

SUPPLEMENTAL NOTICE OF MEETING BY TELEPHONE CONFERENCE:

In accordance with the order of the Office of the Governor issued March 16, 2020, the Board of Directors of the Gulf Coast Industrial Development Authority will conduct the meeting scheduled at 10:00 o'clock a.m., March 25, 2020 at Gulf Coast Authority, Executive Conference Room by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called "social distancing") to slow the spread of the Coronavirus (COVID-19). [There will be no public access to the location described above.]

This supplemental written notice, the meeting agenda and the agenda packet are posted online at GCATX.ORG [<https://www.gcatx.org/why-gca/board-meeting-agendas/>]

The public toll-free dial-in number to participate in the telephonic meeting is 1 (866) 215-5503, Passcode: 6917902#.

The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting.

A recording of the telephonic meeting will be made and will be available to the public in accordance with the Open Meetings Act upon written request.

Gulf Coast Industrial Development Authority

NOTICE

In accordance with Chapter 551, Texas Government Code, take notice that the Board of Directors of Gulf Coast Industrial Development Authority will meet in SPECIAL SESSION closed to the public, on March 25, 2020 at 10:00 o'clock a.m., in the GULF COAST AUTHORITY, Executive Conference Room, 910 Bay Area Boulevard, Houston, Texas 77058, within the Authority, Harris County, Texas. At this meeting, the Board will consider the following matters:

1. Public comments, if any, on Agenda Items 2 and 3.
2. Resolution 01-2020 with respect to the Issuance of Bonds to Finance Environmental Facilities for American Synthetic Fuels, LLC.
3. Resolution 02-2020 with respect to the Issuance of Bonds to Finance Facilities for Zest – TX, LLC.



Elizabeth Fazio Hale, Secretary
Gulf Coast Industrial Development Authority

RESOLUTION 01-2020

RESOLUTION
WITH RESPECT TO THE ISSUANCE OF BONDS TO FINANCE
ENVIRONMENTAL FACILITIES FOR AMERICAN SYNTHETIC FUELS, LLC

WHEREAS, the Gulf Coast Industrial Development Authority (the "Issuer") is a nonprofit industrial development corporation duly organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act, Chapter 501, Texas Local Government Code, as amended (the "Act") created by the Gulf Coast Authority (the "Governmental Unit"); and

WHEREAS, American Synthetic Fuels, LLC., a Texas limited liability company, has advised the Issuer that American Synthetic Fuels, LLC, or one of its parent, subsidiary, affiliate or related corporations, entities, or divisions (collectively referred to herein as the "User") is considering proceeding with the acquisition, improvement, installation, and construction of an environmental facilities project located within Chambers County, Texas, and all property and equipment related to the foregoing, as described in Exhibit A attached hereto (the "Project"); and

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with the Project would be a commitment and agreement by the Issuer to issue renewable sustainable green energy industrial development revenue bonds pursuant to the Act (whether in one or more issues, collectively, the "Bonds") to finance and pay for the Project; and

WHEREAS, the User has proposed to the Issuer that the User will be further induced to proceed with the Project if the Issuer will make such commitment and agreement and adopt this Resolution; and

WHEREAS, the User has made within 60 days prior to the passage of this Resolution, and expects to make, on or after the passage of this Resolution all the expenditures relating to the Project (the "Expenditures"); and

WHEREAS, the Issuer reasonably expects (based upon information supplied by the User, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the User or persons acting on its behalf for the Expenditures with the proceeds of the Bonds; and

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall, in accordance with its provisions, constitute the commitment and agreement of the Issuer to issue the Bonds in such aggregate principal amount, now estimated not to exceed Eight Hundred Million Dollars (\$800,000,000), as is actually required to finance and pay for the Project; and

WHEREAS, the Issuer finds, considers, and declares that the issuance of the Bonds in such amount and for such purpose will be appropriate and consistent with the objectives of the Act, and that the adoption of this Resolution is and constitutes, and is intended as, (i) an inducement to the User to proceed with providing for the Project, (ii) the taking of affirmative official action by the Issuer, acting by and through its Board of Directors, towards the issuance of the Bonds, and that such action is, and is intended to be, similar to the adoption of a bond resolution, within the meaning of Section 1.103-8(a)(5) of the Federal Treasury Regulations and (iii) the declaration of the intention of the Issuer, in accordance with the provisions of Section 1.150-2 of the Federal Treasury Regulations to reimburse Expenditures at such time as the Bonds are issued.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF GULF COAST INDUSTRIAL DEVELOPMENT AUTHORITY THAT:

Section 1. The Issuer is committed and agrees as follows:

(a) To adopt a bond resolution or bond resolutions prepared by Bond Counsel, when requested by the User, authorizing the issuance of Bonds pursuant to the Act, and to issue the Bonds, subject to the requirements of the Act, including any consents of other political subdivisions required by the Act, the execution of the appropriate agreements or contracts described in (b), below, and the sale of the Bonds under terms and conditions satisfactory to the Issuer and the User, to finance and pay for Project, including amounts sufficient to pay the fees, expenses, and costs in connection with such issuance, including an amount adequate to reimburse the Issuer and/or the Governmental Unit for administrative and overhead expenses and costs with respect to the Bonds and the Project, with the Bonds to be payable from payments by the User, and from any other sources approved by the Issuer, to the Issuer and/or to a corporate trustee under a trust indenture securing the Bonds in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable.

(b) Prior to the issuance of the Bonds when requested by the User, to enter into such loan agreement, installment sale agreement, lease, and/or any other appropriate contracts or agreements between the Issuer and the User as are mutually acceptable in all respects to the Issuer and the User, under which the User will be obligated to make payments, or cause to be made, to the Issuer and/or to a corporate trustee in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable, and with such payments also to be sufficient to defray the Issuer's and/or Governmental Unit's administrative, overhead, and other expenses and costs with respect to the Bonds and the Project.

(c) To take, or cause to be taken, such other action, and to execute such additional contracts and agreements mutually agreeable to the Issuer and the User in all respects, when requested by the User as may be required in accordance with the Act and this Resolution to cause the issuance of the Bonds.

(d) To apply, as may be required from time to time, for any necessary allocation of state volume cap to the Bonds. In this regard, McCall, Parkhurst & Horton L.L.P., Bond Counsel for the Issuer, is hereby designated as the Issuer's Authorized Representative and is authorized and directed, for and on behalf of the Issuer, to make and execute any necessary applications and documents in connection with the allocation of state volume cap to the Bonds and to take any and all other actions required or authorized by the Texas Bond Review Board or the Governor of the State of Texas for the obtaining of such allocation.

Section 2. By the acceptance of this Resolution and proceeding with the Project, the User thereby agrees that (i) it will fully indemnify and hold the Issuer and the Governmental Unit harmless from any and all damages, losses, and reasonable expenses, including attorneys' fees, arising at any time from or with respect to the Project (except those resulting from gross negligence or willful misconduct of the Issuer), and (ii) if the Bonds are substantially documented and readied for closing and the transaction does not proceed to closing primarily because of the User's refusal (or abandonment of its efforts) to close the transaction, then it will pay or reimburse the Issuer and the Governmental Unit for all reasonable and necessary out-of-pocket expenses, including attorneys' fees and expenses and the fees and expenses of other consultants, which the Issuer and the Governmental Unit may have incurred at the request of the User arising from the performance or attempted performance by the Issuer of its

obligations hereunder. The provisions of this Section 2 will not survive any successful closing of a particular issue of Bonds with respect to such issue, but rather will be deemed merged into the relevant loan or installment sale agreement and other closing documents.

Section 3. The adoption of this Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing for the Project, and said proposal and acceptance shall constitute an agreement between the Issuer and the User in accordance with the provisions of this Resolution.

Section 4. The Issuer reasonably expects (based upon information supplied by the User, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the Expenditures with the proceeds of the Bonds.

Section 5. This Resolution may be assigned at any time, in whole or in part, to the Governmental Unit which shall assume all rights, duties, and obligations of the Issuer hereunder.

EXHIBIT "A"

DESCRIPTION OF FACILITIES

The Project consists of real estate, equipment, and other facilities to be acquired, improved, installed and constructed for the use as a energy facility using as fuel solid and liquid waste, a diversity of fuels both fuel grade and sub-fuel grade, recycling facilities or resource recovery facilities at a facility constructed by the Company in Eastern Chambers County Texas.

