

STATE OF TEXAS  
COUNTY OF BEXAR

§ TAX ABATEMENT AGREEMENT  
§ BETWEEN THE COUNTY OF BEXAR AND  
§ NEXOLON AMERICA, LLC.

THIS TAX ABATEMENT AGREEMENT (“*Agreement*”) is entered into as of the date of the last signature set forth on the signature page below (“*Effective Date*”) between the County of Bexar, a political subdivision of the State of Texas (“*COUNTY*”), duly acting herein by and through the Bexar County Commissioners Court (“*Commissioners Court*”) for and on behalf of COUNTY and Nexolon America, LLC., a Delaware limited liability company, validly existing, in good standing and authorized to do business under the laws of the State of Texas (“*NEXOLON*”). The COUNTY and NEXOLON may be collectively referenced herein as the “Parties” or individually as a “Party”.

**WITNESSETH:**

**WHEREAS**, the City Council of the City of San Antonio, Texas in Ordinance No. 2012-12-13-0968 established the Brooks City-Base Reinvestment Zone (the “*Zone*”), which constitutes a reinvestment zone for commercial/industrial tax phase-in, as authorized by the Texas Property Redevelopment and Tax Abatement Act (Texas Tax Code Chapter 312); and

**WHEREAS**, NEXOLON has leased certain real property within Bexar County and intends to locate its corporate headquarters and manufacturing facility and to conduct its “Business Activities” which, for the purposes of this Agreement, include the manufacturing of solar panels for use in renewable energy projects and associated business operations, all to be located in the Zone and on the Brooks City-Base campus which is located in San Antonio, Texas; (cumulatively, the “*Project*”); and

**WHEREAS**, NEXOLON has made application to the COUNTY for a tax abatement on certain eligible personal property to be located at the Project site after execution of this Agreement; and

**WHEREAS**, COUNTY has approved Tax Abatement Guidelines (“*Guidelines*”) which govern tax abatement agreements entered into by COUNTY; and

**WHEREAS**, in order to maintain and enhance the commercial and industrial economic and employment base, the Commissioners Court has determined to grant the tax abatement and to enter into this Agreement, in accordance with the Guidelines and all other applicable laws; and

**WHEREAS**, the Commissioners Court finds that the proposed investment, as described in this Agreement, is consistent with the expansion of primary employment and the attraction of major investment in the Zone, which contributes to economic development in Bexar County and the enhancement of the tax base, and is in compliance with other applicable laws;

**NOW, THEREFORE**, for good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties do hereby contract, covenant, and agree as follows:

**ARTICLE I**  
**DEFINITIONS**

- 1.01 “**Application**” for purposes of this Agreement will mean The County of Bexar and The City of San Antonio Joint Application For Tax Abatement Assistance dated on or about December 27, 2012, on file with the Commissioners Court, attached hereto as Exhibit “D” and incorporated herein for all purposes.
- 1.02 “**Base Value**” for purposes of the abatement on Personal Property (as defined in Article I, Paragraph 1.09) will mean the assessed value of any Personal Property located on the Real Property (as defined in Article I, Paragraph 1.10) prior to the Effective Date (as defined in Article II, Paragraph 2.04). Such values will be determined by the Bexar Appraisal District (“**Appraisal District**”) under applicable Texas law.
- 1.03 “**Business Activities**” for purposes of this Agreement will mean the normal business activities conducted by NEXOLON which, for the purposes of this Agreement, include the manufacturing of solar panels for use in renewable energy projects and associated business operations including those support service activities (including, but not limited to, finance, procurement, human resources, supply chain management, and customer service) necessary to support the business operations of NEXOLON.
- 1.04 “**Certificate of Completion**” means the sworn certificate of NEXOLON in the form attached as Exhibit “C,” incorporated herein for all purposes upon submission to the COUNTY by NEXOLON, affirming that the construction of its operations facilities is complete and no uncured breach of any term or condition of this Agreement then exists.
- 1.05 “**Employee Benefits**” for purposes of this Agreement, will mean those benefits that are offered by NEXOLON to its employees which, at a minimum, must include health insurance. The Employee Benefits package which NEXOLON will offer to its employees will be attached hereto as Exhibit “E” and incorporated herein for all purposes upon NEXOLON’s submission to the COUNTY.
- 1.06 “**Employment Positions**” for purposes of this Agreement will mean non-temporary, full-time employees of NEXOLON employed at NEXOLON’s facility in Bexar County, working at least forty hours per week and eligible for the Employee Benefits described above.
- 1.07 “**Force Majeure**” for purposes of this Agreement means an act of God, natural disaster, acts of public enemies, failures to act by any Governmental Authority, riots, perils of the sea, or any other extraordinary cause beyond the reasonable control of NEXOLON. It also includes explosion or other casualty or accident which is not the result of negligence, intentional act or misconduct on the part of NEXOLON. In addition to the relief expressly granted in this Agreement, COUNTY may grant relief from performance of this Agreement if NEXOLON is prevented from compliance and performance by an event of Force Majeure. The burden to prove the occurrence of an event of Force Majeure will rest solely with NEXOLON. To obtain release based upon Force Majeure,

NEXOLON must file a written submission detailing the event(s) to the COUNTY's Economic Development Department Executive Director.

