

**TAX ABATEMENT AGREEMENT BETWEEN THE CITY OF NEW BRAUNFELS
AND CONTINENTAL AUTONOMOUS MOBILITY US, LLC**

This Tax Abatement Agreement (this “**Agreement**”) is entered into as of the Effective Date (defined below) by and between the City of New Braunfels, Texas, a home rule municipality (the “**City**”) and Continental Autonomous Mobility US, LLC, a Delaware limited liability company (the “**Company**”). The City and Company are individually sometimes called a “**Party**” and are together called the “**Parties**.”

Recitals

WHEREAS, the City and Continental Automotive Systems, Inc. (“**CAS**”) previously entered into an Economic Development Agreement pursuant to Local Government Code Chapter 380, dated December 14, 2020, as amended (the “**380 Agreement**”), for the development of an approximately 205,000 manufacturing and research facility located at 440 Kohlenberg Road, New Braunfels, Texas (the “**Existing Facility**”);

WHEREAS, CAS assigned to Company its rights and obligations under the 380 Agreement pursuant to an Assignment and Assumption Agreement dated January 1, 2022; and

WHEREAS, Company desires to invest approximately \$110,000,000.00 cumulatively in (i) an expansion of its manufacturing and research facility by adding approximately 65,000 square feet onto the existing structure (the “**Expansion**” and together with the Existing Facility, the “**Facility**”), (ii) additional machinery and equipment, and (iii) additional furniture, fixtures, and equipment;

WHEREAS, the New Braunfels City Council designated Reinvestment Zone No. 2024-01 (“**Reinvestment Zone**”) and adopted within the Zone eligibility criteria for commercial-industrial tax abatement pursuant to Tax Code Chapter 312 on September 22, 2025; and

WHEREAS, property located within the Reinvestment Zone is eligible for commercial-industrial tax abatement as of _____, 2025; and

WHEREAS, Company’s Property is located within the Reinvestment Zone;

WHEREAS, the City and the Company acknowledge and agree that the abatement of ad valorem taxes on the Property, as provided herein, is a material inducement for the Company to proceed with the Expansion and make substantial capital investments within the City; and

WHEREAS, the City finds and determines that the granting of a tax abatement as set forth in this Agreement is in the best interest of the City, will encourage the retention and

expansion of commercial and industrial enterprises within the City, and will contribute to the economic development of the community; and

WHEREAS, on July 28, 2025, the City renewed a policy and guidelines for tax abatement in accordance with Chapter 312 of the Texas Tax Code, and the City finds that the abatement contemplated herein is consistent with such policy and guidelines; and

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

ARTICLE 1 DEFINITIONS

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them. If a term is not defined herein, it shall have the meaning ascribed to it in Section 1.04 of the Tax Code.

380 Agreement means the Economic Development Agreement between the City and CAS, dated December 14, 2020, as amended, and as assigned to Company.

Abatement means the full or partial exemption from the City's ad valorem taxes on property in a Reinvestment Zone as provided herein. The property tax abatement provided in this Agreement shall extend only to City ad valorem taxes on the Improvements and New Tangible Personal Property located on Property within the Reinvestment Zone.

Affiliate means, with respect to any specified person or entity, any other person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such specified person or entity. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract, or otherwise. An Affiliate includes, but is not limited to, any parent, subsidiary, or sibling entity of the Company, and any entity in which the Company or its parent, subsidiary, or sibling entity owns, directly or indirectly, at least fifty percent (50%) of the equity interests or voting power.

Annual Payroll means the total amount of compensation paid to all full-time employees, including but not limited to, salaries and wages, bonuses, and payroll taxes paid during the calendar year to all Full-time employees working at the Facility, excluding employer-paid fringe benefits (such as the employer paid portion of health insurance premiums, life insurance, meal discounts, discounted or free childcare, 401k match, etc.) but including the employee-elective

benefits paid out of the gross wages (such as the employee paid portion of health insurance premiums, employee contributions to health savings accounts and cafeteria plans and 401k contributions made by employees).

