

**FOURTH AMENDMENT TO PERSONAL PROPERTY LEASE AGREEMENT**  
(2002 Lease-Refinery)

THIS FOURTH AMENDMENT TO PERSONAL PROPERTY LEASE AGREEMENT ("Fourth Amendment") is made and entered into as of the 31st day of December, 2011, by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE**, a public nonprofit corporation organized and existing under the laws of the State of Tennessee ("Board" or "Lessor"), and, **VALERO REFINING COMPANY-TENNESSEE, L.L.C.**, a Delaware limited liability company, formerly known as **PREMCOR GENERATING LLC** ("Lessee").

Recitals of Fact

WHEREAS, Lessor entered into that certain Personal Property Lease Agreement (the "Lease") dated as of December 31, 2002 with Williams Refining & Marketing, L.L.C. ("Williams), pursuant to which Lessor has leased to Williams certain personal property, as more particularly described in the Lease;

WHEREAS, Williams executed that certain 2002 Bill of Sale (the "2002 Bill of Sale") dated as of December 31, 2002, pursuant to which Williams conveyed to Lessor certain personal property (the "2002 Property"), which 2002 Property is more particularly described in the 2002 Bill of Sale;

WHEREAS, Williams assigned all of its rights and interests under the Lease to Lessee and Lessor consented to such assignment pursuant to an assignment and assumption of personal property lease agreement;

WHEREAS, Lessee executed that certain 2003 Bill of Sale (the "2003 Bill of Sale") dated as of December 31, 2003, pursuant to which Lessee has conveyed to Lessor certain personal property (the "2003 Property"), which 2003 Property is more particularly described in the 2003 Bill of Sale;

WHEREAS, Lessor and Lessee amended the Lease as of December 31, 2003 in order to include the 2003 Property as part of the property leased to Lessee pursuant to the Lease;

WHEREAS, Lessee executed that certain 2004 Bill of Sale (the "2004 Bill of Sale") dated as of December 31, 2004, pursuant to which Lessee has conveyed to Lessor certain personal property (the "2004 Property"), which 2004 Property is more particularly described in the 2004 Bill of Sale;

WHEREAS, Lessor and Lessee amended the Lease as of December 31, 2004 in order to include the 2004 Property as part of the property leased to Lessee pursuant to the Lease;

WHEREAS, Lessor and Lessee entered into that certain Third Amendment to Personal Property Lease Agreement (the "Third Amendment") dated as of December 31, 2006 to which the parties removed certain personal property that qualified for exemption under a separate provision of the Tennessee Code Annotated;

WHEREAS, pursuant to Lessee's PILOT Application, Lessee was to participate in Lessor's Job Plus program and, upon compliance with the Jobs Plus requirements during the Term of the Lease, would be awarded a two-year lease extension;

WHEREAS, Lessee has recently applied and been approved for a Retention PILOT beginning in 2011, pursuant to which Lessee will participate in Lessor's Diversity Program under the provisions of Lessor's revised program guidelines;

WHEREAS, the parties desire to terminate Lessee's continued participation in Jobs Plus program for the Lease, as amended, and, in the alternative, Lessee will participate in the Diversity Program for its Retention PILOT;

WHEREAS, due to the early termination of the Jobs Plus program, Lessor has agreed to provide Lessee with a lease extension of one-year instead of the two-year extension originally contemplated by the Jobs Plus agreement;

NOW, THEREFORE, in consideration of the premises as set forth in the Recitals of Fact, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Lessor and Lessee covenant and agree as follows:

Agreements

1. Personal Property Term. Sections 3.01 and 6.02 of Lease are hereby amended to provide that the Term (a/k/a Period) shall end on December 31, 2016.
2. Termination of Jobs Plus Participation. For the years 2011 and following, Lessee shall no longer participate in the Jobs Plus Program, but instead participate in the Diversity Program under its Retention PILOT.
3. Ratification; Miscellaneous. Lessor and Lessee hereby agree that, as modified hereby, the Lease is ratified and confirmed in all respects and shall remain in full force and effect. This Fourth Amendment shall be governed by and construed in accordance with the laws of the State of Tennessee. This Fourth Amendment may be executed in one or more counterparts, which when taken together shall constitute but one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Fourth Amendment to Personal Property Lease Agreement effective as of the day and year first above written.

**THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF MEMPHIS AND COUNTY  
OF SHELBY, TENNESSEE**

By: AL R1  
Title: Chairman

ATTEST:

By: Cheryl Puloffa  
Title: Executive Director

**VALERO REFINING COMPANY-  
TENNESSEE, L.L.C. (f/k/a Premcor  
Generating LLC)**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, Lessor and Lessee have executed this Fourth Amendment to Personal Property Lease Agreement effective as of the day and year first above written.

**THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF MEMPHIS AND COUNTY  
OF SHELBY, TENNESSEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**VALERO REFINING COMPANY-  
TENNESSEE, L.L.C. (f/k/a Premcor  
Generating LLC)**

By: Ray B. Hunt Jr.  
Title: Senior Vice President

2005 Lease