

**TAX PHASE-IN AGREEMENT BETWEEN
THE TINDALL CORPORATION
AND THE CITY OF SAN ANTONIO**

1. PARTIES

THIS AGREEMENT (the "Agreement") is entered into on this 23rd day of January, 2007, by and between the TINDALL CORPORATION (hereinafter referred to as "TINDALL"), a South Carolina corporation, as real property and personal property owner, and the CITY OF SAN ANTONIO, a municipal corporation, (hereinafter referred to as the "CITY"), acting by and through its City Manager.

2. AUTHORIZATION AND FINDINGS

A. This Agreement is entered into pursuant to the following authorities:

1. The Texas Property Redevelopment and Tax Abatement Act of 1987, V.A.T.S. Tax Code, Chapter 312, as amended;

2. CITY COUNCIL RESOLUTION No. 89-07-12, dated the 15th day of February 1989, and most recently revised by ORDINANCE NO. 2006-06-15-0721 on June 15, 2006, together which established the City of San Antonio Guidelines and Criteria for Tax Phase-In and Reinvestment Zones, (hereinafter referred to as the "Guidelines and Criteria");

3. The subject property is located in an Enterprise Zone and, pursuant to Government Code §2303.507, is automatically in a Reinvestment Zone (the "Zone"); and

4. CITY COUNCIL ORDINANCE NO. 2007-12-06-1259, dated December 6, 2007, which specifically approved this Agreement and authorized execution hereof.

B. The City Council, by its approval of this Agreement, hereby finds that the terms of this Agreement, and the property subject to it, generally meet the Guidelines and Criteria as adopted by the City Council and has approved exceptions regarding job creation and term. The City Council further finds that (a) the approval of this Agreement will not have any substantial long-term adverse effect on the provision of CITY services or the CITY'S tax base; and (b) the planned use of the Property (defined below) inside the Zone by TINDALL for the uses contemplated herein will not constitute a hazard to public safety, health or morals.

3. PROPERTY

A. The taxable real property which is the subject of the Zone of this Agreement is located at 2222 W. Malone Avenue in San Antonio, Bexar County, Texas on seven (7) parcels of land, consisting of approximately 47.81 acres, 0.09 acres and 0.42 acres, for a

total of 48.23 acres of land in San Antonio, Bexar County, Texas which are recorded in the Deed and Plat Records of Bexar County, Texas as follows:

- 33.21 acres (known as Tract 1), Volume 7961, Page 68
- 4.032 acres, Volume 1865, Page 148
- 3.18 acres, Volume 2712, Page 1502
- 4.092 acres, Volume 2495, Page 1509
- 3.20 acres, (known as Tract 2), Volume 2288, Page 148
- 0.09 acres, (known as Tract 3), Volume 2288, Page 148
- 0.42 acres, (known as Tract II), Volume 7961, Page 60

and being located in New City Block A-62, said parcels being more particularly described in Exhibit A, attached hereto and incorporated herein.

With a total investment of approximately twenty-five million dollars (\$25,000,000), TINDALL shall construct a new manufacturing facility and install new machinery and equipment in an approximately sixty thousand (60,000) square-foot facility to house approximately two hundred fifty (250) non-temporary, full-time positions by December 31, 2012, which TINDALL shall own, hold an interest in or otherwise control (the "Facility"). The twenty-five million dollar (\$25,000,000) investment is expected to be allocated as follows: a real property improvement investment of approximately twelve million five hundred thousand dollars (\$12,500,000.00) and a personal property improvement investment of approximately twelve million five hundred thousand dollars (\$12,500,000.00),

By the end of 2009, Tindall expects to have a total of 138 new hires. The non-temporary, full-time positions shall be created and maintained according to the following schedule:

Year	Estimated Jobs Created
2 (2009)	138
3 (2010)	176
4 (2011)	214
5 (2012)	250

and shall consist of managerial, professional, clerical and production positions. The Facility shall be used to manufacture furnished, pre-cast, concrete prison cells for use of construction of prisons throughout the lower forty-eight states. TINDALL shall conduct, in the Facility, normal business activities including, but not limited to, those activities furthering the manufacture of furnished, pre-cast, concrete prison cells for sale (hereinafter collectively referred to as the "Business Activities") or the normal Business Activities of a Related Organization (defined in Article 5, Paragraph I) so long as such Business Activities include the normal Business Activities of a manufacturing facility or similar activity. TINDALL shall invest a total of approximately twelve million five hundred thousand dollars (\$12,500,000.00) in real property improvements with a total personal property improvement investment of approximately twelve million five hundred thousand dollars (\$12,500,000.00) by December 31, 2012, of which nineteen million

dollars (\$19,000,000.00) shall be invested by July 1, 2009, with the remaining six million dollars (\$6,000,000.00) shall be invested by December 31, 2012. TINDALL shall be entitled to tax abatements authorized herein for the real property improvements and personal property improvements above the Base Year Value (as defined in Article 6, Paragraph A) (such real property and personal property being collectively referred to as the "Property") if TINDALL or a Related Organization undertakes and maintains Business Activities and employment positions in accordance with the terms of this Agreement in the Zone. TINDALL understands and agrees that there shall be no abatement of taxes for the land, inventory or supplies.

B. TINDALL shall establish an "Improvements Only" tax account for real property improvements and personal property improvements with the Bexar Appraisal District regarding the Property and provide these tax account numbers to the CITY.

C. A certified copy of the Ordinance authorizing this Agreement shall be filed/recorded with the Bexar County Property Records by the City of San Antonio; TINDALL shall be responsible for the payment of fees associated with this recording, obtained from TINDALL's application fee.

4. TINDALL'S REPRESENTATIONS

A. TINDALL represents that it has no knowledge that any interest in the Property is presently owned, held or leased by a member of the San Antonio City Council, Zoning Commission, Planning Commission, the City's Economic Development Department, or any other City officer or employee. TINDALL further represents that they shall not knowingly sell, lease or otherwise convey such an interest to a member of the San Antonio City Council, the Zoning Commission, the Planning Commission, the City's Economic Development Department or any other City officer or employee, as long as this Agreement remains in effect. TINDALL also represents that it, its employees and officials are in compliance with the CITY's Ethics Code.

B. TINDALL represents that there is no litigation pending against TINDALL for any violations under the Occupational Safety and Health Act.

5. TERMS OF THE AGREEMENT

A. Obligations of TINDALL. For TINDALL to receive the tax abatement authorized herein: (1) TINDALL shall own, hold an interest in or otherwise control the Facility and Property and shall invest a minimum of twelve million five hundred thousand (\$12,500,000.00) in real property improvements and twelve million five hundred thousand dollars (\$12,500,000.00) in personal property improvements by December 31, 2012, of which a combined investment of nineteen million dollars (\$19,000,000.00) shall be made by July 1, 2009 with the remaining six million dollars (\$6,000,000.00) invested by December 31, 2012 for the Facility described in Article 3, Paragraph A; (2) TINDALL shall create and maintain, at a minimum, the number of non-temporary, full-time positions designated and in accordance with the schedule in Article 3, Paragraph A; (3) TINDALL shall occupy and use the Facility for its Business Activities throughout the

Tax Phase-In Term and Recapture Period of this Agreement; and (4) otherwise comply with the applicable terms of this Agreement.

B. Wage Requirement. TINDALL covenants and agrees that it shall comply with the wage standard policy specified in the City of San Antonio Guidelines and Criteria for Tax Phase-In and Reinvestment Zones, attached hereto as Exhibit "B" and incorporated herein for all purposes, at the time the City Council authorized execution of this Agreement. TINDALL understands and agrees that the minimum cash wage for all employees is nine dollars and ninety three cents (\$9.93) per hour and after one year, the hourly earnings for seventy percent (70%) of the positions is not less than eleven dollars and ninety two cents (\$11.92) per hour as of the time City Council authorized execution of this Agreement.

C. Full-Time Position. For the purposes of this Agreement, a full-time position shall be equivalent to two thousand eighty (2,080) straight-time paid hours in a fiscal year. TINDALL shall be provided a reasonable time to replace terminated or resigned employees in order to maintain the required number of full-time positions.

D. Employee Benefits. TINDALL covenants and agrees that it shall offer all of its non-temporary full-time employees at the Facility the opportunity to elect to receive substantially similar employee benefits as those employee benefits offered to similarly situated employees of TINDALL's, as those benefits are currently described in Exhibit "C", attached hereto and incorporated herein, and as they may be modified from time to time corporate-wide. TINDALL covenants and agrees that, during each year of the Term of this Agreement, it will continue to offer all of its full-time employees at the Facility the opportunity to elect to receive an employee benefits package that is substantially similar to either: (a) the benefits package described in Exhibit "C"; or (b) those employee benefits offered to similarly situated TINDALL non-temporary full-time employees generally. TINDALL further covenants and agrees that during the Term of this Agreement all of its full-time employees at the Facility shall be offered the option to elect to participate in a health plan which provides coverage for their eligible dependents, on terms substantially similar to the coverage provided to the eligible dependents generally of TINDALL's non-temporary, full-time employees. Employees may be required to pay all or a portion of the cost of certain benefits.

E. Compliance with Employment Regulation. TINDALL covenants and agrees that it shall comply with all applicable federal and state laws governing the employment relationship between employers and employees in all material respects. A non-exclusive list of such laws is attached hereto as Exhibit "D" and incorporated herein.

F. Compliance with Business Activities Regulation. TINDALL also covenants and agrees that it shall conduct its Business Activities (as defined in Article 3, Paragraph A) at the Facility in accordance with all applicable federal, state and local laws in all material respects.

G. Compliance with Construction Regulation. TINDALL shall construct any improvements made to the Facility in accordance with all applicable federal, state and local laws including, but not limited to, Texas Commission on Environmental Quality

regulations, Bexar County and City of San Antonio laws, Building Codes and ordinances, Historic Preservation and Urban Design ordinances, flood, subdivision, building, electrical, plumbing, fire and life safety codes and regulations, current and as amended in all material respects.

H. Improvements Completion. TINDALL shall substantially complete real property and personal property improvements by December 31, 2012 and shall house TINDALL's Business Activities (as defined in Article 3, Paragraph A) at the Facility in the Reinvestment Zone in which TINDALL is located. "Substantially Complete" shall be defined as the date the Facilities are ready for occupancy. TINDALL shall be entitled to such additional time to complete said improvements as may be required due to any "Force Majeure" event, contingent upon TINDALL diligently pursuing said completion of improvements. For purposes of this Section 5(H): (i) "Force Majeure" shall be as defined in Article 8 below; and (ii) the CITY shall have the final determination, to be exercised reasonably and in good faith, whether to grant an extension of time for said completion for reasons of Force Majeure and the length of such extension, if granted. TINDALL shall notify the CITY of the completion of the real property and personal property improvements by sending notice to the address listed in Article 9 (Notice) within three (3) months of completion.

