JEWELL FULTON CANAL FRANCHISE

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS TO WMH CORPUS I, LLC

SECTION 1 GRANT

Subject to the terms and conditions of this franchise, the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), hereby grants to WMH Corpus I, LLC, a Texas limited liability company, whose business address is 8333 Douglas Avenue, Suite 300, Dallas, Texas 75225, its successors and permitted assigns ("Grantee"), for the term specified in this Section 1, all of the rights, privileges, permission and authority hereinafter provided in any Section or portion of this franchise. The term of this franchise shall begin on the later of (i) the date Grantee files its written acceptance of this franchise with the Authority in accordance with Section 13 hereof, or (ii) _______, 2013. The term of this franchise shall end on _____, 2043.

SECTION 2 GRANTEE'S LAND

Grantee is the owner of that certain tract or parcel containing 12.89 acres of land situated in the T. T. Williamson Survey, Abstract No. 295 of San Patricio County, Texas, and being a part of the same property described as 12.88 acres in Exhibit "A" of Gift Deed dated April 1, 2009, from BP America Production Company to the University of Houston System recorded in File No. 590169 of the Official Public Records of San Patricio County, Texas, and also being all of Lots 1-8 in Block 1 and Lots 1-2 in Block 2 and part of Block 3 of Marina Heights Addition according to Plat recorded in Volume 5, Page 1 of the Map Records of San Patricio County, Texas, and also being part of Tract 10 in Block "A" of Caruthers Cove according to Plat recorded in Volume 4, Page 31 of the Map Records of San Patricio County, Texas; and as more particularly described by metes and bounds in Exhibit A attached hereto ("Grantee's Land"), together with the property acquired by Grantee's predecessors in title as a result of various agreements and mutual conveyances between them and Nueces County Navigation District No. 1, all dated as of the 1st day of March, 1955, said mutual conveyances being hereinafter referred to as the "Mutual Conveyances." All of the rights, privileges, permission and authority hereinafter provided for in any Section or portion of this franchise shall be in addition to the rights, privileges, permission and authority acquired by Grantee as successor in title under the Mutual Conveyances. A survey of Grantee's Land is attached hereto as Exhibit B.

SECTION 3 ACCESS TO JEWELL FULTON CANAL

Grantee shall have the right of access to and use of the Jewell Fulton Canal and turning basin lying within Ingleside Cove and Kinney Bayou and shall have the right to erect any bulkheads, piers, docks, wharves and slips, boat houses, club houses, dry boat storage, marine service stations, marine railways on Grantee's Land, and any other facilities thereon necessary to utilize Grantee's Land; provided that such bulkheads, piers, docks, wharves and slips, boat houses, club houses, dry boat storage, marine service stations, marine railways and any other facilities shall not extend beyond the southeast bulkhead line of the Jewell Fulton Canal as such bulkhead line has been established by the Authority and which is the same line as the northwest boundary line of Grantee's Land as shown on the survey of Grantee's Land attached hereto as Exhibit B (the "Southeast Bulkhead Line"). The cost of the erection and construction of all such facilities shall be at the sole cost of Grantee, its successors and permitted assigns. Grantee shall also have the right to cross the Southeast Bulkhead Line from Grantee's Land in order to conduct and perform all such dredging and excavations in, on or under the Authority's submerged lands lying between the Jewell Fulton Canal and Grantee's Land as may be expedient and reasonably necessary as a means of access for ships and other vessels and/or to use the area for the purpose contemplated by this franchise. Grantee may deposit dredge materials and fill on the Grantee's Land or on the premises owned and furnished by Authority and designated by the Authority for such deposits, provided, as to the premises furnished by Authority, an agreement has first been reached between Authority and Grantee on use of the land, on levee and weir construction and the cost thereof, and subject to the rights of the United States in any submerged lands west of the Southeast Bulkhead Line.