Bankruptcy or Insolvency means the dissolution or termination of a Party's existence as a going business, insolvency, appointment of a receiver for any part of a Party's property and such appointment is not terminated within ninety days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party, and such proceeding is not dismissed within ninety days after the filing thereof.

Base Year Taxable Value means the Taxable Value of the Property as of 1 January 2025.

Commencement of Construction means that construction plans have been prepared and all required permits have been obtained for construction of the Expansion.

Company means Continental Autonomous Mobility US, LLC and its successors and permitted assigns.

Effective Date means the date on which this Agreement has been executed by all Parties.

Existing Facility means the manufacturing and research facility developed under the 380 Agreement, located at 440 Kohlenberg Road, New Braunfels, Texas.

Expansion means the additional improvements and capital investment above, including all related new machinery, equipment, furniture, and fixtures.

Expansion Line Item means the value assigned by the Comal County Appraisal District to the new improvements constituting the Expansion, as a separate line item or sub-account within the single tax parcel on which the Facility is located.

Expiration Date means December 31, 2040.

First Abatement Year means the first calendar year following the date upon which the City issues the final Certificate of Occupancy for the Expansion.

Force Majeure means any contingency or cause beyond the reasonable control of Company, including acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, governmental or de facto governmental action or inaction including, but not limited to, government actions pertaining to the determination of flood zones or FEMA actions, fire, earthquake, tornado, hurricane, explosions, floods, epidemics, strikes, slowdowns, work

stoppages, unusually severe weather or adverse economic conditions (including, but not limited to, a slowdown in the automotive industry or adverse conditions due to tariffs).

Full Time Employee shall mean an employee of the Company, an Affiliate, or a joint venture involving the Company, or a Temp for Hire of the Company, an Affiliate, or such joint venture, who is scheduled to work at least 1,560 hours or more per year (30 or more hours per week) and who is offered benefits commonly associated with full-time employment, including but not limited to healthcare, paid and unpaid leave benefits, and, with respect to employees of the Company (but not Temps for Hire), the right to participate in Company's qualified retirement plan (or a similar plan in the case of any joint venture employees). Employees of a joint venture involving the Company shall be considered full-time employees if they satisfy the hours and benefits criteria described above.

Governmental Authority means any federal, state, local or foreign governmental entity, authority or agency, court, tribunal, regulatory commission or other body whether legislative, judicial or executive, including a local government corporation.

Improvements means all buildings, structures, fixtures, and other permanent additions or enhancements to the Property that are classified as improvements for ad valorem tax purposes under applicable law, and which are physically located on the Land.

Incremental Taxable Value means the Taxable Assessed Value of the Property as of January 1st of a given year less the Base Year Taxable Value.

Inventory means only those items of Tangible Personal Property that are commonly referred to as wares, goods, and merchandise, which are held for sale or lease to customers in the ordinary course of business.

Land means the real property described in Exhibit A attached hereto and incorporated herein by reference.

Notice of Completion means a written notice delivered by the Company to the City, confirming that the Expansion has been completed in accordance with the terms and conditions of this Agreement. The Notice of Completion shall serve as confirmation by the Company that all material construction activities related to the Expansion have been finalized and that the 1st Abatement Year will commence on January 1st of the next calendar year commencing after the date of the Notice of Completion.

Property means collectively the Land, all Improvements situated thereon, and the Tangible Personal Property located on or used in connection with the Land and Improvements, which are subject to ad valorem taxation or otherwise contribute to the Taxable Assessed Value of the site.

Reinvestment Zone means Reinvestment Zone No. 2024-01 adopted by the City Council of the City of New Braunfels on November 25, 2024.

Temp for Hire means an individual that is employed by a temporary employee agency (or similar business) who is working at the Facility pursuant to a contract between Company or its Affiliate and such temporary employee agency or other similar business.