- 1.08 ***“Improvements”*** for purposes of this Agreement will have the meaning assigned by the Texas Tax Code §1.04(3) and will include buildings, structures, fixtures, and fences erected on or affixed to land.
- 1.09 ***“Personal Property”*** for purposes of this Agreement will have the meaning assigned by the Texas Tax Code §1.04(4) and (5) and will include equipment, furniture, fixtures, inventory, and supplies. The Personal Property subject to abatement of taxes pursuant to this Agreement is only that Personal Property brought onto the Real Property after the Effective Date.
- 1.10 ***“Real Property”*** for purposes of this Agreement means the tax-exempt parcel of land currently leased by NEXOLON from Brooks Development Authority which consists of approximately 85.65 acres of land and on which NEXOLON will construct its corporate headquarters and manufacturing facility. A description of the parcel of land constituting the Real Property is attached to this Agreement as Exhibit “A” and incorporated herein for all purposes.
- 1.11 ***“Recapture Period”*** for purposes of this Agreement means the period beginning on January 1st of the year immediately following the year in which the Tax Abatement Period (as defined in Article I, Paragraph 1.13) ends and continuing for a period of six (6) years through December 31st of that sixth year.
- 1.12 ***“Tax Abatement”*** for purposes of this Agreement means the percentage of the increase in the assessed value of the Personal Property, above the Base Value, which will be exempt from ad valorem taxation in accordance with the Texas Tax Code, subject to the terms and conditions herein.
- 1.13 ***“Tax Abatement Period”*** for purposes of this Agreement means the period beginning on January 1, 2014 and continuing for a period of ten (10) tax years thereafter ending on December 31 of that tenth year.

## **ARTICLE II**

### **TERMS OF TAX ABATEMENT**

- 2.01 Provided NEXOLON is and remains in compliance with the terms and conditions of this Agreement, a Tax Abatement of **FORTY PERCENT (40%)** will be granted to NEXOLON during the Tax Abatement Period on that portion of NEXOLON's Personal Property which is located on the Real Property after the Effective Date.
- 2.02 NEXOLON must establish separate tax accounts for the Personal Property subject to this Agreement with the Appraisal District and provide those tax account number(s) to the COUNTY within ninety (90) days following the Effective Date of this Agreement.
- 2.03 The ad valorem taxes eligible for Tax Abatement under this Agreement will be the ad valorem taxes levied by the Commissioners Court for and on behalf of COUNTY on

NEXOLON's Personal Property only and will specifically exclude: i) taxes levied on any other property owned by NEXOLON; and ii) ad valorem taxes levied by Commissioners Court for and on behalf of any other taxing authority or jurisdiction, including, but not limited to, the Bexar County Hospital District operating as University Health System or the Bexar County Flood Control District.

- 2.04 The Agreement will begin on the date of execution by COUNTY ("*Effective Date*") and terminate upon expiration of the Recapture Period ("*Term*").
- 2.05 NEXOLON must own the Personal Property subject to this Agreement during the Term.
- 2.06 NEXOLON agrees that during the Term, it will lease, own, hold an interest in, or otherwise control the Real Property and occupy its facilities (to be constructed on the Real Property after the Effective Date).
- 2.07 NEXOLON agrees that during the Term it will not:
  - (a) discontinue and/or cease its Business Activities at the Project site for a period of sixty (60) days for any reason, excepting a Force Majeure event. Should such a cessation of Business Activities occur, the COUNTY's determination of the date of cessation will be conclusive unless NEXOLON presents credible evidence to clearly indicate an alternate date;
  - (b) relocate all, or alternatively, a significant portion of, its Business Activities to a location outside of the Zone, unless the purpose for such relocation is to transfer the Business Activities, and all of its Employment Positions, to another building or facility located within Bexar County, Texas; or
  - (c) utilize any substantial portion of the Real Property for any purpose other than the Business Activities for any period longer than sixty (60) days for any reason, excepting a Force Majeure event, unless prior written consent has been obtained from Commissioners Court. Should NEXOLON use or allow the Real Property to be used for purposes other than the Business Activities, the COUNTY's determination of the date such inconsistent use began will be conclusive for calculating the above sixty (60) day period unless NEXOLON presents credible evidence to clearly indicate an alternate date.
- 2.08 NEXOLON agrees to pay, before the delinquency date, all of its ad valorem taxes due with respect to any other property located in Bexar County that is not subject to Tax Abatement under this Agreement or other similar incentive agreement, subject to its right to protest and/or contest ad valorem taxes as permitted by applicable law.
- 2.09 NEXOLON understands and agrees that the Base Value of the Personal Property, and the tax levy on the Base Value, will not decrease, but taxes may increase and that the amount of ad valorem taxes paid by NEXOLON attributable to the Personal Property will not be less than the amount of taxes paid for the tax year this Agreement is executed. However, NEXOLON will have the right to protest and/or contest appraisals over and above the Base Value.

- 2.10 NEXOLON agrees to furnish the Appraisal District with such information pertaining to the Personal Property as is necessary for abatement and appraisal purposes, as well as any relevant accounting or tax records pertaining to the Personal Property deemed necessary by the Appraisal District for such purposes. All values (including Base Value) relevant to this Agreement and the yearly amount of the Tax Abatement to be provided hereunder will be determined by the Appraisal District under applicable Texas law and the Appraisal District's final determination of amounts for purposes of this Agreement will be conclusive.
- 2.11 NEXOLON must maintain the Real Property and any Improvements to be located on the Real Property in good repair and condition during the Term, normal wear and tear excepted.
- 2.12 NEXOLON also agrees that it will conduct its Business Activities in accordance with all applicable federal, state and local laws.