SECTION 4 RENTALS

For the rights, privileges, permission and authority granted to it hereunder, Grantee shall pay to Authority a rental calculated upon the movements of property or commodities across the Southeast Bulkhead Line to or from docks and wharves on Grantee's Land and a rental for any actual "local business use" undertaken in and upon Grantee's Land during the term hereof, said rentals to be computed and determined in the following manner:

- (1) For any general cargo business (and by "general cargo business" is meant a business handling the shipment by water of any property or commodity owned by or being purchased or sold by a party other than the holder of this franchise, and being a shipment by water of a property or commodity in the usual sense of cargo transportation, and being a use of Grantee's Land other than a "local business use" as hereinafter defined), a rental based upon the quantity of shipments made and to be equal to fifty percent (50%) of Authority's then current tariff wharfage rate on the same type of commodity or property.
- (2) For a business other than a general cargo business (that is, a business handling the shipment by water of any property or commodity owned by or being purchased or sold by the holder of this franchise, and being a shipment by water of a property or commodity in the usual sense of cargo transportation, and being a use of Grantee's Land other than a "local business"

use" as hereinafter defined) a rental based upon the quantity of the shipments made and to be an amount not more than (a) fifty percent (50%) of the Authority's then current tariff wharfage rate on the same type of property or commodity, or (b) two cents (2ϕ) per long ton of 2,240 U. S. pounds, whichever of the two amounts is smaller; provided that the alternate rate of two cents (2ϕ) per long ton shall be applicable only to the following property or commodities and no other, to-wit: bauxite ore, alumina, cryolite, pitch, coke, flourspar and aluminum billet, blooms, ingot, pigs, and slabs.

(3) The term "local business use," as used herein, shall mean any business use or use for a profit other than the shipment of a property or commodity by water in trade or commerce in the usual sense of carriage of goods by water as cargo. "Local business use" shall not be construed to include pleasure use by the Grantee. By way of illustration, but not in limitation, "local business use", within the meaning of this franchise shall include the following:

operating and providing facilities for the operation of commercial fishing boats; providing berthing space and service facilities for pleasure or commercial boats, including the operation of a marine service station or marine service stations to supply water, fuel, oil and other items necessary for pleasure or commercial boats or vessels; chartering pleasure boats or any kind of boats for hire; operating dredges, tug boats or barges; carrying passengers for hire or on charter for pay; handling vessels for, or movement or shipment of commodities, equipment and supplies used by or in connection with, oil, gas and mineral exploration, drilling and production operations in navigable waters, including loading, unloading, and storage facilities for commodities, equipment and supplies used by or in connection with said oil, gas and mineral exploration, drilling and production operations in navigable waters; the operation of a ship repair or construction yard, or vessels used in connection therewith; and dry boat storage or launching facilities; but "local business use" shall not include pleasure use.

The rental for "local business use" shall be based on the total number of useable linear feet of mooring or berthing space that Grantee has on the faces or sides of any wharf, pier, bulkhead, dry boat storage, or other similar structure erected on Grantee's Land channelward of the minus 2.0-foot contour line below mean low tide (this number of linear feet being referred to herein as "Grantee's Linear Footage"). In the boat storage areas, the sides of piers or catwalks not more than 2.5 feet wide and used as a means to reach mooring lines shall not be included in assessing rental, in which case the useable space to be considered shall be the linear footage center to center of such catwalk or piers or mooring piling for each such berthing space. If both sides of a pier are utilized for berthing purposes, then twice its length shall be counted in determining the lineal footage of berthing space. Outside the boat storage areas, piling or other mooring aids erected in such a manner that vessels may lay against them shall be considered a structure and the linear footage shall be determined by measuring the distance between the outer extremities of such piling or aids; however, single piles which are erected outside any structure for holding mooring lines but not for breasting purposes shall not be included as part of the The Authority's representatives shall have the right to verify the Grantee's Linear Footage from time to time with reasonable notice to Grantee.

All other rental payments provided herein (i.e., all rental payments other than the Local Business Use Rental) shall be paid to the Authority at its offices in Corpus Christi, Texas, at such time or times as the Authority may direct by general rule or regulation which shall be applicable to all persons or parties holding permits or franchises similar to this franchise. Grantee shall keep and maintain a complete and accurate set of books and records of vessels using its facilities and the kinds and amounts of cargos loaded upon or discharged from such vessels and shall make monthly reports thereon together with the proper payment therefor to Authority. Such books and records shall be subject to the inspection of the Authority, its agents and attorneys, at any and all reasonable times.

