



THE INDUSTRIAL DEVELOPMENT BOARD  
OF THE CITY OF MEMPHIS  
AND  
COUNTY OF SHELBY, TENNESSEE  
125 N. Main Street, Suite 468  
Memphis, Tennessee 38103  
(901) 576-7107 (Telephone)  
(901) 576-7101 (Telecopier)

TRANSMITTAL MEMO

TO:  Kristi Francavilla, Trustee's Office  
 Anita Felton-Taylor, City Treasury Office  
 Corey D. Ware Sr., Assessor Office  
 Eric Beaupre, Assessor Office

FROM: Bobbie Golden *BC*

DATE: January 26, 2010

Valero Refining Co./Premcor  
IDB Case # 20010901

RE: Valero Refining Co.-Tennessee, L.L.C/Premcor Bill of Sale and Third Amendment to its Personal Property Lease (Case # 20010901). Executed as of December 31, 2009.

ENCLOSURES:  Quit Claim Deed, Instrument No.  
 Quit Claim Bill of Sale  
 Real Property Lease Agreement Termination, Instrument No.  
 Amendment to Real Property Lease Agreement, \_\_\_\_\_  
 Warranty Bill Of Sale  
 **Bill of Sale**  
 Personal Property Lease Agreements  
 Personal Property Lease Agreement Termination  
 **Third Amendment To Personal Property Lease Agreement**  
 PILOT Calculation Module  
 PILOT Bills  
 Correspondence

REQUESTED ACTION:  For your information/No action required on your part  
 **Please use this documentation to classify/assess property.**  
 Please use this documentation to calculate PILOT payments.  
 This document terminates the PILOT agreement. Please use it to calculate Realty or Personalty taxes.

**BILL OF SALE**

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **VALERO REFINING COMPANY—TENNESSEE, L.L.C.**, a Delaware limited liability company ("Seller"), does by these presents bargain, sell, convey, transfer, assign, set over and deliver unto **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF MEMPHIS AND COUNTY OF SHELBY, TENNESSEE**, a public not-for-profit corporation of the State of Tennessee (the "Board"), its successors and assigns, all of its right, title and interest in and to the personal property (the "Personal Property") described in **Exhibit "A"** attached hereto and incorporated herein by reference. Seller binds itself and its successors and assigns to **WARRANT AND FOREVER DEFEND** the title to the Personal Property against the lawful claims of all persons.

This conveyance is subject to Seller's option to purchase the Personal Property set forth in Section 11.01 of the Personal Property Lease Agreement dated **December 31, 2006**, between Seller, as lessee, and the Board, as lessor, whereby the Board has leased the Personal Property to Seller.

Executed as of the 31<sup>st</sup> day of December, 2009.

**VALERO REFINING COMPANY—  
TENNESSEE, L.L.C.**, a Delaware limited  
liability company

By: Roy S. Martin Jr  
Title: Asst. Sec.

Exhibit "A"

Capital Expenditures in 2009 at the Memphis Refinery  
For Purposes of the PILOT Lease Program

[See Attached]

Memphis Refinery  
 PILOT Lease Program - Capital Expenditures  
 For Fiscal Year: 2009

Description	PILOT Group	2009 Year Total
Refinery UPS Monitoring	1	127,710.93
Foam Pumper Truck & Quick Attack Truck	1	44,048.08
Propane Odorant Track System	1	225,323.94
Modify South Side Control Room	1	3,081,359.47
Meteorological Station	1	3,803.66
Relocate Change Rooms to Old Admin Bldg	1	1,812.17
Document Control-AutoEDMS	1	22,158.38
PCMS INSPECTION SOFTWARE	1	7,360.00
2008 Concrete and Paving	1	101,899.44
Micro RGA,Densitometer, SCD Sulfur Detec	1	21.93
<b>1 Total</b>		<b>3,615,498.00</b>
FCCU Modifications	5	107,598,739.97
FCC/HYDROPLEX Controls Upgrd Project	5	163,400.44
DHT 13 SIS Modernization	5	171.36
Hardwire DAF Instruments to DCS	5	8,223.10
CCR Recycle Compr Instrument Upgrade	5	2,125.43
Electrical Power and Air for DAF Area	5	9,200.13
Wet Gas Compressor Instrument Upgrade	5	170,328.95
Cooling Tower Treating System Upgrades	5	8,575.61
PH Control at DAF	5	112,078.98
#3/4 Cooling Tower Capacity Increase	5	192,065.00
Crude Unit APC Installation	5	144,381.09
Sats Gas Compressor Monitoring System	5	22,911.95
FCC Critical Instrumentation Compliance	5	273,449.63
HF Water Mitigation System - Part 1	5	5,908,931.10
Replace diesel powered equipment	5	99,441.61
Supplemental Air Blower	5	369,866.00
FCC-Spare Gear Set and High Speed Bearin	5	15,932.90
VPP-FEED DRUM PLATFORM	5	16,793.72