### **ARTICLE III**

#### **CAPITAL INVESTMENT COMMITMENTS**

- 3.01 This Agreement and the Tax Abatement granted hereunder is conditioned on NEXOLON complying with the capital investment commitments described in this Article III.
- 3.02 NEXOLON agrees that its capital investment in: i) the Real Property will be in an amount not less than **THIRTY-FIVE MILLION AND NO/100 DOLLARS (\$35,000,000.00)**; and ii) the Personal Property will be in an amount not less than **EIGHTY MILLION AND NO/100 DOLLARS (\$80,000,000.00)**. The capital investments related to the Real Property contemplated by this Paragraph 3.02 must be completed on or before December 31, 2014, subject to Force Majeure. The capital investments related to the Personal Property contemplated by this Paragraph 3.02 must be completed on or before December 31, 2015, subject to Force Majeure. Within thirty (30) days following substantial completion of NEXOLON's proposed improvements to Real Property at the Project site, NEXOLON must submit to the COUNTY a fully complete and endorsed original Certificate of Completion as to Real Property. Within thirty (30) days following substantial completion of NEXOLON's proposed investment as to Personal Property at the Project site, NEXOLON must submit to the COUNTY a fully complete and endorsed original Certificate of Completion as to Personal Property.
- 3.03 NEXOLON agrees that all property subject to this Agreement will be located entirely within Bexar County and solely within the Zone.
- 3.04 NEXOLON agrees that all construction at the Real Property site will comply with:
- (a) applicable building codes and ordinances, including but not limited to flood, subdivision, building, electrical, plumbing, fire, and life safety codes and ordinances, as amended; and

- (b) applicable city, county, state, and federal laws, rules, regulations, statutes, ordinances, orders, and codes, as amended.
- 3.05 NEXOLON understands and agrees that the Tax Abatement granted pursuant to this Agreement applies only to NEXOLON's Personal Property and that no Real Property or any Improvements located on the Real Property or Improvements hereafter constructed will be eligible for Tax Abatement under this Agreement.
- 3.06 NEXOLON agrees to furnish COUNTY with semi-annual reports in a form satisfactory to COUNTY that is substantially similar to Exhibit "B", certifying its compliance with the capital investment commitments contemplated by this Agreement. The semi-annual reports must include information on the extent and amount of investment in the Real Property and Personal Property which occurred during the semi-annual period preceding the submission of such reports. NEXOLON agrees to submit the reports by March 31st (covering the period July 1 through December 31) and September 30th (covering the period January 1 through June 30) of each year until such time as it has certified that all of the investments contemplated by this Agreement are completed, after which no further semi-annual reports will be required pursuant to this Section 3.06. COUNTY may require that the reports include detailed information on capital expenditures, to include purchase order numbers, vendor names, and dollar amounts paid for all of the capital investments. These reports must be prepared and administered in accordance with generally accepted accounting principles. During the Term, COUNTY and its employees and agents will have access to the Real Property (upon ten (10) business days advance written notice and during normal business hours) for the purpose of inspection to ensure that the investments contemplated by this Agreement have been made and NEXOLON's facilities are being used for the purposes described in this Agreement. COUNTY representatives may be accompanied by NEXOLON representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with NEXOLON's Business Activities; and (b) comply with NEXOLON's reasonable security and confidentiality requirements. All information provided by NEXOLON shall be subject to applicable state or federal law or regulation, including the Texas Public Information Act, Texas Government Code § 552.001, et seq. (the "*Act*"). Any information NEXOLON deems confidential and proprietary must be clearly marked confidential and proprietary as appropriate, and if appropriately marked, the COUNTY will take reasonable steps to protect that information from further disclosure pursuant to applicable law or regulation. Notwithstanding anything to the contrary in this Agreement, the Parties understand and agree that the COUNTY is a political subdivision of the State of Texas and the Act shall control over the release or disclosure of all tangible information under this Agreement and the COUNTY shall have the right to rely on the advice, decisions and opinions of the Texas Attorney General regarding any such disclosure or release.

**ARTICLE IV**  
**EMPLOYMENT COMMITMENTS**

- 4.01 This Agreement (and the Tax Abatement granted hereunder) is conditioned upon NEXOLON creating and maintaining the agreed number of Employment Positions within Bexar County and in the Zone and complying with the additional employment commitments described in this Article IV during the Term.
- 4.02 NEXOLON represents that as of June 21, 2012, it had no employees in permanent Employment Positions in Bexar County, Texas (the “*Employment Baseline*”).
- 4.03 As further consideration supporting this Agreement, NEXOLON covenants and agrees that it will create and fill not less than four hundred and four (404) new Employment Positions in Bexar County over and above the Employment Baseline (the “*Employment Commitment*”) as follows:

<b>EMPLOYMENT COMMITMENT SCHEDULE</b>		
<b>Year</b>	<b>Number of Additional Employment Positions Created</b>	<b>Total Employment Positions</b>
Prior to December 31, 2014	40 Employment Positions	40
Prior to December 31, 2015	160 Employment Positions	200
Prior to December 31, 2016	204 Employment Positions	404

NEXOLON further covenants and agrees that once its Employment Commitment is achieved pursuant to the schedule outlined above, it will maintain not less than the cumulative total number of Employment Positions, above the Employment Baseline, in the Zone as described by the above Employment Commitment Schedule (“*Total Employment Positions*”) through the Term. For clarity, NEXOLON agrees that after execution of the Agreement and during year one of the Tax Abatement Period, it will create and fill not less than forty (40) new Employment Positions above the Employment Baseline for a total of forty (40) Employment Positions in the Zone and maintain the same number through the Term. In year two of the Tax Abatement Period, NEXOLON will create and fill another one hundred sixty (160) Employment Positions in the Zone for a total of two hundred (200) Employment Positions in the Zone and maintain those two hundred (200) Employment Positions through the Term. In year three of the Tax Abatement Period, NEXOLON will create and fill another two hundred four (204) Employment Positions in the Zone for a total of four hundred four (404) Employment Positions in the Zone and maintain those four hundred four (404) Employment Positions through the Term

- 4.04 NEXOLON agrees that from the Effective Date throughout the Term, one hundred percent (100%) of all Employment Positions at the New Facility will be paid a minimum wage, not including benefits, of at least eleven dollars and eight cents (\$11.08) per hour.