I. Authorized Business Activities. Except as provided herein, TINDALL covenants and agrees that it shall use the Property at the Facility only to conduct its Business Activities (as defined in Article 3, Paragraph A). Without additional consent or approval required by the City Council, but conditioned upon administrative consent and approval by CITY's Director of Economic Development: (i) a parent, subsidiary or affiliate organization of TINDALL or new entity created as a result of a merger, acquisition, or other corporate restructure or reorganization of TINDALL, or any component thereof (hereinafter "Related Organization"); or subject to City Council approval, duly evidenced by ordinance: (ii) an entity which acquires the Facility and Property and then contracts with TINDALL to provide substantially the same services as previously provided to TINDALL by the Facility ("Assignee") may occupy and use the Property and the Facility for such Related Organization's or Assignee's normal business activities, so long as such business activities are those of a manufacturing facility, or similar or comparable to the Business Activities of TINDALL at the Facility. To be eligible for the abatement of ad valorem taxes as provided in this Agreement, such Related Organization or Assignee shall comply with all applicable terms of this Agreement. Except as authorized above, TINDALL covenants and agrees not to change the principal use of the Property and Facility without prior approval by the City Council, as evidenced in a duly approved ordinance.

J. Maintenance Obligations. TINDALL covenants and agrees that it shall maintain the Property and the Facility in good repair and condition during the Tax Phase-In Term and Recapture Period of this Agreement; normal wear and tear and/or damage by fire or other casualty not caused as a result of the negligence, intentional act or misconduct of TINDALL excepted. Compliance with the maintenance obligations imposed herein shall be presumed if TINDALL follows its reasonable, normal and customary maintenance procedures and schedules.

K. Inspections by the City. Upon five (5) business days prior notice to TINDALL by the CITY, TINDALL covenants and agrees that it shall allow designated representatives of the CITY access to the Property and the Facility during normal business hours for inspection to determine if the terms and conditions of this Agreement are being met. (This inspection is independent of CITY'S police powers to inspect for purposes of assuring compliance with applicable City Codes and Ordinances). The CITY's access to TINDALL's books and records will be limited to information needed to verify that TINDALL is and has been conducting Business Activities, and to verify the number of non-temporary, full-time positions at the Facility. Any information that is not required by law to be made public shall be kept confidential by CITY. Should any good faith dispute or question arise as to the validity of the data provided, the CITY reserves the right to require TINDALL to obtain an independent firm to verify and/or audit the information. This certified statement by an independent firm shall be provided at the sole cost of TINDALL. For inspection purposes, CITY representatives may be accompanied by TINDALL representatives and said inspection shall be conducted so that the inspection shall: (a) not unreasonably interfere with the operation of the Property or the Facility; and (b) comply with TINDALL's reasonable security requirements.

L. Disclosure to Bexar Appraisal District. During the Tax Phase-In Term and Recapture Period of this Agreement, TINDALL covenants and agrees to furnish, as applicable, by April 30th of each year, the Chief Appraiser of Bexar Appraisal District with information outlined in Chapter 22, V.A.T.S. Tax Code, as amended, as may be necessary for the tax phase-in and for appraisal purposes.

M. Disclosure to CITY. TINDALL covenants and agrees that it shall provide, within thirty (30) days after June 30 and December 31 of each year, the CITY's Director of Economic Development with a semi-annual certification from an officer of TINDALL attesting to the number of employment positions created and maintained, as well as wages paid, by TINDALL at the Facility as of such dates. TINDALL shall also submit this information to the CITY upon request, as deemed necessary at the reasonable discretion of the CITY, during the Tax Phase-In Term and Recapture Period of this Agreement. The information provided shall be on the forms set forth in, or substantially similar to the forms set forth in, Exhibit "E" (attached hereto and incorporated herein), as amended.

N. Hiring Goals for Economically Disadvantaged Workers. TINDALL covenants and agrees to make a good faith effort to hire Economically Disadvantaged Individuals to hold at least twenty-five percent (25%) of the new non-temporary full-time positions required to be employed at the Facility, as follows:

1. As used herein, "Economically Disadvantaged Individual" shall mean a person:

a. who was unemployed for at least three consecutive months immediately prior to being hired by TINDALL at the Facility;

b. who receives, or is a member of a family which receives, cash welfare or other public assistance benefits under a federal, state or local program;

c. who has, or is a member of a family which has, received a total family income for the six-month period prior to being hired by TINDALL (exclusive of unemployment compensation, child support payments and public assistance payments) that, in relation to family size, did not exceed the greatest of the following;

(i) the official poverty line, as defined by the Director of the Office of Management and Budget and revised annually in accordance with §672(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. §9902(2));

(ii) 70 percent of the lower living standard income level; or

(iii) the level for moderate income as defined by the United States Department of Housing and Urban Development;

d. whose residence is in the CITY's State Enterprise Zone areas that include all census tract block groups in which at least 20% of the residents exceed the federal poverty level. These census tract block groups can be found at http://www.governor.state.tx.us/divisions/ecodev/ed_bank/enterprise_zone by clicking on "Texas Block Group Census Tract Zones";

e. is receiving or has been determined within the six-month period prior to the application for the program involved to be eligible to receive food stamps pursuant to the Food Stamp Act of 1977;

f. qualifies as a homeless individual under subsections (a) and (e) of §103 of the Stewart B. McKinney Assistance Act;

g. is a foster child on behalf of whom state or local government payments are made;

h. is an individual with a disability whose own income meets or exceeds the requirements of subsections (c)(i) or (c)(ii) above, but who is a member of a family whose income does not meet such requirements.

2. TINDALL shall consult with Alamo WorkSource ("AWS"), which is capable of identifying those Economically Disadvantaged Individuals who are qualified for the non-temporary full-time employment positions TINDALL will seek to fill from time to time.

3. TINDALL shall from time to time inform AWS of job openings and the qualifications for each such job, providing the same type of information with the same level of detail as TINDALL would normally use in recruiting for such a position. AWS shall disseminate information about TINDALL job opportunities to Economically Disadvantaged Individuals, recruit and screen such Economically Disadvantaged Individuals, and refer potential candidates for employment to TINDALL. Such referrals shall be accompanied by such personnel information as TINDALL may prescribe so the potential candidates can be evaluated by TINDALL.

4. In its sole and complete discretion TINDALL shall:
 - a. determine which Economically Disadvantaged Individuals, if any, meet its hiring criteria for particular positions;
 - b. determine how many Economically Disadvantaged Individuals, if any, to interview for particular positions; and
 - c. determine how many and which Economically Disadvantaged Individuals TINDALL will hire for particular positions, if any.

5. TINDALL shall have satisfied its obligations under Article 5, Paragraph N if it makes a good faith effort to hire Economically Disadvantaged Individuals. If TINDALL consults with AWS in good faith to identify and interview those Economically Disadvantaged Individuals who are qualified for positions to be filled by TINDALL, then such activity shall be deemed to be the good faith effort required herein. In addition, regardless of whether TINDALL works with AWS, if TINDALL meets the goal of hiring at least twenty-five percent (25%) Economically Disadvantaged Individuals, then such activity shall be conclusively deemed to have satisfied the good faith effort required by Article 5, Paragraph N. In determining whether TINDALL meets the goal of hiring at least twenty-five percent (25%) Economically Disadvantaged Individuals, the calculation shall be calculated on a calendar year basis by the month of April.

O. Local Employment Goal. TINDALL covenants and agrees to make a good faith effort to hire local employees for positions to fulfill its requirements under Article 5, Paragraph A. "Local" is defined, for the purposes of this Paragraph, as an employee whose principal residence is located within the city limits of the CITY or within the county limits of Bexar County.

P. Notification Requirement Regarding Sale, Transfer or Sub-lease of Facility or Property. TINDALL covenants and agrees to notify CITY in writing at least 30 days prior to any reorganization, sale, transfer or sub-lease of the Facility, Property or Corporate organization of TINDALL during the Tax Phase-In Term or Recapture Period of this Agreement. TINDALL shall request Assignment of this Agreement to any Related Organization, new purchaser, transferee or sub-lessor of the Facility, Property or Corporate organization of TINDALL (the "Assignee"). CITY shall not unreasonably withhold, condition or delay approval of any requests for Assignment of this Agreement by TINDALL, subject to the provisions of Article 11 of this Agreement, and any Assignee to which the provisions of this Article 5, Section P apply shall be bound by all terms of this Agreement.

Q. Notification Requirement Regarding Relocation or Cessation of Business Activities. TINDALL covenants and agrees to notify CITY in writing at least 30 days prior to Relocating or Ceasing its Business Activities (as defined in Article 7, Paragraphs B and C).

R. Penalty for Default/Termination. If, during the Tax Phase-In Term or Recapture Period of this Agreement, TINDALL fails to satisfy the requirements of Article 5, Paragraph A or Article 5, Paragraph B of this Agreement for a period of three (3) or more consecutive months, then the termination and recapture provisions of Article 7, Paragraphs E, F and I of this Agreement shall apply against TINDALL.

S. Other Actions Resulting in Default/Termination. If, during the Tax Phase-In Term or Recapture Period of this Agreement, and after the Cure Period (defined in Section 7), TINDALL allows its ad valorem taxes due on the land, real and/or personal property or inventory and supplies related to the Facility to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or is in default with any loan which has been made by the San Antonio Development Agency, San Antonio Local Development Company, *dba* South Texas Business Fund, City of San Antonio Industrial Development Authority or any other CITY-sponsored loan/grant/bond program, then the termination and recapture provisions of Article 7, Paragraphs F and I of this Agreement shall apply.

6. TAX PHASE-IN

A. Term. The Tax Phase-In Term for the Property improvements shall be for ten (10) years beginning on the January 1st following substantial completion of the Property. The base year for calculating the value of the Facility Property shall be January 1, 2008. The "Base Year Value" of the Property shall be the assessed value (determined by the Bexar Appraisal District), as of the Base Year, of the Property located thereon.

B. Conditions Precedent. At the commencement of the Tax Phase-In Term, TINDALL shall own, have an interest in or otherwise control the Property and shall conduct its Business Activities at the Facility. A Tax Phase-In shall be granted in each year of the Tax Phase-In Term as described in Article 6, Paragraph C below.

C. Additional Conditions and Tax Phase-In Percentage. Provided that TINDALL has invested a minimum of twelve million five hundred thousand dollars (\$12,500,000.00) in real property improvements and twelve million five hundred thousand dollars (\$12,500,000.00) in personal property improvements to the Facility by December 31, 2012, of which nineteen million dollars (\$19,000,000.00) of combined Property shall be invested by July 1, 2009 with the remaining combined Property of six million dollars (\$6,000,000.00) shall be invested by December 31, 2012; TINDALL has satisfied Article 5, Paragraph A and Article 5, Paragraph B of this Agreement; TINDALL uses the Facility for its Business Activities; and TINDALL is otherwise in compliance with the conditions of this Agreement, then one hundred percent (100%) of the ad valorem taxes for the real property improvements and fifty percent (50%) of the ad valorem taxes for the personal property improvements, above the Base Year Value, shall be abated during the Tax Phase-In Term. There shall be no abatement of ad valorem taxes for land, inventory or supplies or pre-existing personal property.

D. Pre-Term Taxes. TINDALL shall pay, or cause to be paid, to the CITY ad valorem taxes for real property, personal property and inventory and supplies assessed, if

any and as applicable, by the CITY on the Property prior to the commencement of the Term.

E. Base Year Taxation. TINDALL understands and agrees that the Base Year Value of the Property and the tax levy based on said Base Year Value of the Property in the Zone shall not decrease, but taxes may increase and that the amount of taxes paid by TINDALL to the CITY attributable to the Property during the Term shall not be less than the amount of taxes attributable to the Property paid to the CITY for the base year tax year, if any, except in the event of casualty or condemnation of the Facility in the Zone.