Memphis Refinery  
 PILOT Lease Program - Capital Expenditures  
 For Fiscal Year: 2009

Description	PILOT Group	2009 Year Total
NO. 6 CWT ACCESS PLATFORM	5	5,264.12
Power&Air Line for Rental Air Compressor	5	54,338.74
Redundant O2 Analyzer for CCR Regen	5	66,437.85
ETHANOL BLENDING OF GAS TO RIVER DOCK	5	70,000.00
<b>5 Total</b>		<b>115,312,657.68</b>
Tank Gauging Phase for 2007	6	151.20
Tank 22 Foundation Installation	6	200.51
New Desalter Make-Up Water Tank	6	235,558.02
NITROGEN DISTRIBUTION PIPE FOR REFINERY	6	195,977.77
Firewater for East Gasoline Tank Farm	6	7,062.02
LPG Level Indication	6	408,216.80
105 Tank Install Internal Floating Roof	6	1,044.99
E Tk Farm 12KV Power Lines	6	89,582.80
56 Tank Floor Replacement	6	562,679.17
65 TANK ROOF REPLACEMENT	6	255,785.82
<b>6 Total</b>		<b>1,756,259.10</b>
<b>Grand Total</b>		<b>120,684,414.78</b>

**THIRD AMENDMENT TO PERSONAL PROPERTY LEASE AGREEMENT**

THIS THIRD AMENDMENT TO PERSONAL PROPERTY LEASE AGREEMENT ("Third Amendment") is made and entered into as of the 31st day of December, 2009, 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 ("Lessee").

Recitals of Fact

WHEREAS, Lessor entered into that certain Personal Property Lease Agreement (the "2006 Lease") dated as of December 31, 2006 with Premcor Refining Group Inc., a Delaware corporation ("Premcor"), pursuant to which Lessor has leased to Premcor certain personal property, as more particularly described in the 2006 Lease;

WHEREAS, Lessor entered into that certain First Amendment to Personal Property Lease Agreement (the "First Amendment") dated as of December 31, 2007 with Premcor, pursuant to which Lessor has leased to Premcor certain additional personal property (the "2007 Property"), as more particularly described in the First Amendment;

WHEREAS, Premcor and Lessor entered into that certain Assignment and Assumption of Personal Property Lease Agreement (the "Assignment and Assumption Agreement") dated as of April 1, 2008 with Lessee, pursuant to which Premcor assigned all of Premcor's right, title and interest in and under the 2006 Lease and First Amendment to Lessee;

WHEREAS, Lessor entered into that certain Second Amendment to Personal Property Lease Agreement (the "Second Amendment") dated as of December 31, 2008 with Lessee, pursuant to which Lessor has leased to Lessee certain additional personal property (the "2008 Property"), as more particularly described in the Second Amendment; and

WHEREAS, Lessor and Lessee desire to amend the 2006 Lease as of December 31, 2009 in order to include certain additional personal property acquired or installed in 2009 and identified on Exhibit "A" hereto (the "2009 Property") as part of the property leased to Lessee pursuant to the 2006 Lease;

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. The 2006 Lease is hereby further amended to provide that the personal property described in Exhibit A, attached hereto and incorporated herein by reference,

shall be and constitute part of the "Personal Property" (as such term is defined in the 2006 Lease) leased to Lessee by Lessor under the 2006 Lease, for all purposes of the 2006 Lease.

2. Ratification; Miscellaneous. Lessor and Lessee agree that, as modified by the First Amendment, by the Assignment and Assumption Agreement, by the Second Amendment, and by this Third Amendment, the 2006 Lease is ratified and confirmed in all respects and shall remain in full force and effect. This Third Amendment shall be governed by and construed in accordance with the laws of the State of Tennessee. This Third Amendment may be executed in one or more counterparts, which when taken together shall constitute but one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Third 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: David M. Crutcher  
Title: \_\_\_\_\_

**VALERO REFINING COMPANY—  
TENNESSEE, L.L.C.**

By: Roy L. Hunter Jr  
Title: Asst. Sec



Exhibit "A"

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