- 4.05 NEXOLON agrees that within one year from the Effective Date, seventy percent (70%) of all new and existing Employment Positions at the New Facility will be paid a minimum wage, not including benefits, of at least thirteen dollars and seventy-six cents (\$13.76) per hour.
- 4.06 NEXOLON agrees to make a good faith effort to fill at least twenty-five percent (25%) of the new Employment Positions created and maintained with qualified Bexar County residents.
- 4.07 NEXOLON agrees that from the Effective Date throughout the Term, all of the Employment Positions it creates to comply with the Employment Commitment described in Article IV, Paragraph 4.03 hereof will be entitled to the Employee Benefits detailed in Article I, Paragraph 1.05.
- 4.08 NEXOLON must not engage in employment practices which have the effect of discriminating against any employee or applicant for employment, and will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, disability, or political belief or affiliation.
- 4.09 NEXOLON agrees to comply with all applicable federal and state laws governing the employer-employee relationship including, but not limited to, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Equal Pay Act of 1963, the Family and Medical Leave Act, and Title I and V of the Americans with Disabilities Act.
- 4.10 NEXOLON must furnish COUNTY with semi-annual reports substantially similar to Exhibit "B" certifying to its compliance with the Employment Commitment and each semi-annual report must include information on the number of new Employment Positions created and the total number of Employment Positions then filled in the Zone. NEXOLON further agrees that the reports will certify the number of Bexar County residents employed by NEXOLON and the salaries of the individuals in the Employment Positions in the Zone. NEXOLON agrees to submit the reports by March 31st (covering the period July 1 through December 31) and September 30th (covering the period January 1 through June 30) for each year of the Term of this Agreement. With at least ten (10) days prior notice to NEXOLON, NEXOLON must grant COUNTY and its employees and agents reasonable access to payroll records and related backup information, wherever maintained, for the limited purpose of verifying the information provided in the reports outlined above. Provided, however, that COUNTY shall not have any right or ability to obtain copies of NEXOLON's records or remove any information or documents from NEXOLON's files. Similarly, COUNTY shall not have the ability to obtain copies or otherwise review records or files that are protected by the trade secret privilege, the attorney-client privilege, as attorney work product, or by any applicable state or federal law, statute, or regulation. COUNTY representatives may be accompanied by NEXOLON representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with NEXOLON's Business Activities; and (b) comply with NEXOLON's reasonable security and confidentiality requirements. All information

provided by NEXOLON shall be subject to applicable state or federal law or regulation, including the Act. Any information NEXOLON deems confidential and proprietary must be clearly marked confidential and proprietary as appropriate, and if appropriately marked, the COUNTY will take reasonable steps to protect that information from further disclosure pursuant to applicable law or regulation. Notwithstanding anything to the contrary in this Agreement, the Parties understand and agree that the COUNTY is a political subdivision of the State of Texas and the Act shall control over the release or disclosure of all tangible information under this Agreement and the COUNTY shall have the right to rely on the advice, decisions and opinions of the Texas Attorney General regarding any such disclosure or release.

#### **ARTICLE V** **GOODWILL BENEFITS**

- 5.01 NEXOLON, as a tax abatement recipient, will make a good faith effort to provide goodwill benefits to the COUNTY community. These goodwill benefits may include completed, current or planned benefits which can be in-kind donations, monetary donations or service donations to local non-profits, community organizations or national organizations directly assisting citizens of the COUNTY.

#### **ARTICLE VI** **REPRESENTATIONS OF NEXOLON**

- 6.01 The execution and performance of this Agreement by NEXOLON has been duly authorized by its governing authority and does not require the consent or approval of any other person which has not been obtained. Additionally, the individual executing this Agreement on behalf of NEXOLON represents, warrants, assures and guarantees that he or she has full legal authority to execute this Agreement on behalf of NEXOLON and to bind NEXOLON to all terms, performances and provisions herein contained. In the event that a dispute arises as to the legal authority of either NEXOLON, or the person signing on behalf of NEXOLON, to enter into this Agreement, COUNTY will have the right, at its option, to either temporarily suspend or permanently terminate this Agreement.
- 6.02 NEXOLON represents that the Real Property will only be used for the Business Activities described in this Agreement. NEXOLON agrees that any change in the use of the Real Property during the Term from the Business Activities so described must have the prior written approval of Commissioners Court, such approval not to be unreasonably withheld, and any other governmental entity having an interest in the abatement of ad valorem taxation of the property subject to this Agreement.
- 6.03 NEXOLON represents that the Project described in this Agreement is not financed by tax increment bonds.
- 6.04 NEXOLON represents that no bonds for which the COUNTY is liable have been (or will be) used to finance any portion of this Project. Further, NEXOLON acknowledges that

this Agreement is entered into subject to the rights of the holders of outstanding bonds of COUNTY.