F. Protest Rights. TINDALL shall have the right to protest appraisals of the Property, or any portion thereof, or the value of any improvements over and above the Base Year Value as applicable.

7. **DEFAULT/TERMINATION/RECAPTURE**

A. Relocation Defined. For purposes of this section, "Relocation" or "Relocate" shall mean TINDALL, a Related Organization or Assignee which has taken the place of TINDALL: (i) relocating the Business Activities to a location outside the CITY; or (ii) relocating the Business Activities outside an approved Enterprise or Reinvestment Zone within the CITY.

B. Termination and Recapture of Taxes in Event of Relocation of Business Activities. If TINDALL, a Related Organization or Assignee which has taken the place of TINDALL occupies and uses the Facility for its Business Activities and subsequently Relocates (as defined in Article 7, Paragraph A) during the Tax Phase-In Term, except if such Relocation of Business Activities is caused by a Force Majeure, as defined in Article 8, then City Council shall have the right to terminate this Agreement. Said termination shall be effective for the calendar year during which the Property was no longer used for the required purposes stated herein. Upon said termination, all ad valorem taxes on improvements to the real property or personal property otherwise abated for that calendar year and all previously abated ad valorem taxes on these improvements under this Agreement shall be recaptured (based on the table in Article 7, Paragraph I) and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to TINDALL, a Related Organization and/or Assignee by CITY, pursuant to the Notice provisions of this Agreement.

C. Termination and Recapture of Taxes in Event of Cessation of Business Activities. If TINDALL, a Related Organization or Assignee occupies and uses the Facility for its Business Activities and subsequently ceases conducting Business Activities (or a substantial portion thereof) at the site for a continuous period of three (3) months during the Tax Phase-In Term for any reason, except if such cessation is caused by a Force Majeure as defined in Article 8, then the City Council shall have the right to terminate this Agreement. Said termination shall be effective for the calendar year during which the Property was no longer used for the required purposes stated herein. Upon said termination, all ad valorem taxes on improvements to the real property and personal property otherwise abated for that calendar year and all previously abated ad valorem taxes on these improvements under this Agreement shall be recaptured (based on the

table in Article 7, Paragraph I) and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to TINDALL, a Related Organization and/or Assignee by CITY, pursuant to the Notice provisions of this Agreement.

D. Recapture of Taxes Following Term of Agreement. In the event that the Tax Phase-In Term expires and TINDALL Relocates (as defined in this Article 7, Paragraph A) or ceases to conduct Business Activities (as defined in this Article 7, Paragraph C) at the Facility, then the City Council shall also have the right to terminate this Agreement and recapture from TINDALL, a Related Organization and/or Assignee all previously abated ad valorem taxes on improvements to the real property or personal property based on the table in Article 7, Paragraph I of this Agreement (the "Recapture Period"), which shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to TINDALL, a Related Organization and/or Assignee by CITY pursuant to the Notice provisions of this Agreement.

E. Termination and Recapture of Taxes for Failure to Maintain Minimum Number of Employment Positions. If TINDALL, a Related Organization or Assignee fails to satisfy Article 5, Paragraph A above, calculated by the averaging of the two most current semi-annual Employee Wage Information for Tax Phase-In Request Forms, or substantially similar form, (Exhibit "E") for such calendar year of noncompliance, then for each such calendar year of noncompliance, the tax abatement shall be reduced in the following tax year by the same percentage as the deficiency in the number of positions. For example, if TINDALL establishes and maintains ninety percent (90%) of the minimum number of non-temporary, full-time positions in a given year, TINDALL shall be entitled to a ninety percent (90%) abatement of the ad valorem real and personal property improvement taxes for that following year, but subject to a floor of fifty percent (50%). If TINDALL fails to establish and maintain at least fifty percent (50%) of the minimum number of non-temporary full-time positions in a given year then, at the option of City Council, this failure may be grounds for termination of this Agreement. Said termination shall be effective for the calendar year during which the number of non-temporary, full-time positions stated herein are not established and maintained as required. Upon said termination, all ad valorem taxes on improvements to real property and personal property otherwise abated for that calendar year and all previously abated ad valorem taxes on these improvements under this Agreement shall be recaptured (based on the table in Article 7, Paragraph I) and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to TINDALL, a Related Organization and/or Assignee by CITY pursuant to the Notice provisions of this Agreement.

F. Cure Period and Declaration of Default. During the Tax Phase-In Term or Recapture Period, CITY may declare a default if TINDALL, a Related Organization and/or Assignee fails to comply with any of the terms of this Agreement. Should CITY determine TINDALL, a Related Organization and/or Assignee is in default under any of the terms of this Agreement, CITY will notify TINDALL, a Related Organization and/or Assignee in writing at the address below in Article 9, and if said default is not cured within sixty (60) calendar days from the date of such notice (hereinafter the "Cure Period"), then City Council shall have the right to terminate this Agreement. CITY may extend the Cure Period if TINDALL, a Related Organization and/or Assignee commences the cure within the Cure Period and is diligently pursuing such cure. If the

Agreement is terminated as a result of default, all ad valorem taxes on improvements to real property and personal property will be due for the tax year during which the termination occurred and shall accrue without further abatements for all tax years thereafter; in addition, CITY shall have the right to recapture (based on the table in Article 7, Paragraph I) from TINDALL, a Related Organization and/or Assignee all previously abated ad valorem taxes on the improvements to real property and personal property under this Agreement and said taxes shall be paid by TINDALL, a Related Organization and/or Assignee to CITY within sixty (60) calendar days from the date of said termination notices to TINDALL, a Related Organization and/or Assignee by CITY pursuant to the Notice provisions of this Agreement.

G. Additional Rights to Terminate. If, after the Cure Period, TINDALL, a Related Organization and/or Assignee allows its ad valorem taxes due on the Base Year Value of the improvements to real property and personal property to become delinquent and TINDALL, a Related Organization and/or Assignee fails to timely and properly follow the legal procedures for their protest and/or contest, or is in default with any loan which has been made by the San Antonio Development Agency, San Antonio Local Development Company *dba* South Texas Business Fund, City of San Antonio Industrial Development Authority or any other CITY sponsored loan/grant/bond program, City Council shall have the right to terminate this Agreement under Article 7, Paragraph F. Ad Valorem taxes for the improvements to real property and personal property shall then be due for the tax year during which the termination occurred and shall accrue without further abatement for all tax years thereafter. All ad valorem taxes previously abated by virtue of this Agreement shall be recaptured (based on the table in Article 7, Paragraph I) from TINDALL, a Related Organization and/or Assignee and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to TINDALL, a Related Organization and/or Assignee by CITY pursuant to the Notice provisions of this Agreement.

H. Termination in Event of Taking by Eminent Domain. If the Facility, or any portion of the Property in the Facility, is taken by any public or quasi-public authority under the power of eminent domain, condemnation or expropriation, then the abatement of ad valorem taxes on the improvements to the Property shall terminate (only as to the portion of the Property or Facility affected by the taking), effective as of the calendar year during which the taking occurs, and there shall be no recapture of taxes. In such event, TINDALL shall have the right to continue or to terminate this Agreement, for the remaining portion of the Property or Facility, without recapture or other penalty.

I. Calculation of Taxes Subject to Recapture. If TINDALL, a Related Organization and/or Assignee fails to comply with any of the terms of this Agreement including, but not limited to, those pertaining to Article 7, Paragraphs A through H, then the City Council shall have the right to terminate this Agreement during the Tax Phase-In Term or Recapture Period and recapture from TINDALL, a Related Organization and/or Assignee the applicable percentage of the abated ad valorem taxes to improvements on real property and personal property based on the following table:

YEAR OF TAX PHASE-IN
TERM OR RECAPTURE PERIOD

TOTAL TAX PREVIOUSLY ABATED
SHALL BE MULTIPLIED BY:

<u>Tax Phase-In Term</u>	
1-10	100%
<u>Recapture Period</u>	
11-12	80%
13	60%
14	40%
15	20%
16	10%

FORMULA: The recapture formula shall be:

$$\begin{array}{rcccl} & & \text{Applicable Percentage} & & \text{Amount to be} \\ & & & & \\ \text{Total Taxes Abated} & \times & & = & \\ & & \text{from above Schedule} & & \text{Recaptured} \end{array}$$

CITY shall recalculate the amount of recapture (whether during the Tax Phase-In Term or Recapture Period) pertaining to each tax year utilizing the above formula. A bill for each year will then be sent to TINDALL, the Related Organization and/or Assignee.

J. Other Remedies Available. CITY shall have the right to seek any remedy at law to which it may be entitled, in addition to termination and/or recapture, if TINDALL, the Related Organization and/or Assignee defaults under the terms of this Agreement. However, such termination and/or recapture shall be subject to any and all lawful offsets, settlements, deductions or credits to which TINDALL, the Related Organization and/or Assignee may be entitled.

8. **AUTHORIZED RELIEF FROM PERFORMANCE (Force Majeure)**

For purposes of this section, "Force Majeure" is defined as an act of God, terrorism, war, social unrest, strike or natural disaster, explosion, casualty, accident, not due to negligence, intentional act or misconduct on the part of TINDALL. In addition to relief expressly granted in this Agreement, CITY shall grant relief from performance of this Agreement if TINDALL is prevented from compliance and performance by an event of Force Majeure and may, at CITY's election, terminate the Agreement. The burden of proof for the need for such relief shall rest upon TINDALL. To obtain release based upon this Article 8, TINDALL must file a written request with the CITY'S Director of Economic Development for processing to City Council for a decision, authorized by a duly approved Ordinance.

9. **NOTICE**

Any notice required or permitted to be given hereunder by one Party to the other shall be in writing and the same shall be given and shall be deemed to have been served

and given if: (a) delivered in person to the address set forth herein below for the Party to whom the notice is given; (b) placed in the United States mail with postage prepaid, return receipt requested, properly addressed to such Party at the address hereinafter specified; or (c) deposited, with fees prepaid, into the custody of a nationally recognized overnight delivery service such as FedEx, addressed to such Party at the address hereinafter specified. Any notice mailed in the above manner shall be effective upon three (3) days after deposit into the custody of the United States Postal Service or one (1) day after deposit with such nationally recognized delivery service as applicable; all other notices shall be effective upon receipt. From time to time, either Party may designate another address for all purposes under this Agreement by giving the other Party no less than ten (10) calendar days advance written notice of such change of address in accordance with the provisions hereof.

TO TINDALL:

- (Whether personally delivered or mailed):

TINDALL CORPORATION
Attn: Cheryl O. Lang, Vice President & CFO
3076 N Blackstock Road
Spartanburg SC 29301

With a copy to:

- (Whether personally delivered or mailed):

William T. Kaufman
Kaufman & Associate, Inc.
1250 Frost Bank Tower
100 West Houston
San Antonio, Texas 78205

TO CITY:

- If mailed:

Economic Development Department
Attn: Director
P.O. Box 839966
San Antonio, Texas 78283-3966

- If by personal or overnight delivery:

Economic Development Department
Attn: Director
City Hall, 4th Floor
Military Plaza
San Antonio, Texas 78205

10. **CONDITION**

This Agreement is conditioned entirely upon the approval of the San Antonio City Council, as evidenced by duly approved Ordinance Number 2007-12-06-1259, dated December 6, 2007.