SECTION 5 CONDITIONS

This franchise is granted with reasonable regulations as to construction and reasonable conditions for the protection of the Authority and its property and the property of its tenants, towit:

- (a) Grantee will at all times conduct its operations upon Grantee's Land so as not to create any unusual fire hazards.
- (b) Grantee will not, for itself or for others, use any portion of Grantee's Land for a railroad terminal.
- (c) Before constructing any structure or commencing any work (including dredging or filling of submerged areas) on Grantee's Land or the Authority's submerged land lying between the Jewell Fulton Canal and the Southeast Bulkhead Line for which a U. S. Department of the Army permit is necessary and before filing application for any such permit, Grantee will submit plans of such structure or the work to be undertaken to the Authority for its approval. Authority shall not refuse to approve such plans without good cause. Grantee must file with the Authority a

- copy of any permit or license it obtains from any governmental agency in connection with any construction or work described in this Section 5, and any documents placing conditions on or amending them in any way.
- To facilitate the Authority's review of the plans described in Section 5(c) above, (d) Grantee shall submit two (2) sets of formal plans that clearly define the project. The drawings must be prepared in a standard engineering format (24" x 36" drawings) and show all physical features and improvements in and around the project site and must be signed and sealed by a Professional Engineer registered in the State of Texas. In addition, a detailed site plan (minimum 1'' = 50' scale) depicting the location and physical layout of the project site and any area to be dredged, adjacent docking facilities, property lines, federal channels, bulkhead lines, existing channel depth elevations, etc., must be included with the formal plans submitted. The site plan must clearly show the bottom of cut line and top of slope line of any planned dredging. If any dredging is planned by Grantee that will, in Authority's judgment, based upon customary dredging operations, result in removal of a substantial quantity of earth or material from, or damage to, adjacent real property, Grantee must obtain the written permission of the adjacent property owner to carry out such dredging for the project and submit it to the Authority with the formal plans.
- (e) Grantee must perform all construction or work described in this Section 5 in conformity with generally accepted building codes and all applicable federal, state and other governmental laws and regulations; and Grantee must comply with any applicable provisions of the code of the National Fire Protection Association.
- (f) Grantee's slips along the Southeast Bulkhead Line shall be maintained at a depth sufficient to prevent vessels berthed at the docks there from striking bottom due to lowering of the water level from passing vessels.

SECTION 6 RULES AND REGULATIONS

Grantee shall comply with the Authority's reasonable written rules and regulations presently in effect or that the Authority may invoke in the future which apply to all individuals or entities holding franchises similar to this franchise and which the Authority provides to Grantee or posts or otherwise publicizes to its franchisees.

SECTION 7 INDEMNITY

Grantee shall indemnify and hold harmless the Authority of and from all expenses and liability for, and resulting from, the negligence of Grantee, its agents or employees, in connection with the exercise by Grantee of the rights and privileges hereby granted. Where the claim, demand, cause of action or damage is the result of the joint negligence of

Grantee and the Authority, the Grantee's obligation of indemnification shall be in proportion to Grantee's share of such joint negligence.

SECTION 8 POLLUTION

Grantee shall take all reasonable precautions to prevent pollution by Grantee of the waters in the Jewell Fulton Canal, Ingleside Cove and Kinney Bayou. Grantee shall use reasonable care in keeping the Grantee's Land neat and clean at all times.

SECTION 9 DEFAULT

In the event of a default of Grantee in the performance of any of the terms and conditions herein stipulated to be done by it, or required of it under any valid laws, rules or regulations of the government of the United States of America or the State of Texas, and in the event such default continues for ninety (90) days after the Authority has sent a written notice by registered or certified United States mail to Grantee at its business address, advising it of the kind, nature, and extent of such default, this franchise shall be subject to forfeiture at the instance of the Authority by suit in a State District Court in Nueces County, Texas.

