 20, and **POINT-OF-BEGINNING** and Southwestern corner of herein described tract of land as previously surveyed and platted by said William T. Lowe, P.L.S.; thence, along the old fence, for a bearing of N $00^{\circ}21'39''$ W and distance of 885.43 feet and to the existing fence corner; thence, along the old fence, for a bearing of N $89^{\circ}53'50''$ E and distance of 970.55 feet and to that $\frac{5}{8}$ " rebar representing the intersection with the Western right-of-way of Louisiana Highway No. 544 / Cook Town Road; thence, along said right-of-way, for a bearing of S $01^{\circ}16'45''$ E and distance of 15.62 feet and to a point; thence, continuing along said Western right-of-way, for a bearing of S $00^{\circ}31'40''$ E and distance of 307.09 feet and to that concrete right-of-way monument representing the intersection with the aforesaid Northern right-of-way of Interstate No. 20; thence, along said Northern right-of-way, the courses following to concrete right-of-way monuments:

for a bearing of S $88^{\circ}27'36''$ W and distance of 31.64 feet;
for a bearing of S $01^{\circ}11'25''$ E and distance of 161.91 feet;
for a bearing of S $24^{\circ}45'46''$ W and distance of 100.44 feet;
for a bearing of S $73^{\circ}08'22''$ W and distance of 250.05 feet;
for a bearing of S $44^{\circ}57'31''$ W and distance of 142.72 feet;

for a bearing of S $74^{\circ}43'07''$ W and distance of 519.69 feet; and to that concrete right-of-way monument; thence, continuing along said Northern right-of-way, for a bearing of S $89^{\circ}57'08''$ W and distance of 56.36 feet and back to the **POINT-OF-BEGINNING** and Southwestern corner of herein described tract of land as previously surveyed and platted by said William T. Lowe, P.L.S.; less and except that certain lot of land situated in the Northeastern corner of the above described tract of land as described in Conveyance Book 988, Page 201 of the Public Records of the Office of the Clerk of Court in and for Lincoln Parish, Louisiana: Commencing at an existing $\frac{5}{8}$ inch iron rod on the West right-of-way line of Louisiana Highway No. 544 (Cooktown road) which is 1087.77 feet North and 961.68 feet East of the Southwest corner of Section 14, Township 18 North, Range 3 West, Ruston, Lincoln Parish, Louisiana, as per survey by J. C. Wagnon, P.L.S., dated January 1995, and attached to deed recorded in Conveyance Book 906, page 170, records of Lincoln Parish, Louisiana; thence run S $00^{\circ}36'01''$ E along said right-of-way for a distance of 222.60 feet to an existing $\frac{1}{2}$ inch iron pipe; thence, leaving said right-of-way, run S $89^{\circ}39'23''$ W along existing fence for a distance of 166.53 feet to a $\frac{3}{4}$ inch rebar at a fence corner; thence run N $89^{\circ}25'15''$ E along and existing fence for a distance of 36.04 feet to a $\frac{3}{8}$ inch rod; thence run S $89^{\circ}35'42''$ E along said fence for a distance of 127.75 feet back to the point-of-beginning; containing 0.848 acres.

For a total area of 15.450 acres, more or less, being subject to any and all encumbrances thereon and/or of record, with the above description prepared based upon that certain Plat of Survey and that certain conveyance sited.