11. **ASSIGNMENT**

Except as otherwise expressly provided herein, this Agreement may be assigned or otherwise transferred only with City Council's prior approval (which approval shall not be unreasonably withheld, conditioned or delayed), as reflected in a duly adopted ordinance. TINDALL shall submit a written request to CITY for approval of the proposed assignment or other transfer at least thirty (30) days prior to the effective date of the assignment or transfer of any part of the Property, the Facility or TINDALL's corporate body; however, no City Council consent is required for an assignment or transfer to a parent of TINDALL, a subsidiary of TINDALL, an affiliate entity of TINDALL, or to any new entity created as a result of a merger, acquisition or other corporate restructure or reorganization of TINDALL (a "Related Organization"). However, TINDALL shall give CITY prior written notice, subject to Article 9, of all assignments or other transfers that do not require City Council consent, as required under Article 5, Paragraph P for administrative assignment. All Assignees shall be bound by all terms and/or provisions and representations of this Agreement.

12. **GENERAL PROVISIONS**

A. None of the property improvements described in this Agreement are financed by tax increment bonds.

B. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the CITY related to this project. No bonds for which the CITY is liable have been used to finance this project.

C. Except as otherwise provided in this Agreement, no amendment, modification or alteration of the terms hereof shall be binding unless in writing dated subsequent to the date of this Agreement and duly authorized by the Parties, subject to City Council approval, as evidenced by ordinance.

13. **SEVERABILITY**

In the event any section, subsection, paragraph, subparagraph, sentence, phrase or work herein is held invalid, illegal or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase or word. In such event, there shall be substituted for such deleted provisions a provision as similar as possible in terms and in effect to such deleted provision that is valid, legal and enforceable. This Agreement constitutes the entire Agreement between the Parties hereto relating to the subject matter contained herein and supersedes all prior, oral or written

agreements, commitments or understandings with respect to the matters provided for herein.

14. ESTOPPEL CERTIFICATE

Any Party hereto may request an estoppel certificate related to this project (hereafter referred to as "Certificate") from another Party hereto so long as the Certificate is requested in connection with a bona fide business purpose. The Certificate, which if requested, will be addressed to a lender, subsequent purchaser or assignee of TINDALL or other party designated by TINDALL which shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default, if such is the case, the remaining Term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the party(ies) to receive the Certificate.

15. OWNER STANDING

TINDALL, as a Party to this Agreement, shall be deemed a proper and necessary Party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and TINDALL shall be entitled to intervene in said litigation.

16. APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas and is performable in Bexar County, Texas, the location of the Reinvestment Zone in which the TINDALL Facility and Property is located.

17. DUPLICATE ORIGINALS

This Agreement shall be executed in two duplicate originals, with a duplicate original going to each Party.

[Signatures appear on following page]

TINDALL CORPORATION
A South Carolina Corporation

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

BY: *Cheryl O. Lang*
Cheryl O. Lang
VICE PRESIDENT & CFO

Sheryl Sculley
Sheryl Sculley
CITY MANAGER

ATTEST:

ATTEST:

Name: *John T. Reynolds*
Title: *Attorney*

Leticia Vacek
Leticia Vacek
CITY CLERK



APPROVED AS TO FORM:

Michael Bernard
Michael Bernard
CITY ATTORNEY *MB*

EXHIBIT A

EXHIBIT A

Being 47.81 acres, more or less, and 0.09 acres, more or less, and 0.42 acres, more or less, for a total of 48.29 acres of land in San Antonio, Bexar County, Texas and consisting of seven (7) parcels of land which are recorded in the Deed and Plat Records of Bexar County, Texas as follows:

33.21 acres (known as Tract 1) Volume 7961, Page 68

4.032 acres Volume 1865, Page 148

3.18 acres Volume 2712, Page 1502

4.092 acres Volume 2495, Page 1509

3.20 acres (known as Tract 2) Volume 2288, Page 148

0.09 acres (known as Tract 3) Volume 2288, Page 148

0.42 acres (known as Tract II) Volume 7961, Page 60

and being located in New City Block A-62, said parcels being more particularly described by metes and bounds to wit:

BEING a 47.81 acre tract of land, BEGINNING at an iron rod set in the northwest corner of said 3.20 acre tract (known as Tract 2) and on the south right-of-way line of W. Malone Avenue, said iron rod being North 84 deg. 05' 00" West, 372.71 feet from a reference point at the intersection of the west right-of-way line of the S.A.U.G. Railroad and the south right-of-way line of W. Malone Avenue;

THENCE with the south right-of-way line of W. Malone Avenue, South 84 deg. 05' 00" East, 36.70 feet to an iron rod set for the northeasternmost corner of this tract described herein;

THENCE departing said right-of-way line, and with the west line of a 40 foot Ingress-Egress Easement recorded in Volume 2288, Page 148 and a 40 foot Electric and Gas Easement recorded in Volume 6579, Page 107, Deed Records of Bexar County, Texas, South 02 deg. 21' 23" West, 698.18 feet to an iron rod set on the north line of a 50 foot x 60 foot Ingress-Egress Easement recorded in Volume 6537, Page 74, Deed Records of Bexar County, Texas, for an interior corner of this tract;

THENCE with the north line of said 50 foot x 60 foot Ingress-Egress easement, North 90 deg. 00' 00" East, 40.03 feet to an iron rod set at the northeasternmost corner of a 20 foot Electric and Gas easement recorded in Volume 8200, Page 16, Plat Records of Bexar County, Texas;

THENCE with the east line of said 20 foot Electric and Gas Easement and with a 6 foot chain link fence, South 06 deg. 27' 31" West, 244.43 feet to an iron rod set;

THENCE departing said easement and said fence, South 41 deg. 52' 18" East, 79.93 feet to a fence corner post;

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THENCE with said fence, South 06 deg. 27' 31" West, 142 feet in an iron rod found for an interior corner;

THENCE with said fence, North 89 deg. 53' 00" East, 165.20 feet in an iron rod found on the west right-of-way line of the S.A.U.&G. Railroad;

THENCE with said right-of-way line and said fence, South 06 deg. 21' 30" West, 364.75 feet to an iron rod set, and continuing with a curve to the left having a radius of 3620.10 feet, a delta angle of 10 deg. 27' 59", a tangent of 331.57 feet and an arch length of 661.29 feet to an iron rod set on the north right-of-way line of the Missouri Pacific Railroad (M.P.R.R.) Spur, for the southernmost corner of these tracts described herein;

THENCE with said right-of-way line, North 35 deg. 32' 00" West, 45.80 feet to an iron rod set, and North 02 deg. 36' 00" east, 44.90 feet to an iron rod set on the southern line of a 25 foot Sanitary Sewer Easement;

THENCE continuing with said right-of-way line and said Sanitary Sewer easement, with a curve to the left having a radius of 771.80 feet, a delta angle of 43 deg. 27' 02", a tangent of 307.53 feet and an arch length of 585.30 feet, to an iron rod set;

THENCE North 83 deg. 49' 00" West, 1582.30 feet to an iron rod set;

THENCE North 64 deg. 44' 00" West, 58.90 feet to an iron rod set;

THENCE North 39 deg. 22' 00" West, 94.20 feet to an iron rod set at the intersection of the south right-of-way line of the Missouri Pacific Railroad mainline;

THENCE with the said right-of-way line, and along a 6 foot chain link fence, North 52 deg. 51' 00" East, 1753.80 feet to an iron rod found;

THENCE departing said right-of-way line, and with an adjoining 6 foot chain link fence, North 90 deg. 00' 00" East, 95.34 feet to a railroad spike found;

THENCE with said fence, South 00 deg. 00' 00" West, 178.14 feet to an iron rod set for an interior corner;

THENCE with said fence, North 89 deg. 53' 00" East, 251.26 feet to an iron rod set for an interior corner;

THENCE with said fence, North 00 deg. 00' 19" East, 286.84 feet to an iron rod set;

THENCE with said fence, North 38 deg. 18' 00" East, 322 feet to a fence corner post, and continuing 164.71 feet to the POINT OF BEGINNING of this computed 47.81 acre, more or less, tract of land described herein;

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TOGETHER with a 0.09 acre tract of land, BEGINNING at an iron rod set for the northeast corner of that same 0.09 acre tract (known as Tract 3) described in Volume 2288, Page 148 of the Deed and Plat Records of Bexar County, Texas, said iron rod being on the south right-of-way line of the Missouri Pacific Railroad mainline, and being South 52 deg. 51' 00" West, 154.7 feet from an iron rod set for the POINT OF BEGINNING of the aforescribed 78.81 acre tract;

THENCE departing said right-of-way line, South 38 deg. 18' 00" West, 203.28 feet to an iron rod set;

THENCE North 00 deg. 00' 19' East, 64.07 feet to an iron rod found on the south right-of-way line of the Missouri Pacific Railroad mainline;

THENCE with said right-of-way line, North 52 deg. 51' 00" East, 158.06 feet to the POINT OF BEGINNING of the computed 0.09 acre tract of land described herein;

TOGETHER with a 0.42 acre tract of land, BEGINNING at an iron rod set for the northeast corner of that same 0.42 acre tract (known as Tract II) described in Volume 7961, Page 68 of the Deed and Plat records of Bexar County, Texas, said iron rod being on the south right-of-way line of the Missouri Pacific Railroad mainline, and being South 52 deg. 51' 00" West, 2500.3 feet from an iron rod set for the POINT OF BEGINNING of the aforescribed 47.81 acre tract of land;

THENCE departing the said right-of-way line, South 39 deg. 22' 00" East, 102.10 feet to an iron rod set, and continuing South 64 deg. 44' 00" East, 80.0 feet to an iron rod set on the north right-of-way line of the Missouri Pacific Railroad Spur;

THENCE with said right-of-way line, with a curve to the left having a radius of 980.40 feet, a delta angle of 21 deg. 39' 12", a tangent of 187.49 feet and an arch length of 370.51 feet, to an iron rod set on the south right-of-way line of the Missouri Pacific Railroad mainline of the westernmost corner of these tracts described herein;

THENCE with said right-of-way line, North 52 deg. 51' 00" East, 284.2 feet to the POINT OF BEGINNING of this computed 0.42 acre tract, and containing a computed total of 48.23 acres of land for these tracts described herein.

Filed for Record in:
BEXAR COUNTY, TX
BERRY RICKHOFF, COUNTY CLERK

On Jul 30 1997

At 3:52pm

Receipt #: 54219
Recordings: 11.00
Doc/Mgmt: 6.00

Doc/Num : 97- 0106431

Deputy -Catherine Revilla

Any person who records an instrument in violation of the provisions of this act shall be liable under Federal law for the same as if he had violated the provisions of the Federal Espionage Laws. It is the duty of the County Clerk to record all instruments presented to him for recording.

AUG 01 1997



Berry Rickhoff
COUNTY CLERK BEXAR COUNTY, TEXAS

RECORDERS MEMORANDUM

At time of Recordation this instrument was found to be inadequate for good photographic reproduction due to: (illegibility, carbon or photo copy, discolored paper, deterioration, etc.)

VAL 7156 PB 2099

9700186 DE
17

SPECIAL WARRANTY DEED

97- 0106431

THE STATE OF TEXAS

§
§
§

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF BEXAR

That The Stanley Works, a Connecticut corporation, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other consideration to the undersigned paid by the grantee herein named, the receipt of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL and CONVEY unto Lowndes Corporation, a South Carolina corporation, all of the following described real property in Bexar County, Texas, to wit:

See Exhibit A attached hereto and made a part hereof for all purposes.