SECTION 10 ACCEPTANCE; GRANTEE'S LINEAR FOOTAGE

Grantee, within thirty (30) days from the third reading and final passage of this franchise, shall file with the Authority its written acceptance of this franchise and such written acceptance shall be duly acknowledged by the person or persons executing the same. In such acceptance Grantee shall certify to the Authority the number of linear feet of Grantee's Linear Footage as of the date of such acceptance for the calculation of rentals due for local business use. Thereafter, from time to time as the Grantee's Linear Footage increases or decreases, Grantee shall forthwith notify Authority and the rental for local business use shall be adjusted accordingly with the next rental payment due.

SECTION 11 CHANGE IN APPLICABLE LAWS

If the statutes of the State of Texas governing the granting of franchises such as this are amended during the term hereof so as to enable Authority to grant franchises for a longer term than thirty (30) years, then and in that event this franchise, if then in effect and in use, shall be extended for such period of time as will, in the aggregate, amount to the greater period fixed in any such amendment to such statutes, unless such extension is prohibited by such amendment.

SECTION 12 ASSIGNMENT

Grantee may assign this franchise and/or may grant or lease any of the facilities

constructed pursuant to this franchise to any individual, partnership, corporation, or other business entity and any such assignment, grant or lease shall be subject to all of the terms and obligations created under this franchise and Grantee shall not be released thereby from any obligations and duties assumed hereunder; provided, however, if Grantee assigns this franchise and/or leases any of the facilities constructed pursuant to this franchise to any individual, partnership, corporation, or other business entity which holds a permit or franchise on the Jewell Fulton Canal from the Authority similar to this franchise, Grantee shall be released from any further obligations and duties assumed hereunder only insofar as such obligations and duties arise from and after the effective date of such assignment, grant or lease, it being specifically understood that any such assignment, grant or lease shall not have the effect of releasing Grantee from any obligations or duties assumed hereunder which may have accrued at any time prior to the effective date of such assignment, grant or lease.

SECTION 13 GENERAL

All covenants, conditions and agreements of this franchise shall apply to and be binding upon the Authority and Grantee and their respective legal representatives, successors and permitted assigns (when assignment is made in accordance with the provisions hereof). This franchise is made under the applicable laws of the State of Texas and if any term, clause, provision, part or portion of this franchise shall be adjudged invalid or illegal for any reason, the validity of any other part or portion hereof shall not be affected thereby, and the invalid or illegal portion thereof shall be deleted and ignored as if the same had not been written herein. If any of the rights and authorities granted hereunder are in excess of the authority of the Authority, then the rights and authorities shall be limited to such as the Authority is authorized to grant, under the applicable laws. The failure of Grantee or of the Authority to insist upon the strict performance of any of the covenants and conditions of this franchise, or the consent, either express or implied, of either party hereto to any act or omission by the other party in breach or default hereof, shall not be deemed or construed to be a waiver of any such covenants or condition except for that particular instance only and shall not constitute or be construed as a waiver of such covenant or condition or of any further or future breach or default thereof.

SECTION 14 PASSAGE

A majority of the Authority's Port	Commissioners voted to grant	this franchise at
meetings of the Port Commission held on	, 2013,	, 2013, and
, 2014, and the final form	of this franchise was approved a	at the last of such
meetings.		

[Signature page follows this page]

	authority has caused this franchise to be signed by the attested by the Secretary of the Port Commission this
	Chairman of the Port Commission of Port of Corpus Christi Authority of Nueces County, Texas
ATTEST:	
Secretary of the Por Commission of Port of Corpus Christi Authority of Nueces County, Texas	t
STATE OF TEXAS § \$ COUNTY OF NUECES §	
This instrument was acknowledge by, Christi Authority of Nueces County, Texa	d before me on day of, 2014, Chairman of the Port Commission of Port of Corpus as, and, Secretary of Christi Authority of Nueces County, Texas, on behalf of
	NOTARY PUBLIC, STATE OF TEXAS

