EMPLOYMENT AGREEMENT

This Employment Agreement (the "Agreement") is made and entered into by and between the [redacted] Economic Development Corporation, a Texas non-profit corporation (hereinafter referred to as the "[redacted]"), and [redacted] (hereinafter referred to as "[redacted]") (each a "Party" and collectively the "Parties"), acting by and through their respective representatives.

WITNESSETH:

WHEREAS, the [redacted] desires to employ [redacted] as the Chief Executive Officer of the [redacted] effective February 1, 2018; and

WHEREAS, [redacted] desires to serve as the Chief Executive Officer of the [redacted]; and

WHEREAS, it is the desire of the [redacted] to provide certain benefits, establish certain conditions of employment, and to set working conditions of [redacted] as the [redacted] Chief Executive Officer;

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

Section 1. Duties

A. The [redacted] hereby employs [redacted] as the Chief Executive Officer of the [redacted] to perform the functions and duties customarily performed by persons acting in the capacity of the chief executive officer of an economic development corporation organized as a Type A Corporation pursuant to Chapters 501-505 of the Texas Local Government Code, and those duties and functions as may be prescribed by the Board of Directors of the [redacted] from time to time. Such job duties shall include, but not be limited to, the supervision of the office and staff, if any, presentations to brokers and site selection consultants, coordination of site visits for prospective companies, attendance at trade shows as directed by the [redacted], regular presentations to the [redacted] City Council, and attendance at [redacted] Board of Director meetings.

B. The Chief Executive Officer reports to the entire [redacted] Board of Directors and is required to provide weekly reports to the [redacted] President, which may be in written form, emailed or shared in person or over the phone, as may be required by the [redacted] Board President. The [redacted] President shall approve in advance: (i) all travel, (ii) vacation days, (iii) and compensatory time off by the Chief Executive Officer. The Chief Executive Officer shall keep the Board President informed of periods when the Chief Executive Officer is out of or away from the [redacted] office.

Section 2. Term

A. [redacted] shall serve as the Chief Executive Officer of the [redacted] for a term of three (3) years beginning February 1, 2018 ("Employment Date"), unless sooner terminated as provided herein.

B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board of Directors of the [redacted] to terminate the services of [redacted] as the Chief Executive Officer at any time, with or without cause, subject to the terms of the Agreement.

Section 3. Salary and Compensation

A. **Salary**. Commencing on the Employment Date, [redacted] agrees to pay [redacted] for his services rendered pursuant hereto an annual base salary of [redacted] Thousand Dollars [redacted] ("Base Salary") payable in installments at the same time as employees of the [redacted] are paid subject to the same applicable deductions for benefit contributions. The Base Salary is subject to all applicable local, state or federal taxes, including, but not limited to, withholding taxes such as FICA or similar charges including, if applicable, any required employee contributions to any type of retirement plan or accident, life and health plan then in effect for the benefit of [redacted] employees.

B. **Car Allowance.** [redacted] shall receive a car allowance during the term of this Agreement in the amount of Six Hundred Dollars ($600.00) per month for the purpose of purchasing, leasing, maintaining and operating a vehicle in connection with his duties as Chief Executive Officer.

C. **Moving Expenses.** [redacted] shall be paid the sum of Five Hundred Dollars ($500.00) for the costs of moving to the City of [redacted], Texas to be paid within ten (10) days after the Effective Date.

D. **Retirement System.** [redacted] agrees to allow participation of [redacted] in the Texas Municipal Retirement System in the same manner as that provided generally for the employees of the City of [redacted] consistent with [redacted] policy.

E. **Salary Increases.** The [redacted] Board of Directors shall, following the first twelve (12) months of continuous employment, and thereafter on an annual basis, consider an increase in the Base Salary or other compensation for [redacted] based upon the prior year's performance. The [redacted] Board of Directors may increase the Base Salary and/or other benefits of [redacted] in such amounts and to such extent as the [redacted] Board of Directors may determine in its sole discretion.

F. **Incentive Compensation.** The Chief Executive Officer shall be entitled to payment of Incentive Compensation on an annual basis on the terms and conditions as set forth herein. Incentive Pay shall be in an amount equal to three percent (3%) of Base Salary for each of the listed categories below to be paid in the next pay period following [redacted]

Board determination of entitlement of Incentive Pay, which shall be within the sole discretion of the [redacted] Board.

a. If the verified Capital Improvements (taxable value of land, buildings and tangible personal property) within the City of [redacted] during the City's fiscal year resulting from new and/or expanded businesses located with whom [redacted] has entered an economic development incentive agreement or for which [redacted] has recruited after the Effective Date increases $50 Million above the City of [redacted], Texas, prior fiscal year – an amount equal to three percent (3%) of Base Salary.

b. If the verified Sales Tax Receipts generated by new and/or expanded businesses located within the City of [redacted] during the City's fiscal year results in an increase of not less than ten percent (10%) of the City of [redacted], Texas, total Sales Tax Receipts over the City's prior fiscal year – an amount equal to three percent (3%) of Base Salary.

c. If the number of verified new employee positions created by new or expanded businesses located within the City of [redacted], Texas, with whom [redacted] has entered an economic development incentive agreement or for which [redacted] has recruited after the Effective Date increases by eight hundred (800) or more during the City's fiscal year above the number of employment positions in the City for the prior fiscal year – an amount equal to three percent (3%) of Base Salary.