- 6.05 NEXOLON represents that no interest in any of the property subject to Tax Abatement under this Agreement is presently held by or leased to, and that it will not, during the Term, sell or lease an interest in such property to, a member of the Commissioners Court, the City of San Antonio Council, the City of San Antonio Zoning and Planning Commissioners, or any other officer or employee of COUNTY or the City of San Antonio, or any member of the governing body of any taxing unit joining in or adopting this Agreement.
- 6.06 NEXOLON represents that all of its activities related to this Agreement will be conducted in accordance with applicable federal, state and local laws.
- 6.07 NEXOLON represents that there is no litigation pending or threatened against either party or any of their affiliates for any violations under the Occupational Safety and Health Act (29 U.S.C. §§651, et seq.), and agrees to provide COUNTY with notice of such actions if discovered subsequent to execution of this Agreement.
- 6.08 NEXOLON represents that the information provided and the representations made in the Application are true and correct.
- 6.09 NEXOLON represents that any and all oral representations made to Commissioners Court are true and correct in all material respects and agrees to comply with such representations and perform the same as though those representations were expressly described herein.

**ARTICLE VII**  
**DEFAULT, TERMINATION, AND RECAPTURE**

- 7.01 During the Term, this Agreement will terminate upon the occurrence of any one or more of the following (each an “*Event of Termination*”):
  - (a) NEXOLON fails to meet the capital investment commitment set out in Article III, Paragraph 3.02 on or before December 31, 2014 (as to Real Property) or December 31, 2015 (as to Personal Property) (or any date thereafter with the written consent of Commissioners Court in the form of an amendment to this Agreement entered into prior to the passing of such date), except if such failure is the result of an event of Force Majeure occurring through no fault of NEXOLON;
  - (b) NEXOLON fails to meet its Employment Commitment numbers as set out in Article IV, Paragraph 4.03 within the time periods specified in that Paragraph (or an alternative date with the written consent of Commissioners Court in the form of an amendment to this Agreement entered into prior to the passing of such date) or fails to maintain the Total Employment Positions once achieved for the duration of the Term, except if such failure is the result of an event of Force Majeure occurring through no fault of NEXOLON;

- (c) NEXOLON fails to comply with any term or condition of this Agreement, or if any representation or warranty made by NEXOLON to COUNTY in this Agreement is false or misleading;
- (d) NEXOLON makes a general assignment for the benefit of creditors;
- (e) NEXOLON files a petition under any section or chapter of federal bankruptcy laws or under any similar law or statute of the United States or any state thereof and it is not dismissed, withdrawn or otherwise concluded without adjudication within sixty (60) days after being filed;
- (f) NEXOLON admits in writing its inability to pay its debts when due;
- (g) a final judgment representing a claim or charge against the assets of NEXOLON in an amount in excess of ONE MILLION DOLLARS (\$1,000,000.00) remains unsatisfied or of record for ninety (90) days or longer (unless a supersedeas or other appeal bond is filed);
- (h) NEXOLON ceases to operate for a period exceeding sixty (60) days, is dissolved or is terminated;
- (i) a suit to foreclose any lien against any portion of the Personal Property is instituted against NEXOLON and not dismissed within sixty (60) days;
- (j) NEXOLON submits falsified information or documentation or fails to timely submit any information or documentation required or requested by the COUNTY pursuant to the terms of this Agreement (including, but not limited to, the semi-annual reports required under Paragraph 3.06 and Paragraph 4.10);
- (k) in the event NEXOLON attempts to assign this Agreement in violation of the assignment provisions set out in Article VIII, Paragraph 8.01;
- (l) in the event NEXOLON violates Article XVI, Paragraph 16.01 of this Agreement; provided, however, that notwithstanding anything in this Article VIII to the contrary, if NEXOLON should violate Article XVI, Paragraph 16.01, the notice and repayment provisions of that Article will control; or
- (m) any subsequent federal or state legislation or any decision by a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

7.02 Promptly, but in no event later than ten (10) business days following the occurrence of an Event(s) of Termination, NEXOLON must notify the COUNTY in accordance with the notice provisions contained in Article IX, Paragraph 9.01 of this Agreement. Upon receipt of notification of an Event(s) of Termination from NEXOLON (or the County's independent discovery of an Event of Termination), the County will send written notice describing the Event(s) of Termination prior to terminating this Agreement ("**Default Notice**"). If COUNTY provides NEXOLON with a Default Notice and the Event(s) of Termination as identified in the Default Notice is not cured within sixty (60) days from

the date the Default Notice is sent (“*Cure Period*”), then this Agreement will automatically terminate effective as of the date of the expiration of the Cure Period (“*Termination Date*”). COUNTY may, in its sole discretion, extend the Cure Period if NEXOLON commences the cure within the Cure Period and is diligently pursuing such cure.

- 7.03 If this Agreement terminates as the result of an uncured Event(s) of Termination which occurs during the Tax Abatement Period, NEXOLON agrees that taxes on the Personal Property will become due and owing for the calendar year in which the Default Notice leading to termination of this Agreement is sent and will accrue without abatement for all years thereafter. In addition, NEXOLON must repay the COUNTY taxes previously abated pursuant to this Agreement in accordance with the recapture schedule set out in this Paragraph 7.03 below (the “*Recapture Schedule*”). The amount of previously abated taxes to be repaid by NEXOLON will be determined by multiplying the total of all taxes abated by the applicable percentage, based on the calendar year in which the Default Notice resulting in termination of this Agreement is sent in accordance with the following Recapture Schedule:

<b>RECAPTURE SCHEDULE</b>	
<b>Year in which Notice Resulting in Termination is Sent:</b>	<b>Total Taxes Previously Abated Shall be Multiplied by:</b>
During the Tax Abatement Period	100%
Year 1 of the Recapture Period	100%
Year 2 of the Recapture Period	80%
Year 3 of the Recapture Period	60%
Year 4 of the Recapture Period	40%
Year 5 of the Recapture Period	20%
Year 6 of the Recapture Period	10%