EXHIBIT A LEGAL DESCRIPTION OF GRANTEE'S LAND

EXHIBIT A WMH CORPUS I, LLC FRANCHISE

PROPERTY DESCRIPTION 12.89 ACRES

STATE OF TEXAS	}
COUNTY OF SAN PATRICIO	- 1

All of that certain tract or parcel containing 12.89 acres situated in the T. T. Williamson Survey, Abstract No. 295 of San Patricio County, Texas and being a part of the same property described as 12.88 acres in Exhibit "A" of Gift Deed dated April 1, 2009 from BP America Production Company to the University of Houston System recorded in File No. 590169 of the Official Records of San Patricio County, Texas and also being all of Lots 1-8 in Block 1 and Lots 1-2 in Block 2 and part of Block 3 of Marina Heights Addition according to Plat recorded in Volume 5, Page 1 of the Map Records of San Patricio County, Texas and also being part of Tract 10 in Block "A" of Caruther Cove according to Plat recorded in Volume 4, Page 31 of the Map Records of San Patricio County, Texas. This 12.89 acres is more particularly described by metes and bounds as follows:

BEGINNING at an existing 5/8 inch iron rod located in the Northwest line of Farm-to-market Road No. 1069 and at the South corner of a tract conveyed to Northshore Boatworks described in deed recorded in File No. 531779 of the San Patricio County Official Records and at the Northeast corner of the above referenced 12.88 acre tract for the Northeast corner of this 12.89 acres being described;

THENCE South 15° 30' 27" West (Base Bearing) [deed call = South 15° 30' 27" West], with the Northwest line of Farm-to-market Road No. 1069 and the East line of the said 12.88 acre tract, a distance of 702.49 feet [deed call =702.27 feet] to an existing 1/2 inch iron rod located at the Northeast corner of a tract conveyed to Signet Maritime Corporation described in deed recorded in File No. 579085 of the San Patricio County Official Records and at the Southeast corner of the said 12.88 acre tract for the Southeast corner of this 12.89 acres being described;

THENCE South 87° 29' 49" West [deed call = South 87° 30' 27" West], with the North line of the said Signet Maritime Corporation tract and the South line of the said 12.88 acre tract, a distance of 711.91 feet [deed call =711.76 feet] to an existing punchmark in concrete located at an interior corner of the said Signet Maritime Corporation tract and the South corner of the said 12.88 acre tract for the South corner of this 12.89 acres being described;

THENCE North 58° 35' 34" West [deed call = North 58° 34' 56" West], with the Northwest line of the said Signet Maritime Corporation tract and the Southwest line of the said 12.88 acre tract, a distance of 320.66 feet [deed call = 320.66 feet] to the Southeast line of a tract conveyed to Nueces County Navigational District No. 1 described in deed recorded in Volume 522, Page 201 of the San Patricio County Deed Records and at the Northwest corner of the said Signet Maritime Corporation tract and at the Southwest corner of the said 12.88 acre tract for the Southwest corner of this 12.89 acres being described;

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PROPERTY DESCRIPTION 12.89 ACRES

(continued)

THENCE North 50° 40′ 12″ East [deed call = North 50° 41′ 10″ East], with the Southeast line of the said Nueces County Navigational District No. 1 tract and the West line of the said 12.88 acre tract, a distance of 1034.97 feet [deed call =1034.61 feet] to the Southwest corner of the said Northshore Boatworks tract and the Northwest corner of the said 12.88 acre tract for the Northwest corner of this 12.89 acres being described;

THENCE South 43° 05' 45" East [deed call = South 43° 05' 56" East], with the Southwest line of the said Northshore Boatworks tract and an interior line of the said 12.88 acre tract, a distance of 169.66 feet [deed call =169.66 feet] to an existing punchmark in concrete located at the South corner of the said Northshore Boatworks tract and at an interior corner of the said 12.88 acre tract for an interior corner of this 12.89 acres being described;

THENCE North 88° 01' 23" East [deed call = North 88° 01' 12" East], with the Southeast line of the said Northshore Boatworks tract and an interior line of the said 12.88 acre tract, a distance of 256.41 feet [deed call =256.27 feet] to the PLACE OF BEGINNING, containing within these metes and bounds 12.89 acres.