This conveyance is subject to encumbrances of record.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging, unto the said grantee, its heirs and assigns forever; and The Stanley Works does hereby bind its heirs, executors and administrators to WARRANT and FOREVER DEFEND all and singular the said premises unto the said grantee, its heirs and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise.

EXECUTED this 24th day of July, 1997.

THE STANLEY WORKS, a Connecticut corporation

By Frank M. Stauder
Name: FRANK M. STAUDER
Title: DIRECTOR OF REAL ESTATE

Vol 7156 PG 2095

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE.

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

Jim Miles
SECRETARY OF STATE
FILED
DEC 30 1997
AM PM
7 8 9 10 11 12 1 2 3 4 5 6

DEC 30 1997

Jim Miles
SECRETARY OF STATE OF SOUTH CAROLINA

ARTICLES OF MERGER
OR SHARE EXCHANGE

Pursuant to Section 33-11-105 of the 1976 South Carolina Code, as amended, the undersigned as the surviving corporation in a merger or the acquiring corporation in a share exchange, as the case may be, hereby submits the following information:

1. The name of the surviving or acquiring corporation is TINDALL CORPORATION:
2. Attached hereto and made a part hereof is a copy of the Plan or Merger or Share Exchange (see Sec. 33-11-101 (merger) 33-11-104 (merger of subsidiary into parent) 33-11-107 (merger or share exchange with a foreign corporation), and 33-11-108 (merger or a parent corporation into one of its subsidiaries).
3. Complete the following information to the extent it is relevant with respect to each corporation which is a party to the transaction:

(a) Name of the corporation: TINDALL CORPORATION
Complete either (1) or (2), whichever is applicable:

- (1) Shareholder approval of the merger or stock exchange was not required (see Sec. 33-11-103(h), 33-11-104(a), and 33-11-108(a)).
- (2) The Plan of Merger or Share Exchange was duly approved by shareholders of the corporation as follows:

Voting Group	Outstanding Shares	Votes Entitled to be cast	Represented at the meeting	Shares Voted	
				For	Against
Class A	902,871	902,871	902,871	902,871	0
Class B	0.00	0.00	0.00	0.00	0

*NOTE: Pursuant to Section 33-10-105(a)(3)(ii), the corporation can alternatively state the total number of undisputed shares cast for the amendment by each voting group together with a statement that the number cast for the amendment by each voting group was

RECEIVED
JAN 02 1998
BY:

b. Name of the corporation: LOWNDES CORPORATION
 Complete either (1) or (2), whichever is applicable:

- (1) [] Shareholder approval of the merger or stock exchange was not required (See Sec. 33-11-103(h), 33-11-104(a), and 33-11-108(a).
 (2) [X] The Plan of Merger or Share Exchange was duly approved by shareholders of the corporation as follows:

Voting Group	Outstanding Shares	Votes Entitled to be cast	Represented at the meeting	Shares Voted	
				For	Against
Class A	1,414	1,414	1,414	1,414	0
Class B	28,280	0	28,280	28,280	0

*NOTE: Pursuant to Section 33-10-105(a)(3)(i), the corporation can alternatively state the total number of undisputed shares cast for the amendment by each voting group together with a statement that the number cast for the amendment by each voting group was sufficient for approval by that voting group.

c. Name of the corporation: TINDALL CONCRETE VIRGINIA, INC.
 Complete either (1) or (2), whichever is applicable:

- (1) [] Shareholder approval of the merger or stock exchange was not required (See Sec. 33-11-103(h), 33-11-104(a), and 33-11-108(a).
 (2) [X] The Plan of Merger or Share Exchange was duly approved by shareholders of the corporation as follows:

Voting Group	Outstanding Shares	Votes Entitled to be cast	Represented at the meeting	Shares Voted	
				For	Against
Class A	23.8	23.8	23.8	23.8	0
Class B	476.2	0	476.2	476.2	0

*NOTE: Pursuant to Section 33-10-105(a)(3)(i), the corporation can alternatively state the total number of undisputed shares cast for the amendment by each voting group together with a statement that the number cast for the amendment by each voting group was sufficient for approval by that voting group.

d. Name of the corporation: INDUSTRIAL LAND CORPORATION
Complete either (1) or (2), whichever is applicable:

(1) [] Shareholder approval of the merger or stock exchange was not required (See Sec. 33-11-103(h), 33-11-104(a), and 33-11-108(a).

(2) [X] The Plan of Merger or Share Exchange was duly approved by shareholders of the corporation as follows:

<u>Voting Group</u>	<u>Outstanding Shares</u>	<u>Votes Entitled to be cast</u>	<u>Represented at the meeting</u>	<u>Shares Voted</u>	
				<u>For</u>	<u>Against</u>
Class A	1000	1000	1000	1000	0

*NOTE: Pursuant to Section 33-10-105(a)(3)(ii), the corporation can alternatively state the total number of undisputed shares cast for the amendment by each voting group together with a statement that the number cast for the amendment by each voting group was sufficient for approval by that voting group.

4. Unless a delayed date is specified, the effective date of this document shall be the date it is accepted for filing by the Secretary of State (See Sec. 33-1-230(b)): This merger is effective at 12:00am January 1, 1998.

DATE December 12, 1997

TINDALL CORPORATION
(Name of the Surviving or Acquiring Corporation)

By: 
(Signature)

William Lowndes, IV President

EXHIBIT B

TAX PHASE-IN GUIDELINES
FOR
BEXAR COUNTY
AND
CITY OF SAN ANTONIO

Effective June 15, 2006 through June 14, 2008



BEXAR COUNTY
Economic Development Department
County Courthouse
100 Dolorosa, Suite 120A
San Antonio, Texas 78205-3042

Telephone: (210) 335-0667



CITY OF SAN ANTONIO
Economic Development Department
City Hall
P.O. Box 839966
San Antonio, Texas 78283

Telephone: (210) 207-8080

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Policy Statement

The growth and diversity of a regional economy is critical to the long-term well being of a community and its citizens. Today, perhaps more than ever, communities must strategically plan and implement policies to achieve these goals. Through joint Tax Phase-in Guidelines for Bexar County and the City of San Antonio, the collaborative efforts of San Antonio's economic development partners are refining strategies to attract and grow targeted industries in order to increase employment, expand the tax base, and create long-term investment and new wealth opportunities in the community.

Both the Bexar County Commissioners Court and the City Council of the City of San Antonio will consider these guidelines to ensure that any abatement of property taxes achieves these community economic development goals. Since each jurisdiction will independently decide whether or not to abate taxes for any given project, approval from one entity does not guarantee approval from the other.

Bexar County will use these guidelines when considering abatements for any project within its jurisdictional boundaries, to include projects locating in municipalities other than the City of San Antonio.

Introduction

Chapter 312 of the Texas Tax Code authorizes local governments to abate ad valorem property taxes on the value of new improvements to the property, including real property, tangible personal property, and inventory and supplies. Taxing jurisdictions (e.g., Bexar County and the City of San Antonio) are required by this statute to develop and periodically review guidelines every two years for the eligibility and award of this tax incentive.

State law further requires that each taxing jurisdiction enter into a Tax Abatement Agreement with each owner of property or the owner of a leasehold interest in real property receiving an abatement or portion thereof. These agreements are binding legal documents between all parties involved. Additional provisions and requirements are included in those agreements.

SECTION I: Eligibility Criteria

Under these Guidelines, to be eligible for consideration by these jurisdictions for a tax abatement, a company or project must meet and/or exceed all of the criteria, as described below:

- Minimum amounts of real or personal property investment must be achieved
- Minimum levels of full-time job creation must be achieved
- Employee access to health care benefits must be provided
- Minimum wage requirements for employees must be achieved
- Applicant must be in a targeted industry, or non-targeted industry but meeting exceptional investment requirements

The amount and term of the tax abatement will also be impacted by:

- The location of facility
- Other incentives used for same project
- Overall benefit to the community

These eligibility criteria, with the exception of the requirement of employee access to health care, do not apply to central city multi-family rental only housing or mixed-use projects. The criteria for these projects can be found in Appendix A.

Investment

If the project meets the following investment criteria, as well as the other criteria in these Guidelines, the Applicant will be eligible for an abatement of taxes on either the real property improvements **AND/OR** the new personal property investment. **The following eligibility criteria do not apply to central city multi-family rental only housing or mixed-use projects.**

Level 1 Project

Should the project meet the following investment criteria:

1. Real property improvements of at least \$1,000,000 in the property of interest **OR**
2. Investment of at least \$10,000,000 in new tangible personal property located at the property of interest, **AND**
3. Creation and maintenance of at least 25 new, full-time, permanent jobs

The company will be eligible for an abatement on taxes of either:

1. Up to 100% (40% from the County, as provided in Section II herein) on the real property improvements **OR**

2. Up to 100% (40% from the County, as provided in Section II herein) on the new personal property investment.

Level 2 Project

Should the project meet the following investment criteria:

1. Total capital investment (real property improvements and new personal property investment) of at least \$25,000,000 in the property of interest **AND**
2. Creation and maintenance of at least 250 new, full-time, permanent jobs at the property of interest

The company will be eligible for an abatement of taxes from one of the following categories, but not both:

1. Up to 100% (40% from the County, as provided in Section II herein) on the real property improvements **AND** up to 50% (20% from the County, as provided in Section II herein) on the new personal property improvements **OR**
2. Up to 100% (40% from the County, as provided in Section II herein) on the new personal property improvements **AND** up to 50% (20% from the County, as provided in Section II herein) on the real property improvements.

Level 3 Project

A project will be considered an "exceptional investment" if the project meets the following criteria:

1. Total capital investment (real property improvements and new personal property investment) of at least \$50,000,000 in the property of interest **AND**
2. Creation and maintenance of at least 500 new, full-time, permanent jobs at the property of interest

Such projects will be eligible for an abatement of taxes of up to 100% (40% from the County, as provided in Section II herein) on the real property improvements **AND** the new personal property investment.

Additionally, a local company expanding its operations in Bexar County must hire at least 25% of its new employees from residents of Bexar County, regardless of the size of the project.

Employee Health Care Benefits

The company seeking an abatement under these Guidelines must provide each full-time person employed at the project location and his or her dependents with access to affordable health insurance within a reasonably timely manner from the date the employee starts employment. **This criteria also applies to employees of central city multi-family rental only housing projects.**

Wage Requirement

In order to be eligible for a tax abatement, companies must meet the following wage requirements:

1. Throughout the term of the abatement, all (100%) new and existing employees of the company requesting a tax abatement, **at the project location**, must earn a cash wage exceeding the poverty level for a family of four, as determined annually by the U.S. Department of Health and Human Services (HHS). Bexar County and the City of San Antonio use this annually adjusted HHS "living" wage to establish a minimum Wage Requirement for all existing and newly created full-time jobs covered under a tax phase-in agreement. As of January 2007, this minimum Wage Requirement was \$9.93 per hour.
2. Within one year of project location opening, 70 percent of all new and existing employees at the project location must earn a cash wage exceeding the average hourly durable goods or non-durable goods (which includes services) wage standard, depending on how the company's activities at the project location are categorized.
 - a. **Average Hourly Wage for Durable Goods**: This is the wage standard for those companies engaging in durable goods manufacturing at the project location, at the time the tax phase-in agreement is executed. As published by the Texas Workforce Commission, the wage standard is determined by the average annual hourly wage for durable goods manufacturers in the San Antonio Metropolitan Statistical Area. Bexar County and the City of San Antonio determine this average annual hourly wage over a 12 month period from May to April. As of April 2007, this average durable goods wage is \$11.92 per hour.
 - b. **Average Hourly Wage for Non-Durable Goods and Services**: This is the wage standard for those companies engaging in non-durable goods manufacturing and all other targeted industry business activities other than durable goods manufacturing at the project location, at the time the tax phase-in agreement is executed. As published by the Texas Workforce Commission, the wage standard is determined by the average hourly wage for non-durable goods manufacturers in the San Antonio Metropolitan Area. Bexar County and the City of San Antonio determine this average annual hourly wage over a 12 month period from May to April. As of April 2007, this average non-durable goods wage is \$11.45 per hour.