ARTICLE II GENERAL PROVISIONS

- 2.1 Company intends to construct or cause to be constructed the Expansion.
- 2.2 The Expansion is not an improvement project financed by tax increment bonds.
- 2.3 The Property and the Company's Improvements constructed thereon within the Reinvestment Zone shall be used in the manner that, during the period taxes are abated hereunder, is consistent with the general purposes of encouraging development or redevelopment within the Reinvestment Zone.
- 2.4 The Term of this Agreement shall begin on the Effective Date and shall continue until the Expiration Date, unless sooner terminated as provided in this Agreement.

ARTICLE III TAX ABATEMENT AUTHORIZED

- 3.1 This Agreement is authorized by the Tax Code and is in accordance with Tax Abatement Guidelines.
- 3.2 Subject to the provisions of this Agreement, the City hereby grants Company an abatement of the Taxable Value of the Expansion Line Item in the percentages referenced below for ten (10) calendar years, which includes the 1st Abatement Year:
 - a. The abatement percentage shall be sixty-five percent (65%) for any Abatement Year prior to calendar year 2034
 - b. The abatement percentage shall be fifty percent (50%) for any Abatement Year including calendar year 2034 or any calendar year thereafter
 - c. In no event may the Taxable Value abatement exceed the total Incremental Taxable Value for the Property.

3.3 Notwithstanding any provision of this Agreement to the contrary, all tax abatements on the value of said Property as the result of this Agreement shall not exceed ten (10) years in accordance with Chapter 312, Tax Code.

3.4 During the period of tax abatement under this Agreement, Company shall be subject to all taxation not abated.

ARTICLE IV IMPROVEMENTS AND PERFORMANCE REQUIREMENTS

4.1 Company intends to construct or cause to be constructed Improvements on the Property that is in the Reinvestment Zone and to locate Tangible Personal Property at such Improvements. Nothing in this Agreement shall obligate Company to construct Improvements on Property or to locate Tangible Personal Property thereon, but said actions are conditions precedent to tax abatement pursuant to this Agreement.

4.2 Company agrees to the Commencement of Construction no later than June 30, 2026, subject to Force Majeure.

4.3 Company agrees, as good and valuable consideration for this Agreement, that construction of the Improvements by Company will be in accordance with all applicable federal, state and local laws and regulations.

4.4 Company agrees to maintain the Improvements during the Term of this Agreement in accordance with all applicable federal, state and local laws and regulations.

4.5 Company shall file construction plans for the Improvements constructed on the Property with the City, which shall be deemed to be incorporated by reference herein and made a part hereof for all purposes.

4.6 The City, its agents and employees shall have the right of access to the Property during and following construction at reasonable times and with reasonable notice to Company and in accordance with visitor access and security policies of Company, in order to inspect the Improvements and ensure that the construction of the Improvements are in accordance with this Agreement and all applicable laws and regulations.

ARTICLE V EMPLOYMENT AND JOB CREATION

5.1 Company must maintain the following employment requirements for employees working at or based out of the Facility throughout the term of the Agreement:

Job and Wage Creation		
Period	Minimum Full-time Employees	Minimum Annual Payroll
1 st Abatement Year	576	\$35,919,936
2 nd Abatement Year	595	\$37,104,795
3 rd Abatement Year	640	\$39,911,040
4 th Abatement Year	658	\$41,033,538
5 th – 10 th Abatement Years	676	\$42,156,036

For purposes of the table above, “Abatement Year” refers to each annual period during the term of this Agreement for which the Company is eligible to receive a property tax abatement, commencing with the First Abatement Year. Company shall be deemed to have met the minimum jobs requirement so long as Company’s average number of Full-time employees located at the Facility as of the last day of the month for each month of operation in the reporting year or the number of Full-time employees as of September 15 is 80% or greater than the required minimum number of jobs for the compliance year. Company shall be deemed to have met the minimum Annual Payroll requirement so long as the Annual Payroll actually paid is 90% or greater than the required minimum Annual Payroll. If Company fails to meet the minimums in a given year, but comes into compliance the following year, such compliance will cure any default for the prior year.