- 7.04 NEXOLON agrees that any amounts which become due and owing under this Article VII must be paid to COUNTY within sixty (60) days after the Termination Date. It is not a waiver of default if COUNTY fails to declare immediately a default, or delays in taking any action with respect to a default, or fails to take any action with respect to a default. Additionally, the remedies contained herein are non-exclusive, and the COUNTY will have any and all remedies it may be entitled to in law or in equity. The exercise of any remedy by COUNTY will not be deemed as a waiver of any other remedy to which COUNTY may be entitled.
- 7.05 In the event any property subject to this Agreement is taken by any public or quasi-public authority under the powers of eminent domain, condemnation, or expropriation, then the Tax Abatement as to that portion of the property affected will terminate and there will be no recapture of taxes or other penalty.

- 7.06 The remedies contained in this Agreement are non-exclusive and COUNTY will have any and all remedies it may be entitled to either in law or in equity. The exercise of any remedy by COUNTY will not be deemed as a waiver of any other remedy to which COUNTY may be entitled.

### **ARTICLE VIII** **ASSIGNMENT**

- 8.01 Except as provided below, no legal or business entity other than NEXOLON will be entitled to receive the benefit of the Tax Abatement provided herein, without the prior written consent of COUNTY acting by and through the Commissioners Court, such consent not to be unreasonably withheld. In addition, except as provided below, this Agreement cannot be assigned by NEXOLON to any other legal entity without the prior written consent of COUNTY, such consent not to be unreasonably withheld. Any attempted transfer of the rights and responsibilities under this Agreement or the assignment of this Agreement without prior approval of COUNTY, acting by and through the Commissioners Court, will be void and this Agreement will terminate triggering the Recapture provisions of Article VII and NEXOLON will have no ability to cure. Notwithstanding anything to the contrary in this Agreement, no consent by COUNTY is required for an assignment or transfer to a parent of NEXOLON, a subsidiary of NEXOLON, an affiliate entity of NEXOLON, or to any new entity created as a result of a merger, acquisition or other corporate restructure of NEXOLON. However, NEXOLON shall give COUNTY prior written notice of all assignments or other transfers that do not require COUNTY consent.
- 8.02 In the event of an assignment by NEXOLON to which COUNTY has consented in writing, or in the event of an assignment by NEXOLON for which no COUNTY consent is required under Article VIII, Paragraph 8.01, the assignee, or the assignee's legal representative, must then enter into a written agreement with the COUNTY agreeing to assume, perform, and be bound by all of the covenants, obligations, and agreements contained within this Agreement. NEXOLON agrees that such an assignment will in no way relieve it from any obligation created under this Agreement attributable to the period prior to the assignment.

### **ARTICLE IX** **NOTICES**

- 9.01 All notices provided to be given under this Agreement must be in writing, and either be personally served against a written receipt therefore or given by certified mail or registered mail, return receipt requested, postage prepaid, and addressed to the proper Party at the address which appears below, or at such other address as the Parties may hereafter designate. All notices given by mail will be deemed to have been given at the time of deposit in the United States mail and will be effective from such date.

If to COUNTY: County Judge  
Bexar County Commissioners Court  
101 West Nueva Street, Suite 1019  
San Antonio, Texas 78205-3482  
Attn: Nexolon Tax Abatement Agreement

With a copy to: Commissioner, Precinct 1  
Bexar County Commissioners Court  
101 West Nueva Street, Suite 1009  
San Antonio, Texas 78205-3481

and Executive Director  
Economic Development Department  
101 West Nueva Street, Suite 944  
San Antonio, Texas 78205-3450

and Chief, Civil Section  
Bexar County District Attorney's Office  
300 Dolorosa, Fifth Floor  
San Antonio, Texas 78205

If to NEXOLON: Nexolon America, LLC  
7330 San Pedro, Suite 410  
San Antonio, Texas 78216  
Attn: President

**ARTICLE X**  
**SEVERABILITY**

10.01 In the event any section, subsection, paragraph, subparagraph, sentence, phrase, or word contained in this Agreement is held invalid, illegal, or unenforceable, the balance of this Agreement will stand, will be enforceable, and will 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 will be substituted for such deleted provision a provision as similar in terms and in effect to such deleted provision as may be valid, legal, and enforceable.

**ARTICLE XI**  
**APPLICABLE LAW**

11.01 This Agreement will be governed by and construed in accordance with the laws of the United States and more specifically, the laws of the State of Texas, without regard to conflicts of law principles that would require the application of the laws of any foreign jurisdiction or the laws of any other state. Venue for any action brought hereunder (including any action brought in federal court) will be exclusively in Bexar County, Texas.

**ARTICLE XII**  
**INCORPORATION OF OTHER DOCUMENTS**

12.01 The following exhibits are attached hereto and incorporated herein for all purposes:

Exhibit “A” Description of the Real Property

Exhibit “B” Bexar County Semi-Annual Tax Abatement Compliance Report

Exhibit “C” Certificate of Completion

Exhibit “D” The County of Bexar and The City of San Antonio Joint Application For Tax Abatement Assistance

Exhibit “E” NEXOLON Employee Benefits Package

**ARTICLE XIII**  
**AMENDMENT OF DOCUMENTS**

13.01 No amendment, modification, or alteration of the terms hereof will be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by the Parties hereto.