- c. **For small, minority, or women-owned businesses:** with 100 or fewer employees, the County and the City may consider abatements for firms whose wage levels may not meet the Average Hourly Wage for Durable Goods or the Average Hourly Wage for Non-durable Goods and Services (outlined above).

If the company does not meet and maintain this Wage Requirement for all new and existing employees going forward, the company will be in default of the tax abatement agreement, which will possibly result in termination of the agreement and invoke the recapture of all or portion of the prior abated property taxes.

Targeted Industries

The majority of the company's business at the project location must be engaged in one of the following Targeted Industries, as defined in Appendix A:

- Agribusiness
- Aviation/Aerospace
- Biotechnology
- Creative Services
- Finance
- Information Technology and Security
- Logistics and Distribution
- Manufacturing
- Telecommunications

Additionally, the following projects, as defined in Appendix A, are also eligible for consideration:

- Corporate and Regional Headquarters
- Central City Multi-Family Rental Only Housing or Mixed-use Project

Non-targeted Industry

Companies whose majority business is not in a Targeted Industry may still be eligible for a tax abatement only if they meet the criteria of a Level 3 Project as defined above.

Regardless of the investment or jobs created, retail stores, retail centers, or businesses that competitively provide goods or services to consumers and multi-family "for sale" housing/mixed use projects, hotel or motel facilities are not eligible for an abatement. Furthermore, Neighborhood Empowerment Zones may not be used to grant abatements of sales taxes.

Targeted Areas for Investment and Job Creation

Certain areas are targeted for job creation and investment. Depending on the location of the project, the term of the abatement will vary, as follows (see map in Appendix B):

Areas eligible for a 10-year term:

- Projects located within Loop 410, located south of U.S. Highway 90, or located within the boundaries of I-35 to the North, I-10 to the South, the County's jurisdictional line to the East, and Loop 410 to the West (includes areas near Windsor Park Mall and Walzem Road in Districts 2 and 10), will be eligible for an abatement term up to 10 years.
- Projects located within the Medical Center area, the boundaries of the San Antonio International Airport, or the Texas Research Park Foundation.

Areas eligible for a 6-year term:

- Projects located outside of Loop 410 and also located north of U.S. Highway 90 (to the extent not defined as a 10-year term area) will be eligible for an abatement term up to 6 years.

Areas not eligible for a tax abatement:

- Projects located in whole or in part over the Edwards Aquifer recharge zone, as defined in Appendix A, are not eligible for an abatement.

These criteria will not be used to favor one location over another in Bexar County, except as permitted by the Guidelines.

Additional Terms and Conditions

The applicant will enter into separate tax phase-in agreements with Bexar County and the City of San Antonio and these agreements will require separate approval by each governing authority. Consequently, each jurisdiction reserves the right to negotiate additional terms and conditions on a case-by-case basis.

Recipients of tax abatements will also agree to work with Alamo WorkSource to facilitate the posting and advertisement of new jobs at the property of interest, as well as for the recruitment of potential qualified applicants for these positions. Alamo WorkSource offers other employer services, such as assessment of basic skills and work aptitudes of potential employees, job matching services, labor market information, assistance in arranging workforce training, and outplacement services which the recipient may also access.

Recapture of Abated Taxes

Tax abatement agreements will provide for recapture of abated property taxes in the event contract requirements are not met. The following are the standard schedules that show what percentage of taxes abated will be recaptured (multiply the amount of taxes rebated by the percentage in the recapture period):

Term of Abatement Agreement

6-Years		10-Years	
Termination of Abatement	Recaptured Taxes	Termination of Abatement	Recaptured Taxes
During Phase-in Period	100%	During Phase-in Period	100%
Year 1 of Recapture Period	100%	Year 1 of Recapture Period	100%
Year 2 of Recapture Period	75%	Year 2 of Recapture Period	80%
Year 3 of Recapture Period	50%	Year 3 of Recapture Period	60%
Year 4 of Recapture Period	25%	Year 4 of Recapture Period	40%
		Year 5 of Recapture Period	20%
		Year 6 of Recapture Period	10%

Non-Refundable Application Fee

Upon submission of the application, companies will pay a separate non-refundable application fee to Bexar County and the City of San Antonio based on the following fee schedule:

Jurisdiction	# of Employees in Applicant Firm	Fee (\$)
Bexar County	One fee for all companies	\$1,000
City of San Antonio	0-19	\$0
	20-99	\$500
	100-499	\$1,000
	500+	\$1,500

All central city multi-family rental only housing or mixed-use projects will pay a fee of \$1,500 to the City of San Antonio and \$1,000 to Bexar County. Any projects that require an assignment or amendment will pay a fee of \$1,500 to the City of San Antonio.

SECTION II: Amount of Bexar County Abatement

In addition to the eligibility criteria established through joint Tax Phase-in Guidelines for Bexar County and the City of San Antonio, the abatement on County ad valorem taxes takes into consideration other project criteria when determining the amount of abatement. Property taxes are the single largest source of operating funds for Bexar County (70% of its General Fund revenue), while they are the third largest source of operating revenue for the City of San Antonio. So, dollar for dollar, a tax abatement has a greater organizational impact on the County government than on the City government.

To help equitably invest in economic development projects using tax abatements, **the County may grant an abatement of taxes up to 40% on the qualified real property improvements and new personal property investment.** Applicants may, however, negotiate for additional County abatement participation if the project meets certain other criteria, as defined below. *Bexar County Commissioners Court will not grant a tax abatement for the Flood Control tax levied by the County or for taxes levied on behalf of the University Health System.*

Bexar County may increase the amount of the abatement **up to 80% of taxes** on qualified real property improvements and new personal property investment after considering these other project criteria:

- **Local Hire Incentive:** Applicant agrees to fill at least 25% of the employment positions created and maintained with individuals whose place of residence, for at least six months prior to employment with the applicant, is located in Bexar County.
- **Hiring of Economically Disadvantaged or Dislocated Individuals Incentive:** Applicant commits that at least 25% of the employment positions created will be filled with economically disadvantaged and/or dislocated individuals.
- **Small, Minority, Women-owned Business Enterprise (SMWBE) Incentive:** Applicant agrees, to the extent practical and consistent with standard and prudent industry practices, to divide contracted work and procurement opportunities into the smallest feasible portions to allow for maximum Small, Minority and Women-owned Business Enterprise (SMWBE) participation and make a good faith effort to award at least 20% of its contracted work to certified minority and women-owned businesses and a good faith effort to award at least 30% of its contracted work to certified small businesses. A good faith effort is defined as the applicant increasing involvement of SMWBEs in the project's procurement process within the areas of commodities, equipment, professional and personal services, maintenance and construction.
- **Environmental Practices Incentive:** Applicant commits to demonstrating sound environmental practices when designing, constructing, operating and maintaining the project. This includes, but is not limited to, the utilization of clean and renewable energies; the implementation of flood protection measures; the provision of incentives for mass transportation alternatives to employment positions created and maintained; the sponsorship of other innovative practices

that serve to minimize landfill impacts; and by registering the project with the US Green Building Council for LEED (Leadership in Energy and Environmental Design) Certification and complying with their standards until a certification is awarded. When a project is not feasible to obtain LEED Certification, the Applicant agrees to make a good faith effort to follow LEED practices when managing and administering the project.

Bexar County Commissioners Court may consider up to an additional 20% tax phase-in for a proposed project on a case-by-case basis. Final determinations and approval will be made by the Court.

In addition, nothing contained in these guidelines shall be construed to limit the Commissioners Court discretion to waive certain requirements contained herein on a case by case basis.

APPENDIX A

Definitions

Agribusiness: Businesses engaged in the research, development, manufacturing, or refining of agricultural products into foodstuffs or for use as intermediate products in the processing of other agricultural finished goods or products, including those related to defense operations.

Aviation/Aerospace: Companies primarily engaged in one or more of the following activities:

- (1) Manufacturing complete aircraft, missiles, or space vehicles
- (2) Manufacturing aerospace engines, propulsion units, auxiliary equipment or parts
- (3) Developing and making prototypes of aerospace products
- (4) Aircraft conversion (i.e., major modifications to systems)
- (5) Complete aircraft, missile, or space vehicle or propulsion systems maintenance, repair, overhaul and rebuilding (i.e., periodic restoration of aircraft to original design specifications)
- (6) Research and development
- (7) Defense-related operations
- (8) Regional air passenger operations

Biotechnology: This industry comprises establishments primarily engaged in conducting research, development, and manufacturing in the physical, bio-engineering, and life sciences, such as pharmaceutical, agriculture, environmental, biology, botany, biotechnology, chemistry, food, fisheries, forests, health, and defense-related operations.

Central City Multi-family Rental Only Housing or Mixed-use Project: Multi-family rental only housing project or mixed-use project, defined as a project with housing units constituting at least 75 percent of the usable enclosed space, located within boundaries of the Empowerment Zone. Any tax increment reinvestment zones or tax increment financing zones within the aforementioned areas are excluded. See map in Appendix C.

Corporate and Regional Headquarters: The firm's corporate or regional legal principal place of business is located in Bexar County, and its total assets will be at least \$500,000,000 and/or its total revenues will be at least \$500,000,000 for the corporate fiscal year preceding the date of the filing of its application for Tax Phase-In with the Bexar County or City of San Antonio. This does not include the corporation's retail outlets.

Creative Services: Includes businesses or divisions of corporations that are primarily engaged in the following sectors having general or specific activities and business efforts – printing, publishing, broadcasting, design services, advertising, public relations, architecture, digital media, and businesses involved in film and video production.

Finance: Includes companies whose main business is engaged in finance, accounting, insurance, and risk management. It does *not* include any retail component of these businesses.

Information Technology and Security: This industry comprises establishments primarily engaged in planning and designing computer systems that integrate computer hardware, software, and communication technologies. The hardware and software components of the system may be provided by this establishment or company as part of integrated services or may be provided by third parties or vendors. These establishments often design and develop software, install the system and train and support users of the system.

Companies in this industry are engaged in the following activities:

- (1) Producing and distributing information and cultural products
- (2) Providing the means to transmit or distribute these products as well as data or communications
- (3) Research and development
- (4) Defense-related operations
- (5) Processing data

Logistics/Distribution: Businesses involved in the receiving, storage, service, or distribution of goods or materials, where a majority of the goods or services are distributed to points outside the San Antonio metropolitan statistical area. This includes defense-related operations.

Manufacturing: Businesses engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products - includes related research and development, defense-related operations and renewable energy related operations.