The Project will be designed around a closed-cycle rotary kiln power plant that is an oxy-fuel design and can utilize any carbon based fuel in any diversity of blends or feedstocks using any interchangeable combinations of coal, pet coke, car tires, municipal solid waste, wood, biomass resources, tank sludge, toxic waste and chemical plant and refinery waste. The Project includes facilities for purchase/handling/sorting/recycling and the production and collection of carbon dioxide, fly-ash, volcanic glass, demineralized and distilled water, sterile soil, oxygen, and hydrogen. The technology planned to be used, by the RK facility is known as the ZEROS B Zero-emission Energy Recycling Oxidation System. The ZEROS generic process consists of a rotary kiln with a secondary combustion chamber (after burner), a heat recovery steam generator, and steam turbine generator. The thermal chambers are fueled with oxygen as opposed to ambient air thereby eliminating the nitrox oxides formed from combustion. Metals and silicates are removed from the rotary kiln by ash drag and quenched to form chemically inert volcanic glass and/or metallic slag; lighter products are removed by cyclone separator, bag-house, precipitator, and a cryogenic process resulting in the ultimate capture of all trace gasses, solids, liquid CO₂, and distilled/demineralized water. Also included in the Project are storage tanks for oxygen, hydrogen, demineralized/ distilled water, storm water storage, fly-ash, volcanic glass and metal slag bins/silos. The Project is eligible for the Internal Revenue Service 45Q Carbon Capture credits at 1.5 million credits per year.

The Project will also include equipment, piping, utilities or support systems and related storage, handling and other structures and buildings, including such facilities as may be subordinate and related to the treatment and disposal of such waste. The function of the facilities is to provide for waste removal, reduction, alteration, recycling or disposal by any combination of chemical, physical, or biological processes, or for construction of storage, disposal, or recycling facilities. These facilities include modifications to any of the foregoing, for treatment and disposal of solid waste.

CERTIFICATE FOR RESOLUTION 01-2020

THE STATE OF TEXAS :
GULF COAST INDUSTRIAL DEVELOPMENT AUTHORITY :

We, the undersigned officers of the Board of Directors of Gulf Coast Industrial Development Authority, hereby certify as follows:

1. The Board of Directors of said Corporation convened in SPECIAL MEETING ON THE ____ DAY OF _____, 2020, at the designated meeting place and the roll was called of the duly constituted officers and members of said Board, to-wit:

W. Chris Peden, President
Lori Traweek, Vice President
Elizabeth Fazio Hale, Secretary

All of said persons were present, except the following absentees: _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

RESOLUTION WITH RESPECT TO THE ISSUANCE OF BONDS TO FINANCE ENVIRONMENTAL FACILITIES FOR ZEST - TX, LLC

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present above voted "Aye"; except _____.

NOES: _____.

ABSTENTIONS: _____.

2. That a true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board's minutes of said Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from said Board's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Board as indicated therein; and that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in accordance with the Bylaws of the Authority, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that the Meeting was open to the public, and public notice of the time, place and purpose of

the Meeting was given, all as required by Articles 5190.6, V.A.T.C.S., as amended and Chapter 551, Texas Government Code.

SIGNED AND SEALED the ____ day of _____, 2020.

Secretary, Board of Directors

President, Board of Directors

(SEAL)

RESOLUTION 02-2020

RESOLUTION
WITH RESPECT TO THE ISSUANCE OF BONDS TO FINANCE
FACILITIES FOR ZEST - TX, LLC

WHEREAS, the Gulf Coast Industrial Development Authority (the "Issuer") is a nonprofit industrial development corporation duly organized and existing under the laws of the State of Texas, including particularly the Development Corporation Act, Chapter 501, Texas Local Government Code, as amended (the "Act") created by the Gulf Coast Authority (the "Governmental Unit"); and

WHEREAS, Zest - Tx, LLC., a Texas limited liability company, has advised the Issuer that Zest - Tx, LLC, or one of its parent, subsidiary, affiliate or related corporations, entities, or divisions (collectively referred to herein as the "User") is considering proceeding with the acquisition, improvement, installation, and construction of an environmental facilities project located within Chambers County, Texas, and all property and equipment related to the foregoing, as described in Exhibit A attached hereto (the "Project"); and

WHEREAS, the User has advised the Issuer that a contributing factor which would further induce the User to proceed with the Project would be a commitment and agreement by the Issuer to issue renewable sustainable green energy industrial development revenue bonds pursuant to the Act (whether in one or more issues, collectively, the "Bonds") to finance and pay for the Project; and

WHEREAS, the User has proposed to the Issuer that the User will be further induced to proceed with the Project if the Issuer will make such commitment and agreement and adopt this Resolution; and

WHEREAS, the User has made within 60 days prior to the passage of this Resolution, and expects to make, on or after the passage of this Resolution all the expenditures relating to the Project (the "Expenditures"); and

WHEREAS, the Issuer reasonably expects (based upon information supplied by the User, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the User or persons acting on its behalf for the Expenditures with the proceeds of the Bonds; and