Section 4. Termination

A. **Termination without Cause**. The [redacted] may terminate this Agreement at any time, without cause, upon thirty (30) days prior written notice to [redacted]. In the event of termination by the [redacted], without cause, [redacted] shall be entitled to receive a lump sum payment equal to one (1) month of the Base Salary as the sole and exclusive termination remedy.

B. **Termination for Cause**. The [redacted] may terminate [redacted] at any time, for cause, as set forth herein. In the event of termination for cause, [redacted] shall be entitled to all compensation earned through the date of termination. For the purposes of this Agreement "cause" shall mean and include, but is not limited to, any of the following:

(a) Breach of any term or condition of this Agreement;

(b) Disloyal conduct reasonably calculated to cause harm to the [redacted];

(c) Dishonest or illegal conduct;

(d) Knowing or negligent violation of any rule or law which causes harm to [redacted], including damage to the reputation of [redacted];

(e) Knowing or negligent violation of any [redacted] policy, standard or procedure;

(f) Fraud upon any person or entity with which the [redacted] does business;

(g) Conviction, including probation or deferred adjudication, deferred disposition of a felony or crime involving moral turpitude;

(h) Gross misconduct;

(i) Falsification of any records kept or maintained for the benefit of the [redacted];

(j) An order by any court of competent jurisdiction restraining, preventing, or otherwise impairing [redacted]'s ability to perform the duties and responsibilities under this Agreement; or

(k) Any act of incompetence, official misconduct, or intoxication on or off duty caused by the consumption of an alcoholic beverage or controlled substance.

C. **Resignation.** [redacted] may voluntarily resign from the position of Chief Executive Officer of the [redacted] at any time during the term of this Agreement by providing the [redacted] sixty (60) days prior written notice thereof, unless the [redacted] Board of Directors waives such notice.

Section 5. Performance Evaluation and Performance Pay Consideration

A. **Performance Evaluation.** The [redacted] Board of Directors shall provide [redacted] with a written evaluation after the sixth (6th) month anniversary of the Employment Date. Thereafter, the [redacted] Board of Directors shall provide [redacted] with a semi-annual written evaluation during the term of this Agreement.

B. **Performance Pay.** The [redacted] shall, on an annual basis, consider providing [redacted] with performance pay based on the prior year's performance, as determined by the [redacted] Board of Directors. Performance pay shall be paid to [redacted] during the first pay period of the calendar month immediately following the decision of the [redacted] Board of Directors to provide such Performance Pay, if any.

Section 6. Expenses

The [redacted] shall reimburse [redacted] in accordance with [redacted] policies for expenses incurred in the conduct of [redacted] business, including but not limited to the hosting of business meetings.

Section 7. Vacation, Sick Leave and other Benefits

In addition to the benefits provided in this Agreement, except as provided in this Section 7, the [redacted] shall also provide to [redacted] the same benefits relating to health care, vacation, sick leave, retirement system contributions, holidays and other fringe benefits and working conditions as are provided by the [redacted] to its employees as such benefits now exist or may be amended, insofar as those provisions, rules and regulations are not inconsistent with this Agreement, except that [redacted] is entitled to five (5) weeks' vacation each calendar year.

Section 8. Professional Development

The [redacted] shall, subject to [redacted] budget approval, pay the travel and subsistence expenses of [redacted] for professional and official travel, meetings and occasions adequate to continue the professional development of [redacted] and to adequately pursue necessary official and other functions for [redacted] as deemed appropriate by the [redacted] Board of Directors.

Section 9. Other Terms and Conditions

A. **Full-Time Employment.** [redacted] shall devote his full time to the performance of the duties and responsibilities as set forth herein. [redacted] agrees to remain in the exclusive employ of the [redacted], and neither to accept other employment nor to become employed by any other employer. The term "employed" shall not be construed as including occasional teaching, writing, civic, charitable, and professional or trade activities not to exceed ten (10) hours per week, with approval of the [redacted] Board of Directors provided such activities do not interfere with the performance of [redacted]'s duties as the Chief Executive Officer under this Agreement. Notwithstanding the foregoing, Newman may continue to provide consulting services to existing clients provided such activities do not conflict with his duties as the [redacted] Chief Executive Officer or compete with the interests of the [redacted]; and such activities are not conducted during [redacted] Hours of Work as set forth below.

B. **Hours of Work.** [redacted] shall maintain office hours at the [redacted] offices Monday through Friday at NOON each calendar week, unless for days recognized as a holiday for [redacted] employees or engaged in approved travel. It is recognized that [redacted] must devote a great deal of time outside the normal office hours to business of the [redacted], and to that end [redacted] will be allowed to take compensatory time off as he shall deem appropriate during said normal office hours.

Section 10. Notices

Any notice required or permitted to be delivered hereunder shall be deemed received when sent by United States mail, postage prepaid, certified mail, return receipt requested, addressed to [redacted] or [redacted], as the case may be, at the address set forth below the signature of the Party.

Section 11. Entire Agreement

This Agreement constitutes the sole and only agreement of the Parties and supersedes any prior understandings or written or oral agreements between the Parties respecting this subject matter.

Section 12. Successor and Assigns

This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and assigns.

Section 13. Governing Law

This Agreement is governed by the laws of the State of Texas, and venue for any action concerning this Agreement shall be in State District Court of [redacted] County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

Section 14. Amendment

This Agreement may be amended by the mutual written agreement of the Parties.

Section 15. Legal Construction

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 any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

Section 16. Effective Date.

This Agreement shall be effective on the date it has been signed by [redacted] and an authorized representative of the [redacted] and approved by the [redacted] Board of Directors ("the Effective Date").

(Signature Page to Follow)