**ARTICLE XIV**  
**MULTIPLE COUNTERPARTS**

14.01 This Agreement may be executed by the Parties in several counterparts, and each counterpart, when so executed and delivered, will constitute an original instrument, and all such separate counterparts will constitute but one and the same instrument.

**ARTICLE XV**  
**PRIOR AGREEMENTS SUPERSEDED**

15.01 Subject to Article VI, Paragraph 6.09, this Agreement constitutes the sole and only agreement of the Parties hereto and supersedes all prior understandings or written or oral agreements between the Parties respecting the subject matter within.

**ARTICLE XVI**  
**CERTIFICATION**

16.01 NEXOLON, by execution of this Agreement and in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any undocumented workers at the Project site during the Term of this Agreement. If NEXOLON is convicted of a violation under 8 U.S.C. Section 1324a (f), then this Agreement will terminate without necessity of the Cure Period, and NEXOLON must pay to COUNTY all of the ad valorem taxes previously abated by this Agreement. The COUNTY will provide written notice to NEXOLON of such a breach (“*Violation Notice*”) and within one hundred twenty (120) days after the Violation Notice is sent, NEXOLON must repay to COUNTY

all of the ad valorem taxes previously abated by this Agreement with interest to be calculated in accordance with the money judgment rate set forth in Section 304.003 of the Texas Finance Code, as may be amended from time to time, from the date of the Violation Notice until paid. The COUNTY, in its sole discretion, may extend the period for repayment set forth herein. In addition, NEXOLON agrees to pay all costs and expenses, including attorney's fees, incurred by the COUNTY in enforcing this provision. Notwithstanding any other provision of this Agreement, for purposes of this Article XVI, the default and termination provisions contained herein will control.

- 16.02 In the event of termination pursuant to the above Paragraph 16.01, NEXOLON agrees that ad valorem taxes will be due for the calendar year during which the written notice leading to such termination is sent (if termination occurs during the Tax Abatement Period) and will accrue without abatement for all years thereafter.

## **ARTICLE XVII**

### **COUNTERPARTS; DELIVERY BY FACSIMILE OR ELECTRONIC MAIL**

- 17.01 This Agreement may be executed in counterparts. Each of the counterparts will be deemed an original instrument, but all of the counterparts will constitute one and the same instrument. This Agreement may be executed in any number of counterparts and by different Parties in separate counterparts, each of which when so executed and delivered, will be deemed an original, and all of which, when taken together, will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or electronic mail will be as effective as delivery of a manually executed counterpart of this Agreement, except that any Party delivering an executed counterpart of this Agreement by facsimile or electronic mail also must deliver a manually executed counterpart of this Agreement. Notwithstanding the foregoing, failure to deliver a manually executed counterpart will not affect the validity, enforceability, and binding effect of this Agreement.

*(remainder of page intentionally left blank)*

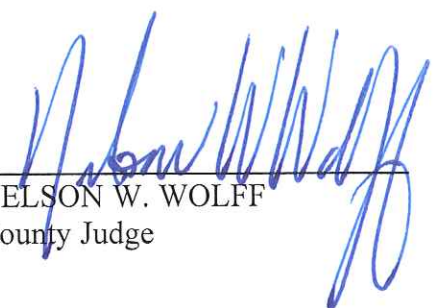
**ARTICLE XVIII**  
**COMMISSIONERS COURT AUTHORIZATION**

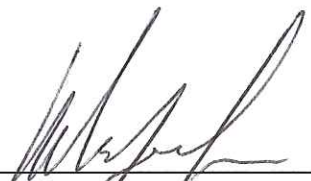
18.01 This Agreement was approved by Order of the Commissioners Court dated September 17, 2013 authorizing the County Judge to execute this Agreement on behalf of COUNTY. The Tax Abatement contemplated by this Agreement is expressly subject to NEXOLON'S fulfillment of all of the terms and conditions described herein.

IN WITNESS WHEREOF, this Agreement is executed in triplicate originals effective this 17<sup>th</sup> day of September, 2013.

**COUNTY OF BEXAR**

**NEXOLON AMERICA, LLC.**

By:   
NELSON W. WOLFF  
County Judge

By:   
WOO JEONG LEE  
President

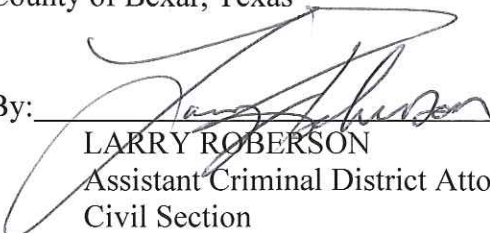
Date: 06.26.2013

ATTEST:  
  
GERARD C. RICKHOFF  
County Clerk


*for*

APPROVED AS TO LEGAL FORM:

SUSAN D. REED  
Criminal District Attorney  
County of Bexar, Texas

By:   
LARRY ROBERSON  
Assistant Criminal District Attorney  
Civil Section

APPROVED AS TO FINANCIAL  
CONTENT:

  
SUSAN YEATTS  
County Auditor

  
DAVID SMITH  
County Manager

APPROVED:

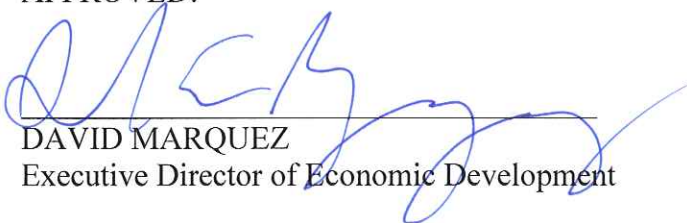
  
DAVID MARQUEZ  
Executive Director of Economic Development

Exhibit "A"

Description of Real Property

THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INDEPENDENTLY ALTERED. SET OUT ON THIS DRAWING MATERIALS BEING THE CONSULTANT'S ORIGINAL SOURCE AND SCALE.