WHEREAS, the Issuer finds, intends, and declares that this Resolution shall, in accordance with its provisions, constitute the commitment and agreement of the Issuer to issue the Bonds in such aggregate principal amount, now estimated not to exceed Eight Hundred Million Dollars (\$800,000,000), as is actually required to finance and pay for the Project; and

WHEREAS, the Issuer finds, considers, and declares that the issuance of the Bonds in such amount and for such purpose will be appropriate and consistent with the objectives of the Act, and that the adoption of this Resolution is and constitutes, and is intended as, (i) an inducement to the User to proceed with providing for the Project, (ii) the taking of affirmative official action by the Issuer, acting by and through its Board of Directors, towards the issuance of the Bonds, and that such action is, and is intended to be, similar to the adoption of a bond resolution, within the meaning of Section 1.103-8(a)(5) of the Federal Treasury Regulations and (iii) the declaration of the intention of the Issuer, in accordance with the provisions of Section 1.150-2 of the Federal Treasury Regulations to reimburse Expenditures at such time as the Bonds are issued.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF GULF COAST INDUSTRIAL DEVELOPMENT AUTHORITY THAT:

Section 1. The Issuer is committed and agrees as follows:

(a) To adopt a bond resolution or bond resolutions prepared by Bond Counsel, when requested by the User, authorizing the issuance of Bonds pursuant to the Act, and to issue the Bonds, subject to the requirements of the Act, including any consents of other political subdivisions required by the Act, the execution of the appropriate agreements or contracts described in (b), below, and the sale of the Bonds under terms and conditions satisfactory to the Issuer and the User, to finance and pay for Project, including amounts sufficient to pay the fees, expenses, and costs in connection with such issuance, including an amount adequate to reimburse the Issuer and/or the Governmental Unit for administrative and overhead expenses and costs with respect to the Bonds and the Project, with the Bonds to be payable from payments by the User, and from any other sources approved by the Issuer, to the Issuer and/or to a corporate trustee under a trust indenture securing the Bonds in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable.

(b) Prior to the issuance of the Bonds when requested by the User, to enter into such loan agreement, installment sale agreement, lease, and/or any other appropriate contracts or agreements between the Issuer and the User as are mutually acceptable in all respects to the Issuer and the User, under which the User will be obligated to make payments, or cause to be made, to the Issuer and/or to a corporate trustee in such sums as are necessary to pay the principal of, interest on, and redemption premium, if any, together with the paying agents' and trustee's fees on, the Bonds, as and when the same shall become due and payable, and with such payments also to be sufficient to defray the Issuer's and/or Governmental Unit's administrative, overhead, and other expenses and costs with respect to the Bonds and the Project.

(c) To take, or cause to be taken, such other action, and to execute such additional contracts and agreements mutually agreeable to the Issuer and the User in all respects, when requested by the User as may be required in accordance with the Act and this Resolution to cause the issuance of the Bonds.

(d) To apply, as may be required from time to time, for any necessary allocation of state volume cap to the Bonds. In this regard, McCall, Parkhurst & Horton L.L.P., Bond Counsel for the Issuer, is hereby designated as the Issuer's Authorized Representative and is authorized and directed, for and on behalf of the Issuer, to make and execute any necessary applications and documents in connection with the allocation of state volume cap to the Bonds and to take any and all other actions required or authorized by the Texas Bond Review Board or the Governor of the State of Texas for the obtaining of such allocation.

Section 2. By the acceptance of this Resolution and proceeding with the Project, the User thereby agrees that (i) it will fully indemnify and hold the Issuer and the Governmental Unit harmless from any and all damages, losses, and reasonable expenses, including attorneys' fees, arising at any time from or with respect to the Project (except those resulting from gross negligence or willful misconduct of the Issuer), and (ii) if the Bonds are substantially documented and readied for closing and the transaction does not proceed to closing primarily because of the User's refusal (or abandonment of its efforts) to close the transaction, then it will pay or reimburse the Issuer and the Governmental Unit for all reasonable and necessary out-of-pocket expenses, including attorneys' fees and expenses and the fees and expenses of other consultants, which the Issuer and the Governmental Unit may have incurred at the request of the User arising from the performance or attempted performance by the Issuer of its

obligations hereunder. The provisions of this Section 2 will not survive any successful closing of a particular issue of Bonds with respect to such issue, but rather will be deemed merged into the relevant loan or installment sale agreement and other closing documents.

