

**AMENDMENT TO SECOND ADDENDUM TO LANDFILL AND MUNICIPAL SOLID
WASTE SYSTEM OPERATING AGREEMENT**

WHEREAS, Polk County (the "County") consents to continue with GENERGY LLC for the collection and marketing of landfill gas from the Solid Waste Landfill that will provide an environmental sound energy source and additional revenue to Polk County;

WHEREAS, the County and GENERGY LLC, as assignee from Santek Environmental Services of Texas, LLC, wishes to amend and supplement the terms of the Second Addendum in order to provide for the continued performance and financing of the activities necessary to collect, manage and market Landfill Gas;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the foregoing premises and other considerations the receipt and sufficiency of which are hereby acknowledged by the parties, the County and Contractor do hereby agree as follows.

1. Section 1 of the Second Addendum be and hereby is amended by inserting the following new definitions as Sections 1(f), 1(g) and 1(h):

“(f) **“Excess Payment”** means an amount equal to the aggregate Additional Host Fees paid from the date hereof through the date such Excess Payment is calculated, minus 6% of aggregate Gross Revenues for such period.”

“(g) **“Reporting”** means making annual reports to the County and as reasonably requested by the County concerning GENERGY’s activities for the planning, permitting, development, construction or operation of a Gas Facility.”

“(h) **“Term”** for purposes of this Second Addendum only shall mean the period commencing on the date hereof and continuing until the later to occur of (i) termination of the Agreement; and (ii) such time as Contractor is no longer actively engaged in the planning, permitting, development, construction or operation of a Gas Facility. Notwithstanding the foregoing, a party may terminate this Second Addendum by thirty (30) days prior written notice in the event that other party breaches any obligation under the Second Addendum and such failure has not been cured in all material respects within such thirty (30) day notice period.”

2. Section 5 of the Second Addendum be and hereby is amended by deleting Section 5 in its entirety and inserting in its stead the following:

“Section 5. Consideration to the County. The County shall be entitled to an amount equal to six percent (6%) of Gross Revenues (**“Additional Host Fees”**) during any calendar year (each such calendar year a **“Revenue Year”**) payable as follows:

- (a) Commencing with the first Revenue Year in which a Gas Facility produces revenue, and continuing until the last day of the second full Revenue Year thereafter (each such Revenue Year an **“Annual Payment Year”**), then on or before February 15 of the year following such Revenue Year, Contractor shall pay to the County an amount equal to 6% of the Gross Revenues received by Contractor with respect to the Gas Facilities’ output for such Revenue Years minus Excess Payments, if any.
- (b) For each Revenue Year that is not an Annual Payment Year (each such Revenue

Year, an "**Advance Payment Year**");

- (i) On or before February 15th of each Advance Payment Year, Contractor shall provide to the County the following information:
 - A. Contractor's good faith projection for the volume of Landfill Gas (in MMBtus) to be received from the Landfill and processed by the Gas Facilities during the following five (5) year period; provided that the parties acknowledge that such projections are by their nature inexact and can be expected to change. For purposes of the payments required hereunder, only the projected volume for the then current Advance Payment Year (a "**Current Projected Volume**") shall apply;
 - B. The product of (x) the average of the D3 Q-RIN price for the five year period ending December 31 of the immediately preceding calendar year (the "**Average D3 RIN Value**") as reported by the United States Environmental Protection Agency (the "**EPA**") (or if the EPA ceases to report on D3 Q-RIN transactions and pricing, a reasonable substitution therefor as determined by Contractor) multiplied by (y) the applicable conversion value to determine the number of D3 Q-Rin's per MMBtu under then prevailing regulations, multiplied by (z) the Current Projected Volume (in MMBtus) (such product, the "**Projected D3 Q-Rin Value**"); and
 - C. Contractor's good faith projection for Gross Revenues from the Gas Facilities for the then current Advanced Payment Year (the "**Projected Revenues**").
 - D. The amount equal to 50% of the greater of (x) the Projected Revenues for the then current Advance Payment year and (y) the Projected D3 Q-Rin Value for then current Advance Payment Year (the "**Advance Payment Amount**").
- (ii) On or before March 31, June 30, September 30, and December 31, of each Fixed Payment Year, Contractor shall pay to the County an amount equal to 25% of the Advanced Payment Amount for such Advance Payment Year (collectively, the "**Advance Payments**").
- (iii) On or before February 15 of each year following an Advance Payment Year, Contractor shall pay to County an amount equal to 6% of the Gross Revenues received by the Contractor from the operation of the Gas Facilities during the immediately prior Fixed Payment Year minus the aggregate Advance Payments made in such Advance Payment Year minus any then existing Excess Payments; provided that the Annual Payment may not be less than \$0 other than upon termination of this Agreement and Excess Payments not applied shall carry-over to the following Revenue Year and be applied against any Additional Host Payments due for such following Revenue Year."

3. Section 6 of the Second Addendum be and herby is amended as follows:

"Assignment. Notwithstanding the provisions of Section 12.2 of the Agreement, the County agrees that Contractor may assign, delegate and/or subcontract this Addendum

and/or all or any part of its Landfill Gas Obligations and its rights with respect thereto under this Addendum to GENERGY LLC, its direct affiliate, Fidem Energy, LLC and its indirect affiliate, Fidem Energy of Polk, LLC.”

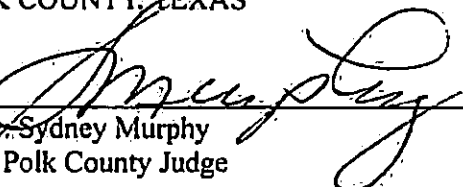
4. To the extent that the terms hereof conflict with the Second Addendum, or the Agreement, the terms of this Amendment shall govern. Except to the extent expressly amended by the terms of this Amendment to Second Addendum, the Second Addendum and the Agreement remain in full force and effect, and the parties hereto acknowledge and ratify the validity and enforceability of the Second Addendum as amended hereby and as assigned to GENERGY LLC.

IN WITNESS THEREOF, the parties hereto have caused their duly authorized representatives to execute this Amendment to the Second Addendum as of the 14th day of May, 2024.

GENERGY, LLC

By: 
Name: George Becknell
Title: Co-Chief Executive Officer

POLK COUNTY, TEXAS

By: 
Name: Sydney Murphy
Title: Polk County Judge