5.2 Local Hiring Goal. To focus the economic benefits of job creation created by the Facility on the local community, the Company shall use commercially reasonable efforts to ensure that no less than twenty percent (20%) of the Full-time Employees required pursuant to Section 5.1 above shall be Local Employees (the “**Local Hiring Goal**”). For purposes of this Section, “**Local Employee**” shall mean a Qualified Full-time Employee whose primary residence is within the boundaries of Comal County or Guadalupe County, Texas as of the date of hire. The Parties acknowledge that this percentage is a good faith commitment and not a rigid hiring quota. The Parties also acknowledge that the Company shall not engage in any hiring practice that would violate applicable federal, state, or local nondiscrimination and equal employment opportunity laws in pursuit of this goal. The Company shall maintain documentation of its good faith efforts to recruit and hire Local Employees, including but not limited to: posting job openings with local workforce development boards and community organizations; participating in local job fairs and outreach events; advertising in local media outlets; partnering with local educational institutions or training programs.

Notwithstanding the foregoing, however:

- (i) if, in any measuring year, the annual unemployment rate for Comal County, Texas, as published by the U.S. Bureau of Labor Statistics through its Local Area

Unemployment Statistics (LAUS) program for Comal County, Texas or a mutually agreed-upon source, is less than three and one-half percent (3.5%), then the Local Hiring Requirement shall be waived for that year.

- (ii) If the Company does not meet the Local Hiring Goal in any measuring year, then the Company shall within twelve (12) months demonstrate its commercially reasonable efforts to increase outreach and recruitment of Local Employees, and provide the City with a report detailing such efforts. Evidence of such good faith efforts shall be deemed sufficient to satisfy the Company's obligations under this Section.
- (iii) Nothing in this Section shall require the Company to hire or retain any unqualified applicant or to violate applicable employment laws.
- (iv) The Local Hiring Goal is not intended and shall not be applied as a proxy for discrimination on the basis of any protected characteristic under applicable law, and if any court of competent jurisdiction, arbitrator, or governmental authority determines that the Local Hiring Goal, as drafted or applied, is or would be such a proxy for discrimination, the Local Hiring Goal shall be waived.
- (v) For each year that the Company fails to satisfy the Local Hiring Goal following a failure to cure such failure as provided under Section 3(a)(ii) above and subject to the other conditions and qualifications hereunder, the Company shall pay back to the City an amount equal to \$1,000 per percentage point short of the Local Hiring Goal for that year.

ARTICLE VI

COMPANY'S DUTIES AND OBLIGATIONS

6.1 On or before April 30th of the 2nd Abatement Year and April 30th of each year thereafter through the year following the 10th Abatement Year, Company shall deliver to City documentation acceptable to the City showing that Company has met the employment and job creation targets for the preceding year. Current year paid tax receipts or documentation shall be attached to the certification as an exhibit.

6.2 Company shall annually render the value of new Real Property and Tangible Personal Property to Comal County Appraisal District and shall provide a copy of the same to the City upon request. Company shall annually provide documentation to the City demonstrating the value assigned to the Expansion Line Item and the calculation of the abatement for that year.

6.3 During the Term of this Agreement, Company shall not allow the ad valorem taxes owed to the City on the Property owned by Company, or any other property owned by Company and located within the City to become delinquent beyond the date when due, as such date may be extended to allow for any protest of valuation or appeal. Nor shall Company fail to render for taxation any property owned by Company and located within the City.

6.4 Company shall allow City reasonable access during normal business hours and with reasonable notice, to examine Company's records and books and all other relevant records related to Company's compliance with the requirements of this Agreement.

ARTICLE VII DEFAULT AND TERMINATION

7.1 This Agreement shall terminate upon any one or more of the following: (i) by mutual agreement of the Parties; (ii) Expiration Date; or (iii) by the City, if Company suffers an event of Bankruptcy or Insolvency.