This property description and a plat were prepared from a survey made on the ground under my direction on February 19, 2013.

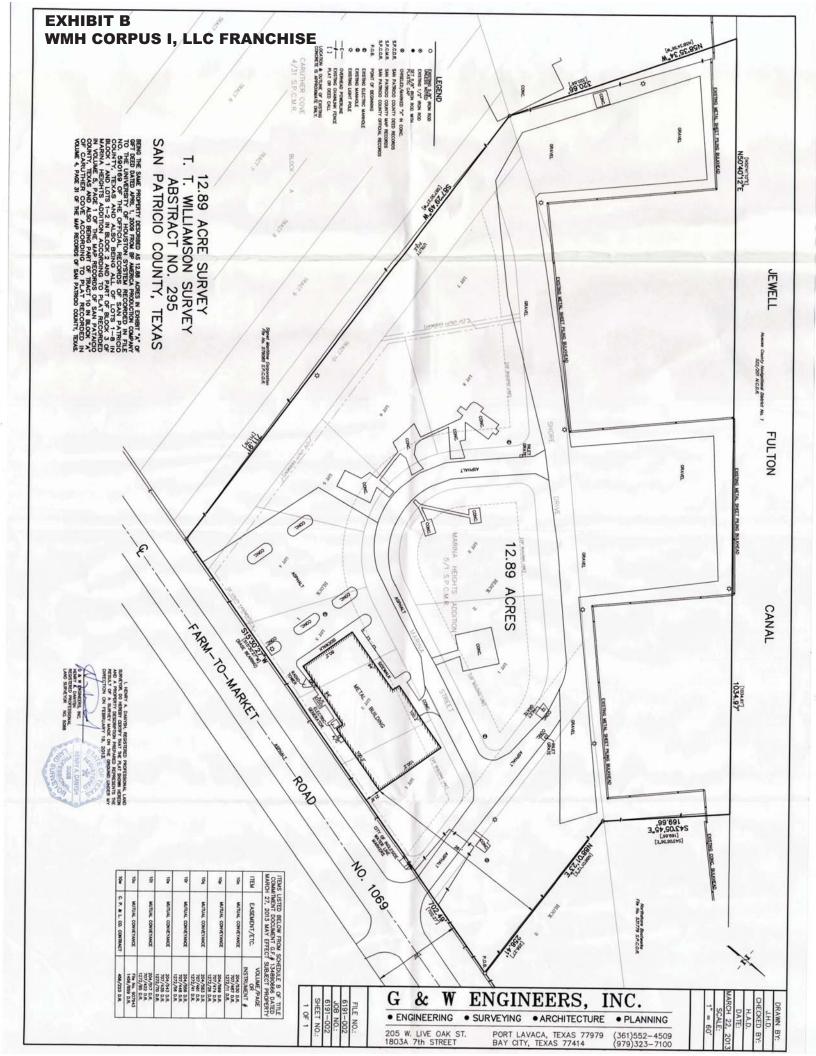
G & W ENGINEERS, INC Henry A. Danysh

Registered Professional Land Surveyor, No. 5088 HENRY A. DANYSH

SOBRESSION

SURVE

EXHIBIT B MAP OF GRANTEE'S LAND AND SOUTHEAST BULKHEAD LINE



ACCEPTANCE OF GRANTEE

WMH Corpus I, LLC, hereby accepts the above and foregoing franchise and agrees to be bound thereby.

WMH Corpus I, LLC, hereby certifies that Grantee's Linear Footage (as defined in

WMH Corpus I, LLC, hereby c	ertifies that Grantee's Linear Footage (as defined in
Section 4 of the foregoing franchise) is 17	767 linear feet as of the date of this acceptance.
EXECUTED this day of	, 2014.
	WMH CORPUS I, LLC
	Ву:
	Name:
	Title:
STATE OF TEXAS \$ COUNTY OF \$	
This instrument was acknowledge	d before me on day of, 2014,
Corpus I, LLC, ali	
	NOTARY PUBLIC, STATE OF TEXAS