EXHIBIT B
to Cooperative Endeavor Agreement

Ruston (Lincoln Parish), LA
NWQ of I-20 and Cooktown Road

PROJECT SITE WORK CONSTRUCTION COST PROJECTIONS

ITEM	SIZE	UNIT COST	SUBTOTAL
SITE WORK:			
<i>Site Subcontractor Scope:</i>			
Demolition / Abatement	1 LS	\$ 27,622	\$ 27,622
Erosion Control	1 LS	\$ 81,863	\$ 81,863
Earthwork	1 LS	\$ 896,604	\$ 896,604
Storm Sewer System	1 LS	\$ 405,743	\$ 405,743
Sanitary Sewer System	1 LS	\$ 350,460	\$ 350,460
Water System	1 LS	\$ 263,300	\$ 263,300
Base & Paving / Curb & Gutter	1 LS	\$ 1,354,594	\$ 1,354,594
Wetland Related	1 LS	\$ 586,850	\$ 485,000
Engineering Design	1 LS	\$ 396,703	\$ 396,703
GL Coverage and Permitting	1 LS	\$ 158,706	\$ 158,706
<i>Total Site Subcontractor Cost:</i>			
General - Not GC's	1 LS	\$ 355,640	\$ 355,640
<i>Total Balance of On-Site Scope:</i>			
			\$ 4,776,234
OFF-SITE WORK (Road Work):			
<i>Site Subcontractor Scope:</i>			
Demolition / Abatement	1 LS	\$ 104,108	\$ 104,108
Erosion Control	1 LS	\$ 33,880	\$ 33,880
Earthwork	1 LS	\$ 531,126	\$ 531,126
Storm Sewer System	1 LS	\$ -	\$ -
Sanitary Sewer System	1 LS	\$ -	\$ -
Water System	1 LS	\$ -	\$ -
Base & Paving / Curb & Gutter	1 LS	\$ 393,250	\$ 393,250
<i>Total Site Subcontractor Cost:</i>			
<i>Balance of Site Scope:</i>			
Landscape / Irrigation	1 LS	\$ 18,586	\$ 18,586
Site Electrical / Site Lighting	1 LS	\$ -	\$ -
Traffic Signalization	1 LS	\$ -	\$ -
Site Amenities	1 LS	\$ -	\$ -
Sidewalks	1 LS	\$ -	\$ -
Miscellaneous	1 LS	\$ 36,754	\$ 36,754
Pylon / Monument Signs	1 LS	\$ -	\$ -
General - Not GC's	1 LS	\$ 302,500	\$ 302,500
Engineering Design	1 LS	\$ 142,020	\$ 142,020
GL Coverage and Permitting		\$ 63,829	\$ 63,829
<i>Total Balance of Off-Site Scope:</i>			
			\$ 1,826,053
PROJECT SITE WORK CONSTRUCTION COST PROJECTIONS			\$ 8,402,287

EXHIBIT C
to Cooperative Endeavor Agreement

**CERTIFICATION OF
ENGINEER OF RECORD
REGARDING REQUEST FOR REIMBURSEMENT**

DATE: _____

PROJECT NAME: Cooktown Rd. EDD/Commercial Retail Center

REQUEST NO.: _____

PERIOD TO: _____

I, the undersigned Engineer of Record (the "Engineer") for the above referenced Project, in accordance with the provisions of that certain Cooperative Endeavor Agreement, dated _____, 2017, by and among the City of Ruston, State of Louisiana, (the "City"), Cooktown Road Economic Development District of the City of the City of Ruston, State of Louisiana (the "District") and Hutton MT 17, LLC (the "Company"), hereby certify that:

- a. the work covered by this REQUEST FOR REIMBURSEMENT (the "Work") was performed on the above referenced Project and the actual costs for said Work contained herein are true and accurate;
- b. the Work has progressed and been completed as indicated herein and in the supporting documentation, attached hereto;
- c. the quality of the Work is in accordance with the plans, specifications and applicable standards for the above referenced Project; and
- d. all amounts have been paid by Company for Work for which previous REQUESTS FOR REIMBURSEMENT were issued and payments received from the City-Parish and/or the District.

AMOUNT CERTIFIED: \$ _____

Based on this Certification, the undersigned Engineer, on behalf of the Company, hereby request reimbursement from the District in the amount certified hereinabove.

ENGINEER OF RECORD: _____

Signature: _____

Printed Name: _____

Date: _____