Medical Center Area: The area bound by Louis Pasteur to the South, Babcock Road to the West, Fredericksburg Road to the East, and Huebner Road to the North.

Recharge Zone: That area where the stratigraphic units constituting the Aquifer crop out, including the outcrops of other geologic formations in proximity to the Aquifer, where caves, sinkholes, faults, fractures, or other permeable features would create a potential for recharge of surface waters into the Aquifer. The recharge zone is identified as that area designated as such on official maps located at the Authority and in 30 TEX. ADMIN. CODE § 213.22. See map in Appendix D. (From Edwards Aquifer Authority rules, Chapter 713.1(45))

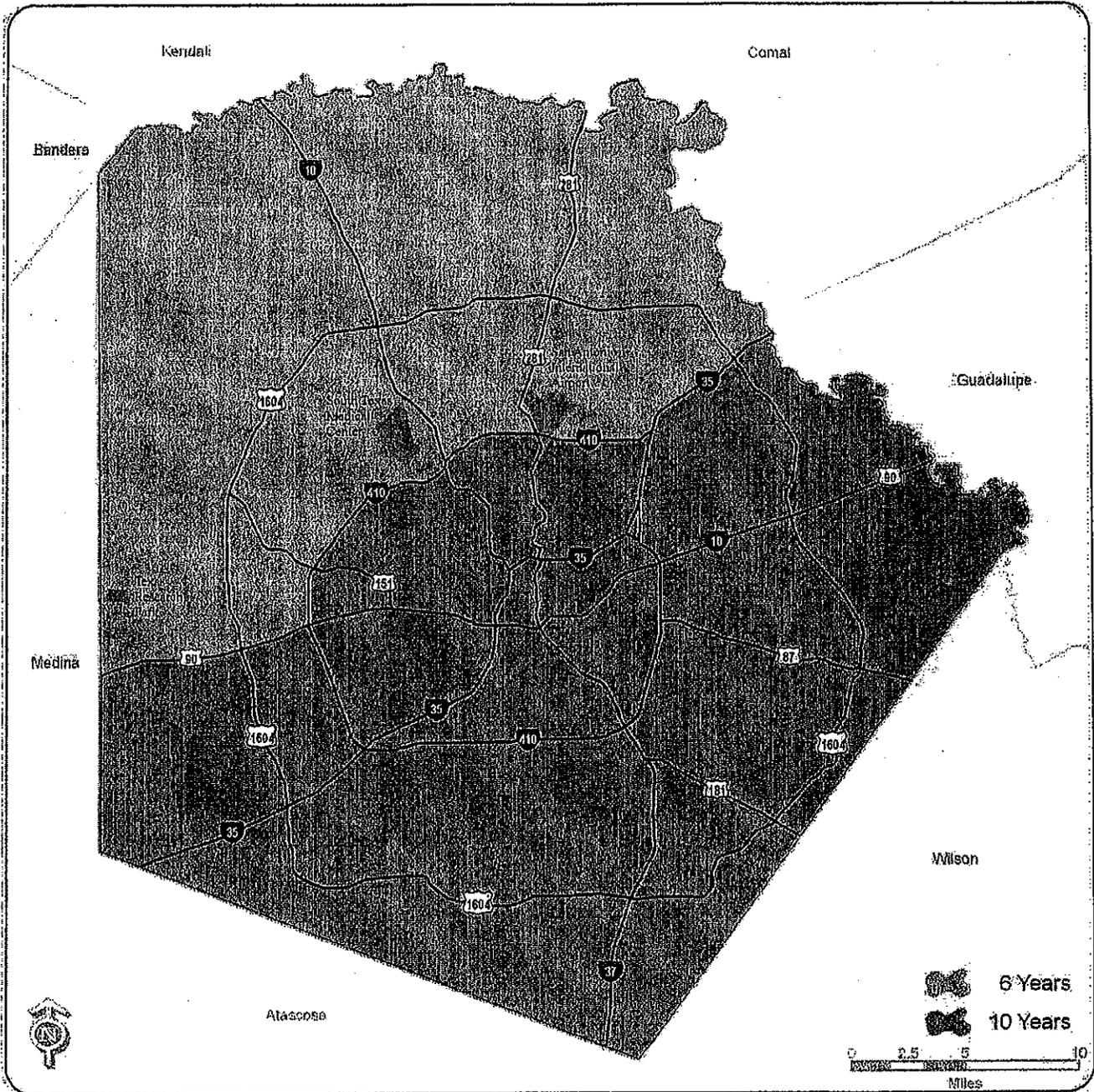
San Antonio International Airport Area: San Antonio International Airport is located in the north central portion of the city and is generally bounded by Wurzbach Parkway to the north, U.S. 281 to the west, Loop 410 to the south and Wetmore Road to the east.

Telecommunications: Businesses primarily engaged in research & development, regional distribution, defense-related operations and the manufacturing of telecommunication-related products and services. It does not include operations involved in the retail sale of telecommunications products and services.

Texas Research Park: The Texas Research Park is a 1,236-acre site, located in West Bexar County and connected to U.S. Highway 90 and Potranco Road (State Highway 1957). The Texas Research Park supports the development of a world-class center of bioscience research and medical education.

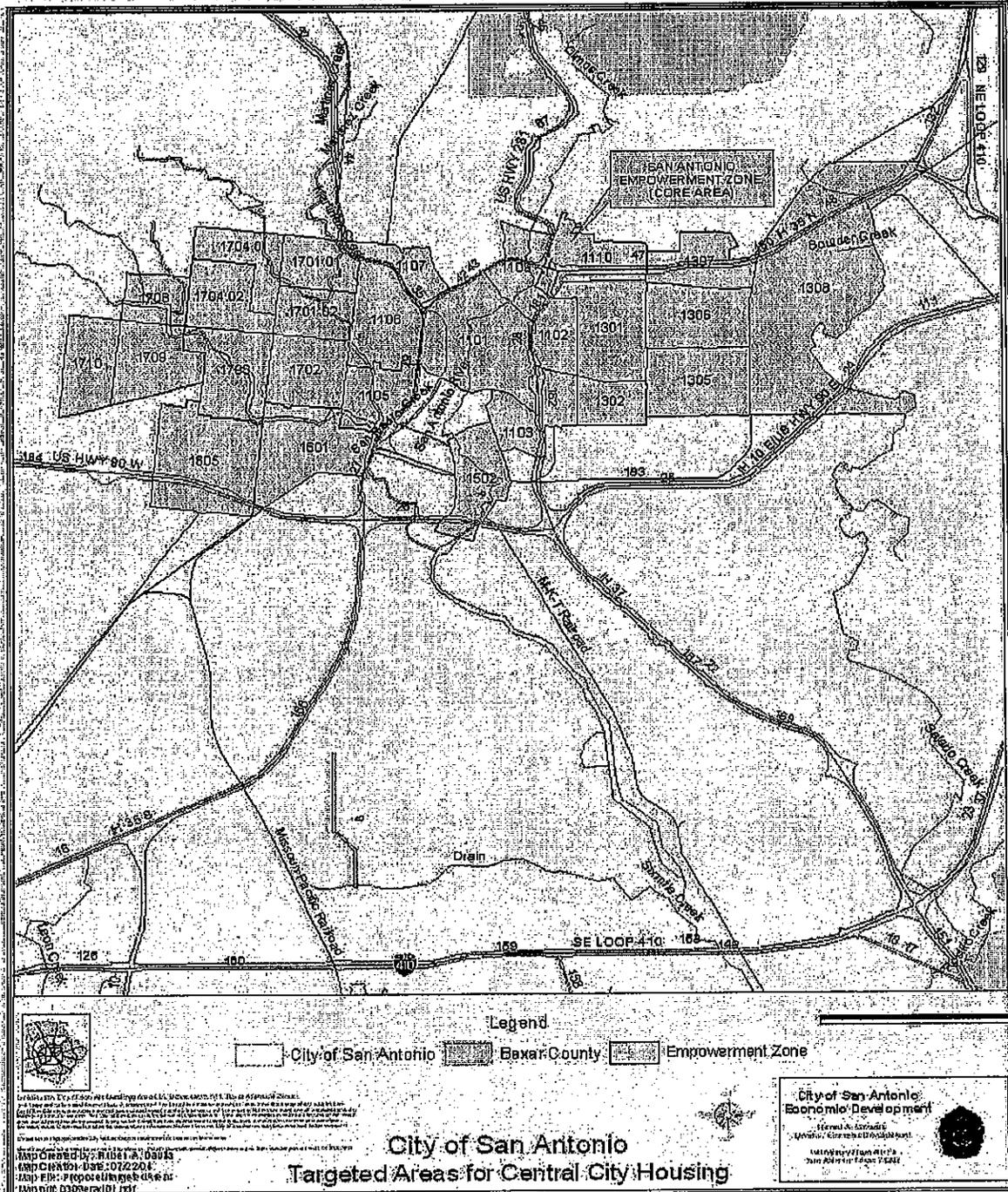
APPENDIX B

Tax Phase-In Terms by Targeted Areas



APPENDIX C

Map of San Antonio Central City



APPENDIX D

Map of Edwards Aquifer

EDWARDS AQUIFER RECHARGE ZONE
BEXAR COUNTY

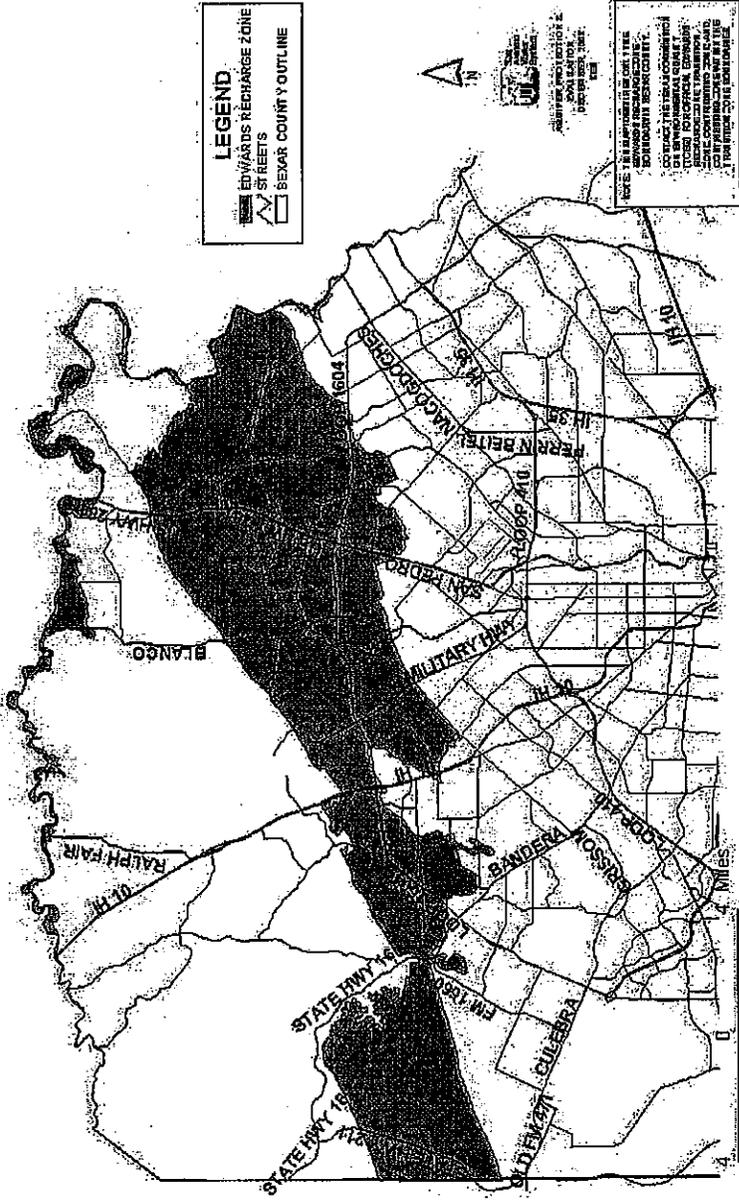


EXHIBIT C

SUMMARY OF EMPLOYEE BENEFITS:

HEALTH CARE BENEFITS

By participating in Corporate Wellness initiatives, employees can obtain their health coverage at no charge from the Company. Employees are charged \$20 per month for coverage. However, this premium can be entirely offset by undertaking wellness goals established annually. The Company makes available spouse and dependent coverages for purchase with pre-tax dollars. Benefits begin after 90 days of full-time service. The maximum payment per covered person per lifetime is \$2,000,000.