7.2 The City or Company shall have the right to terminate this Agreement in the event the other Party breaches any of the terms or conditions of the Agreement and any such breach is not cured within sixty (60) days after written notice by the non-breaching Party or in accordance with Section 7.3.

7.3 If Company should default in the performance of any obligation of this Agreement, the City shall notify the Company in writing and the Company shall have sixty (60) days from receipt of the notice in which to cure any such default; provided, however, if the default cannot reasonably be cured within such 60-day period and Company is diligently pursuing cure, the cure period shall be extended for up to ninety (90) additional days. Only in the event of an uncured Material Breach shall the City have the right to terminate this Agreement and recapture abated taxes, and such recapture shall be limited to the affected Phase and to taxes abated from and after the date of the breach.

7.4 It is agreed by the Parties that if a particular action required in this Agreement is to be performed by a certain date and such action is not performed by the required date in the first instance but is then performed before the end of the applicable cure period, then the action shall be deemed as performed on time in the first instance, with no effect given to the initial delay.

7.5 If Company fails to cure the default within the time provided, as specified above or as such period may be extended, the City shall have the right to terminate this Agreement by providing written notice to Company and the City shall have the right to amend this Agreement in accordance with Section 11.3.

7.6 In the event Company elects not to proceed with the Expansion as described in this Agreement, Company shall notify the City in writing and this Agreement, and the obligations of both Parties shall be deemed terminated and have no further force or effect.

7.7 In the event that a Party defaults, then the other Party shall have available to it all remedies at law and equity.

ARTICLE VIII

RECAPTURE OF TAX REVENUE

8.1 In the event that Company (i) defaults on its obligations under this Agreement and the City exercises its right to terminate this Agreement as described in Section 7.5; (ii) has delinquent ad valorem taxes owed to the City and does not cure such delinquency within sixty (60) days after written notice from the City (provided Company retains its right to timely and properly protest such taxes or assessment); (iii) has an event of Bankruptcy or Insolvency, then Company shall be in default of this Agreement. As liquidated damages in the event of such default, Company shall, within thirty days after demand, pay to the City all taxes with respect to the three years preceding the date of the notice of default which otherwise would have been paid by Company to the City without the benefit of the tax abatement under this Agreement for the property subject to this Agreement, plus interest at the statutory rate for delinquent taxes as determined by Section 33.01, Tax Code, but without penalties.

8.2 The Parties acknowledge that actual damages in the event of default and termination by the City would be speculative and difficult to determine. The Parties further agree that the amount of abated tax, including interest, as a result of this Agreement shall in accordance with the above provisions of this Article, be recoverable against Company, its successors and assigns and shall constitute a tax lien against Company's Property and shall become due, owing, and shall be paid to the City within thirty days after notice of termination.

8.3 Upon termination of this Agreement by the City, the amount of liquidated damages set forth in Sections 8.1 and 8.2 shall become a debt to the City as liquidated damages, and shall become due and payable not later than thirty days after a notice of termination is provided. The City shall have all remedies for the collection of the abated tax described in Section 8.1 provided generally in the Tax Code for the collection of delinquent property tax, but without penalties. The computation of the abated tax for the purposes of this Agreement shall be based upon the full Taxable Value of the new Property without tax abatement for the applicable years for which recapture is required as set forth above and in which tax abatement hereunder was received by Company as determined by the Comal County Appraisal District, multiplied by the tax rate of the years in question as calculated by the Comal County Tax Assessor Collector. The liquidated damages shall incur interest as provided for delinquent taxes and shall commence to accrue after expiration of the thirty-day payment period.

