

Agreement

Foreign Trade Subzone 124 A

THIS AGREEMENT is entered into by and between:

Diamond Green Diesel, LLC, 14891 East Airline Highway, Norco, LA 70079 herein represented by Martin Loeber, Attorney – in – Fact.

St. Charles Parish, 15045 River Road, Hahnville, LA 70057 herein represented by Matthew Jewell, Parish President, duly authorized by Ordinance No. _____, dated _____, 2023.

St. Charles Parish School Board, 13855 River Road, Luling, LA 70070, herein represented by Art Aucoin, its President, duly authorized by Resolution of the St. Charles Parish School Board adopted on _____, 2023.

St. Charles Parish Law Enforcement District, 260 Judge Edward Dufresne Parkway, Luling, LA 70070 herein represented by Sheriff Gregory C. Champagne, its Chief Executive Officer.

St. Charles Parish Assessment District, 15045 River Road, Hahnville, LA 70057, herein represented by Assessor Tab Troxler, its Chief Executive Officer.

Hospital Service District No. 1 of the Parish of St. Charles, Louisiana, 1057 Paul Maillard Road, Luling, LA 70070, herein represented by James “Jake” Lemmon, its Chairman.

Pontchartrain Levee District, 2069 Railroad Avenue, Lutcher, LA 70071, herein represented by Senecca Boudreaux, its President, duly authorized by Resolution of the Board of Commissioners adopted on _____, 2023.

WHEREAS, Valero Refining- New Orleans, LLC (VRNO), a wholly owned subsidiary of Valero Energy Corporation, is the current user of Foreign Trade Subzone 124A located in St. Charles Parish, Louisiana, where VRNO operates a petroleum refinery; and

WHEREAS, Diamond Green Diesel, LLC (DGD), an affiliate of Valero Energy Corporation, is in the business of manufacturing renewable fuels, and seeks to expand Subzone 124A to accommodate the operation of the DGD renewable fuels business under Foreign Trade Zone procedures, to include tankage dedicated to DGD at the International – Matex Tank Terminals, LLC (IMTT) St. Rose Terminal, St. Rose Terminal, 11842 River Road, St. Rose, Louisiana to the Subzone’s boundaries; and

WHEREAS, support of St. Charles Parish is needed to move forward with the expansion of Subzone 124A operations to include DGD; and

WHEREAS, the St. Charles Parish Tax Assessor is responsible for listing and valuing all taxable property in St. Charles Parish; and

WHEREAS, Section 810(e) of the Foreign-Trade Zones Act of 1934 (19 USC §810(e)) exempts inventory meeting specified criteria held in an activated Foreign Trade Zone from local ad valorem tax; and

WHEREAS, St. Charles Parish has agreed to support the expansion of Subzone 124A for DGD renewable fuels operations provided that DGD waives application of the tax exemption provided by Section 810(e) to DGD inventory;

NOW, THEREFORE, in exchange for the consideration stated below, it is agreed by the Parties:

1. Letter of Support. St. Charles Parish taxing authorities, agree to execute a letter of support for expansion of Subzone 124A to include DGD operations at the International Matex Tank Terminals, LLC, St. Rose Terminal, 11842 River Road, St. Rose, Louisiana in the form attached as Exhibit "A," and take other actions as may be needed to evidence such support.
2. Waiver of FTZ tax exemption. DGD hereby waives application of the tax exemption provided by Section 810(e) of the Foreign Trade Zone Act with regard to any inventory located within Subzone 124A which is owned by DGD or intended to be used by DGD in its production of renewable fuels. DGD agrees to take no action to claim the exemption provided by Section 810(e), and will pay inventory taxes as if the Foreign Trade Zone did not exist. This waiver applies only to inventories owned by DGD or used in the DGD renewable fuels business, and has no application to any inventory owned or used by VRNO in the production of petroleum products.
3. Assessment. The St. Charles Parish Assessor will list and value, as taxable property, inventory owned or used by DGD in the renewable fuels business without regard to Foreign Trade Zone status of DGD operations. Said assessment shall be taxed as provided by the Laws of the State of Louisiana and the Rules and Regulations of the Louisiana Tax Commission.

Thus done and signed this _____ day of _____ 2023.

Diamond Green Diesel, LLC

St. Charles Parish

By: Martin Loeber, Attorney – in – Fact

By: Matthew Jewell, Parish President

St. Charles Parish School Board

By: Art Aucoin, President

St. Charles Parish Law Enforcement District

By: Gregory C. Champagne, Sheriff

St. Charles Parish Assessment District

By: Tab Troxler, Assessor

Hospital Service District No. 1 of the
Parish of St. Charles, Louisiana

By: James "Jake" Lemmon, President

Pontchartrain Levee District

By: Senecca Boudreaux, President