Section 3. The adoption of this Resolution shall be deemed to constitute the acceptance of the User's proposal that it be further induced to proceed with providing for the Project, and said proposal and acceptance shall constitute an agreement between the Issuer and the User in accordance with the provisions of this Resolution.

Section 4. The Issuer reasonably expects (based upon information supplied by the User, upon which it is reasonable and prudent for the Issuer to rely) to reimburse the Expenditures with the proceeds of the Bonds.

Section 5. This Resolution may be assigned at any time, in whole or in part, to the Governmental Unit which shall assume all rights, duties, and obligations of the Issuer hereunder.

EXHIBIT "A"

DESCRIPTION OF FACILITIES

The Project consists of real estate, equipment, and other facilities to be acquired, improved, installed and constructed for the use as a energy facility using as fuel solid and liquid waste, a diversity of fuels both fuel grade and sub-fuel grade, recycling facilities or resource recovery facilities at a facility constructed by the Company in Northwest Chambers County Texas.

The Project will be designed around a closed-cycle rotary kiln power plant that is an oxy-fuel design and can utilize any carbon based fuel in any diversity of blends or feedstocks using any interchangeable combinations of coal, pet coke, car tires, municipal solid waste, wood, biomass resources, tank sludge, toxic waste and chemical plant and refinery waste. The Project includes facilities for purchase/handling/sorting/recycling and the production and collection of carbon dioxide, fly-ash, volcanic glass, demineralized and distilled water, sterile soil, oxygen, and hydrogen. The technology planned to be used, by the RK facility is known as the ZEROS - Zero-emission Energy Recycling Oxidation System. The ZEROS generic process consists of a rotary kiln with a secondary combustion chamber (after burner), a heat recovery steam generator, and steam turbine generator. The thermal chambers are fueled with oxygen as opposed to ambient air thereby eliminating the nitrox oxides formed from combustion. Metals and silicates are removed from the rotary kiln by ash drag and quenched to form chemically inert volcanic glass and/or metallic slag; lighter products are removed by cyclone separator, bag-house, precipitator, and a cryogenic process resulting in the ultimate capture of all trace gasses, solids, liquid CO₂, and distilled/demineralized water. Also included in the Project are storage tanks for oxygen, hydrogen, demineralized/ distilled water, storm water storage, fly-ash, volcanic glass and metal slag bins/silos. The Project is eligible for the Internal Revenue Service 45Q Carbon Capture credits at 1.5 million credits per year.

The Project will also include equipment, piping, utilities or support systems and related storage, handling and other structures and buildings, including such facilities as may be subordinate and related to the treatment and disposal of such waste. The function of the facilities is to provide for waste removal, reduction, alteration, recycling or disposal by any combination of chemical, physical, or biological processes, or for construction of storage, disposal, or recycling facilities. These facilities include modifications to any of the foregoing, for treatment and disposal of solid waste.

CERTIFICATE FOR RESOLUTION 02-2020

THE STATE OF TEXAS :
GULF COAST INDUSTRIAL DEVELOPMENT AUTHORITY :

We, the undersigned officers of the Board of Directors of Gulf Coast Industrial Development Authority, hereby certify as follows:

1. The Board of Directors of said Corporation convened in SPECIAL MEETING ON THE ____ DAY OF _____, 2020, at the designated meeting place and the roll was called of the duly constituted officers and members of said Board, to-wit:

W. Chris Peden, President
Lori Traweek, Vice President
Elizabeth Fazio Hale, Secretary

and all of said persons were present, except the following absentees: _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written

RESOLUTION WITH RESPECT TO THE ISSUANCE OF BONDS TO FINANCE ENVIRONMENTAL FACILITIES FOR AMERICAN SYNTHETIC FUELS, LLC

was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that said Resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board shown present above voted "Aye";
except _____.

NOES: _____.

ABSTENTIONS: _____.

2. That a true, full, and correct copy of the aforesaid Resolution adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in said Board's minutes of said Meeting; that the above and foregoing paragraph is a true, full, and correct excerpt from said Board's minutes of said Meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of said Board as indicated therein; and that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in accordance with the Bylaws of the Authority, in advance, of the time, place, and purpose of the aforesaid Meeting, and that said Resolution would be introduced and considered for adoption at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose; and that the Meeting was open to the public, and public notice of the time, place and purpose of the Meeting was given, all as required by Articles 5190.6, V.A.T.C.S., as amended and Chapter 551, Texas Government Code.

SIGNED AND SEALED the ____ day of _____, 2020.

Secretary, Board of Directors

President, Board of Directors

(SEAL)