ARTICLE IX

EVENTS OF FORCE MAJEURE

9.1 If Company gives written notice to the City that Company cannot perform one or more of its obligations under this Agreement because of Force Majeure, all applicable deadlines and performance periods under this Agreement shall be extended for a period equal to the duration of the Force Majeure event, provided that Company uses commercially reasonable efforts to resume performance as soon as practicable

ARTICLE X INDEMNIFICATION

10.1 Company hereby agrees to waive all claims, release, indemnify, defend and hold harmless the City, and all of its officials, officers, agents, and employees, in both public and private capacities, from and against any and all liability, claims, losses, damages, suits, demands or causes of action, including all expenses of litigation and/or settlement, court costs and attorney fees which may arise by reason of injury to or death of any person or for loss of, damage to, or loss of use of any property occasioned by the error, omission, or negligent act of Company, its officers, agents, employees, or Affiliates, arising out of or in connection with the performance of this Agreement, and Company will at its own cost and expense defend and protect the City from any and all such claims and demands. The indemnification obligation herein provided shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Company or any contractor or subcontractor under workman's compensation or other employee benefit acts.

ARTICLE XI MISCELLANEOUS

11.1 Incorporation of Recitals. The declarations made in the preamble to this Agreement are true and correct and are hereby incorporated as part of this Agreement.

11.2 Entire Agreement. This Agreement, including any exhibits hereto, contains the entire agreement between the parties with respect to the transactions contemplated herein.

11.3 Amendments. Any amendment, alteration, or termination of this Agreement must be in writing and signed by all Parties.

11.4 Expansion Line-Item Adjustment. If, for any reason, the Comal County Appraisal District does not create a separate Expansion Line Item or sub-account for the new improvements constituting the Expansion, the City and the Company shall cooperate in good faith to modify the calculation of the Abatement in a manner that achieves, as nearly as practicable, the same abatement percentage and economic effect as originally contemplated by this Agreement. The City Manager is hereby authorized to negotiate, approve, and execute any such modification to the calculation of the Abatement on behalf of the City, without the necessity of further approval by the City Council, provided that such modification does not materially increase the City's obligations or decrease the Company's obligations under this Agreement.

11.5 Assignment. Company may not assign this Agreement without the prior written consent of the City, whose consent shall not be unreasonably withheld; provided, however, that Company may assign this Agreement, without the prior written consent of the City, to any Affiliate of Company or in connection with a corporate reorganization, merger, consolidation, sale of all or substantially all of its assets, or any change in control resulting from such a transaction, so long as the assignee expressly assumes in writing all obligations of Company under this Agreement.

For the avoidance of doubt, a change in the name of the Company, a change in the ownership of the parent entity of the Company, or a spin-off, reorganization, or similar transaction affecting the Company or its parent entity, shall not be considered an assignment requiring the City's consent, provided that the entity assuming the obligations under this Agreement expressly assumes in writing all such obligations. Additionally, a change in the legal name of the Company or a change in control resulting solely from a reorganization of the Company's parent company shall not be deemed to constitute an assignment under this Agreement or trigger the assignment provisions herein. Any such assignment to an Affiliate or pursuant to a corporate reorganization, merger, consolidation, sale of assets, or change in control as described above shall be deemed preapproved, shall not be considered an assignment requiring the City's consent, and shall not be deemed to trigger any right of the City to terminate or otherwise object to this Agreement. In all such cases, the assignee must provide written documentation of its assumption of all obligations under this Agreement. If the City consents to any other assignment, or in the case of an assignment to an Affiliate or pursuant to a corporate reorganization, merger, consolidation, sale of assets, or change in control as described above, the Agreement will be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective successors and assigns.

11.6 No Waiver. Failure of either Party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of either Party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived or breach excused, unless the waiver is in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any different or subsequent breach.