Multiple Plans are offered through a very broad Preferred Provider network. The Plans are rich with benefits including hospital and physician charges; skilled nursing facility expenses; physical therapy; routine physical exams; mammography, pap smear, and prostate screenings; well child care performed in the physician's office; immunizations for dependents up to age 6. Some of these services require a deductible, but many of these benefits are paid 100% or require only a co-payment.

When prescriptions are filled, a small co-payment for pharmacy or mail order purchases applies. There is a one time deductible per year for drugs.

LIFE INSURANCE

Tindall pays for life insurance coverage equal to twice the employee's annual salary rounded to the next \$1,000 to a maximum of \$300,000. Benefits begin after 90 days of full-time service with the company. Employees have the opportunity to purchase additional coverage of 1, 2, 3, or 4 times their annual salary to a maximum of \$300,000 at favorable premium rates.

SHORT TERM DISABILITY

Tindall pays the cost of this coverage. Employees can be covered after 90 days of full-time service with the company. Benefits will be paid up to 26 weeks.

For salaried employees, Tindall provides payments if the employee is temporarily unable to work because of illness or injury. The payments received depend on employment status and years of service with Tindall.

For hourly employees, Tindall pays 4 hours of pay at the employee's regular hourly rate for every qualifying day of disability. Benefits begin on the eighth consecutive day for a disability resulting from an illness or injury (that is not job related). Employees can purchase additional levels of coverage if desired.

LONG TERM DISABILITY

For salaried employees, Tindall pays for long-term disability coverage. Benefits begin after six consecutive months of disability. The employee can receive 60% of base salary, up to a maximum of \$8,000 a month.

Hourly employees may purchase Long-Term Disability at affordable rates. Benefits begin after six consecutive months of disability. The employee can receive 60% of monthly earnings up to a maximum of \$5,000. The benefit duration is up to the normal retirement age under the Social Security Act.

DENTAL INSURANCE

Tindall offers a voluntary dental insurance plan for eligible employees and their dependents. This coverage is available through pre-tax payroll deductions at affordable rates.

FLEXIBLE SPENDING ACCOUNT

The Flexible Spending Account allows employees to use pre-tax earnings to pay for dependent care and unreimbursed medical, dental, and vision expenses.

VISION CARE

Tindall offers a voluntary Vision Care Plan for eligible employees and their dependents. This coverage is available through pre-tax deductions at affordable rates.

SAVINGS AND PROFIT SHARING PLAN

Contributions from net profits for a given year may be made to the plan by Tindall. The amount is determined by the Chief Executive Officer and Chief Operations Officer. Historically, the payment has averaged 4% of payroll per employee per year.

Tindall Savings and Profit Sharing Plan is designed to provide employees with another source of retirement income to supplement other sources, such as personal savings and Social Security benefits. Employees participate in profit sharing at age 21, after one year of service and 1000 hours of work. After becoming a participant in the plan the employee will share in the company's contribution if he or she is on the payroll on December 31. The payment is made pro-rata based on compensation.

The employee may also participate in the 401(k) savings plan on his or her first day of employment. Tindall matches a portion of employee contributions. The current match is set at \$.50 on the dollar up to 3% of the employee's payroll. Therefore, if the employee contributes 6%, Tindall will match it with a 3% contribution. Employees are eligible for company match after one year of service.

Benefits are paid at Normal Retirement or if the employee becomes disabled. If the employee dies before eligible to retire, his or her beneficiary will receive the savings and profit sharing benefits.

If the employee leaves Tindall before eligible to retire, he or she is entitled to a portion of his benefit if he or she completed at least 2 years of service. Vesting is as follows: 25% after 2 years; 50% after 3 years; 75% after 4 years and 100% after 5 years.

HOLIDAYS

Tindall recognizes nine paid holidays.

New Year's Eve
New Year's Day
Memorial Day

Independence Day
Labor Day
Thanksgiving

Day after Thanksgiving
Christmas Eve or day observed
Christmas Day

VACATIONS

Employees are eligible for paid vacation based on length of continuous service with Tindall.

Employees in their first through fifth full calendar years of employment accrue ten (10) days vacation on January 1 of each year.

During their sixth through tenth full calendar years, employees accrue fifteen (15) days of vacation on January 1 of each year.

After ten full calendar years of service, employees accrue twenty (20) days of vacation on January 1 of each year.

If a new employee starts work at any time after January 1, he or she will accrue vacation at one day per full calendar month of employment through October. These vacation days must be taken on or before December 31. Vacation days will not accrue during the months of November and December.

EDUCATIONAL POLICY

Tindall encourages development through participation in educational or work-related seminars, workshops and professional development programs. The company also provides a Tuition Assistance Program. Full-time employees with one year of service are eligible for reimbursement after successful completion of approved courses.

CREDIT UNION

A Credit Union is available for employees wishing to participate. A small deposit is required.

DIRECT DEPOSIT

You may have your paycheck deposited directly to your bank account (up to 3 accounts), or you may receive a check.

BEREAVEMENT POLICY

The bereavement policy authorizes hourly employees to be absent from scheduled work for a short-term bereavement period, with pay, when there is a death in the employee's immediate family. The policy exemplifies the Company's genuine concern for its employees when tragedy strikes.

DISCRETIONARY BONUSES

The Company may provide discretionary bonuses to employees dependent upon the financial results of the Company. In January 2007, each employee received a 2 and 1/2 weeks bonus. This benefit is in addition to monies deposited into the employee's Savings and Profit Sharing Plan and 401(k). These monies are not guaranteed and depend solely on Company results and management's discretion.

INCENTIVE PLANS

The Company has established incentive plans for various management positions within the Company. Goals are established in each of the areas and the employees earn the incentives based on attainment of those goals.

EXHIBIT D

THE UNITED STATES CONGRESS HAS ENACTED VARIOUS LAWS GOVERNING THE EMPLOYMENT RELATIONSHIP BETWEEN EMPLOYERS AND EMPLOYEES INCLUDING, BUT NOT LIMITED TO, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, THE AMERICAN DISABILITIES ACT, THE AGE DISCRIMINATION IN EMPLOYMENT ACT, THE NATIONAL LABOR RELATIONS ACT, THE FAIR LABOR STANDARDS ACT, THE OCCUPATIONAL SAFETY AND HEALTH ACT, THE EQUAL PAY ACT, THE EMPLOYEE POLYGRAPH PROTECTION ACT, THE IMMIGRATION REFORM AND CONTROL ACT, THE CIVIL RIGHTS ACT OF 1991, THE REHABILITATION ACT OF 1973, THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT OF 1994, THE FAMILY AND MEDICAL LEAVE ACT, THE EMPLOYEE RETIREMENT INCOME SECURITY ACT AND THE WORKERS ADJUSTMENT AND RETRAINING NOTIFICATION ACT.

EXHIBIT E

INVESTMENT FOR TAX PHASE-IN REQUEST FORM

Provide support documents, or appropriate summaries of same, only for activity occurring during the reporting period of _____ to _____. Please fax this form by January __, 200__. **Return this form with attached documentation no later than _____ to:**

**City of San Antonio
Economic Development Department
Contract Officer
Frost Bank Tower
100 West Houston Street, Suite 1900
San Antonio, TX 78205
P.O. Box 839966
San Antonio, TX 78283-3966
(210) 207-8088
(210) 207-8151 FAX**

Real Property Improvements

Expenditures associated with the real property improvements to your facility for the above reporting period. **Verification may include AIA forms, receipts, invoices, requests for payment from the contractor, etc.**

Improvements occurring since _____ : \$ _____ (attach supporting documents)

Improvements existing prior to _____ : \$ _____

Total Real Property Improvements: \$ _____

Personal Property Improvements:

Expenditures associated with the personal property improvements to your facility for this reporting period. **Verification may include receipts, invoices, requests for payment, etc.**

Improvements occurring since _____ : \$ _____ (attach supporting documents)

Improvements existing prior to _____ : \$ _____

Total Personal Property Improvements: \$ _____

I certify, under penalty of perjury, that the information provided on this form and the attached support documents are true and correct.

Signature

Date

Printed Name

Company Name



CITY OF SAN ANTONIO

June 5, 2017

Ms. Cheryl Lang
Vice President and CFO
Tindall Corporation
3076 N. Blackstock Road
Spartanburg, South Carolina 29301

Dear Ms. Lang:

The City of San Antonio (City) appreciates the continued presence of Tindall Corporation (Tindall) in San Antonio and understands that various business challenges and issues arise such as economic issues or changes in business models. We value our relationship with Tindall and would like to continue to strengthen this long-term affiliation.

Tindall's Tax Phase-In Agreement with the City (Agreement) requires that the company have 250 full-time jobs by 12/31/16. This determination is based on the annual job and wage certification Tindall must report to the City. Tindall reported 103 full-time jobs as of 12/31/16, failing to meet the minimum full-time job requirement and falling below the 50% floor of 125 full-time jobs, thereby placing Tindall in non-compliance under the Agreement. Therefore, there will be no abatement of City ad valorem taxes for tax year 2016.

Because the City recognizes Tindall's continued efforts to hire additional workers and maintain a presence in a part of the City that has been historically disadvantaged, in lieu of other remedies, the City will continue to monitor Tindall's performance at the end of each of the remaining two years of the abatement term in 2017 and 2018. If Tindall does not meet minimum number of jobs required or falls below the 50% floor, Tindall will not be eligible for abatement. Further, during the recapture period commencing January 1, 2019 and ending on December 31, 2024, the City may exercise its available remedies under the Agreement should Tindall relocate or cease its business activities at its current project site in accordance with recapture schedules outlined in the Agreement. Please acknowledge Tindall's agreement to these terms by countersigning this letter below and returning a signed copy to me.

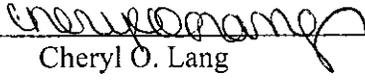
If you have any questions, please contact Jorge Beltran at (210) 207-4688 or Pamela Cruz at (210) 207-0150.

Sincerely,

Rene Dominguez, Director

ACKNOWLEDGED AND AGREED TO:

Tindall Corporation,
a South Carolina Corporation

By:  _____
Cheryl O. Lang

Its: Vice President and CFO

cc: Rob Killen, Kaufman & Killen
Jorge Beltran, BRE Manager, EDD