11.7 Notice. Any notice required or permitted to be delivered under this Agreement shall be deemed received upon the earlier of (a) actual receipts or (b) three days after sent by United States mail, addressed to the Party at the address set forth below, or such other address as is designated by the applicable Party from time to time or on the day actually received as sent by courier or otherwise hand delivered. The contact information for each Party is as follows:

If to Company:

Continental Autonomous Mobility US, LLC
Attn: Ibro Muharemovic
Head of Market Americas
BA Autonomous Mobility
One Continental Drive
Auburn Hills, MI 48326

With a copy to:

Continental Autonomous Mobility US, LLC
Legal Department

One Continental Drive
Auburn Hills, MI 48326

With a copy to:

Continental Autonomous Mobility US, LLC
440 Kohlenberg Road
New Braunfels, Texas 78130
Attn: Plant Manager

11.8 Applicable Law and Venue. This Agreement is made and shall be construed and interpreted under the laws of the State of Texas. Venue for any legal proceedings shall lie in state courts located in Comal County, Texas.

11.9 Confidential Information. Upon receipt of any request to inspect or obtain copies of public records relating to this Agreement or the Project, the City shall promptly provide written notice to Company, including a copy of such request. Upon receipt of such notice, Company may designate any trade secrets or confidential business information included in any report or other writing delivered to the City as 'Confidential Business Information.' Unless and until the Texas Attorney General renders a final decision requiring disclosure, the City shall redact or withhold such Confidential Business Information and, upon request, shall submit a brief to the Texas Attorney General opposing release, as provided by law.

11.10 Severability. In the event that any provision of this Agreement is illegal, invalid, or unenforceable under applicable present or future law, then it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause of provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement that is legal, valid and enforceable and is as similar in terms as possible to the provision.

11.11 Third Parties. The City and Company intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, or any individual or entity other than the City and Company or permitted assignees of the City and Company, except that the indemnification and hold harmless obligations by company provided for in this Agreement shall inure to the benefit of the indemnitees named herein.

11.12 No Joint Venture. Nothing contained in this Agreement is intended by the parties to create a partnership or joint venture between the Parties, and any implication to the contrary is hereby expressly disavowed. It is understood and agreed that this Agreement does not create a joint enterprise, nor does it appoint either Party as an agent of the other for any purpose whatsoever. Except as otherwise specifically provided herein, neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other.

11.13 Employment of Undocumented Workers. During the terms of this Agreement, Company agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. § 1324a (f), Company shall repay to City all taxes abated under this Agreement as of the date of such violation within 120 days after the date Company is notified by City of such violation. Company is not liable for a violation of this section by a vendor or subcontractor with whom Company contracts.

11.14 Authorization. This Agreement was authorized by action of the City Council of the City of New Braunfels at a meeting authorizing the [insert Mayor or CM] to execute this Agreement on behalf of the City.

11.15 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which constitute one instrument.

11.16 Right of Offset. The City may at its option, offset any amounts due and payable under this Agreement against any debt, including taxes, lawfully due to the City from the company, regardless of whether the amount due arises pursuant to the terms of this Agreement or a related agreement or other and regardless of whether or not the debt due the City has been reduced to judgment by a court.

11.17 No Presumption Regarding Drafter. City and Company acknowledge and agree that the terms and provisions of this Agreement have been negotiated and discussed between City and Company and that this Agreement reflects their mutual agreement regarding the subject matter of this Agreement. Because of the nature of such negotiations and discussions, it would be inappropriate to deem either City or Company to be the drafter of this Agreement, and therefore no presumption for or against the drafter shall be applicable in interpreting or enforcing this Agreement.

11.18 Compliance. Company agrees it will comply with Section 2252.908, Texas Government Code, as amended, to the extent said statute applies to this Agreement.

11.19 Paragraph headings. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope of the meaning of the paragraphs.

[signatures on next page]

THE UNDERSIGNED AUTHORIZED REPRESENTATIVES OF THE PARTIES have executed this Agreement to be effective as of the Effective Date.

CITY OF NEW BRAUNFELS,
a home rule municipality

By: _____
Robert Camareno, City Manager

Date: _____

ATTEST:

APPROVED AS TO FORM:

By: _____
Name: _____
Title: City Secretary

Valeria M. Acevedo,
City Attorney

**CONTINENTAL AUTONOMOUS MOBILITY
US, LLC**, a Delaware limited liability company

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

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