JOB NO. 5735-79  
DATE NOVEMBER 2012  
DESIGNER SLW  
CHECKED SLW DRAWN PLM  
SHEET 1 of 1

**BROOKS CITY-BASE**  
**SAN ANTONIO, TEXAS**  
**SITE EXHIBIT**

**Pape-Dawson**  
**ENGINEERS**  
555 EAST RANSBY | SAN ANTONIO, TEXAS 78216 | PHONE: 210.375.8000  
TEXAS BOARD OF PROFESSIONAL ENGINEERS, FIRM REGISTRATION # 470 | FAX: 210.375.5010

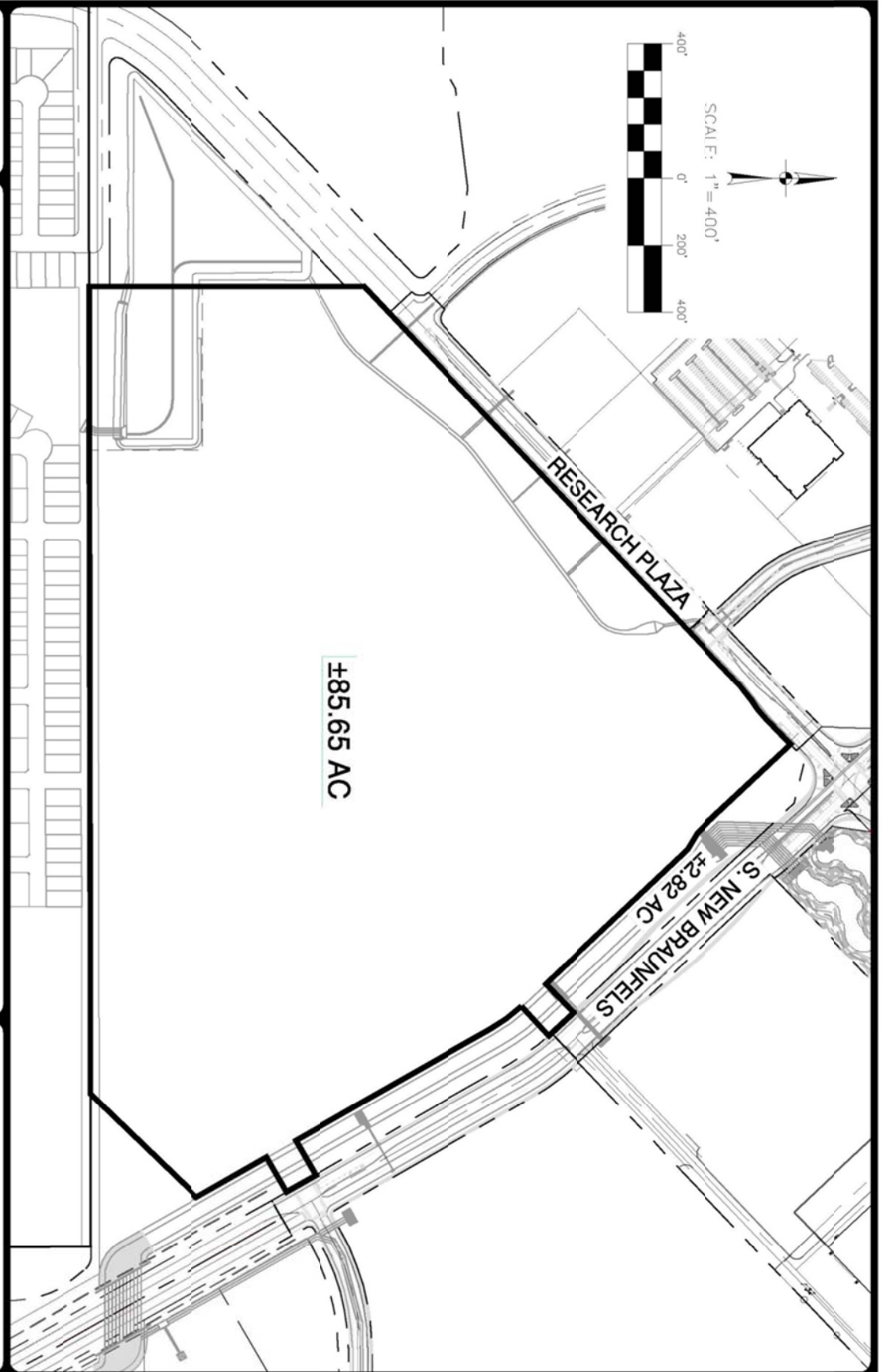


Exhibit “B”

County of Bexar Tax Abatement Compliance Report

<b>Personal Property Improvements</b>	
<i>Expenditures associated with the personal property improvements to your facility during _____ through _____.</i>	
1. Improvements occurring during reporting period.	\$
2. Improvements existing <b>prior to</b> reporting period.	\$
3. Total personal property improvements (Add responses from 1 and 2).	\$
4. Bexar Appraisal District Tax Account Number.	
<b>Real Property Improvements</b>	
<i>Expenditures associated with the real property improvements during _____ through _____.</i>	
5. Improvements occurring during reporting period.	\$
6. Improvements existing <b>prior to</b> reporting period.	\$
7. Total real property improvements (Add responses from 5 and 6).	\$
4. Bexar Appraisal District Tax Account Number.	
<b>Jobs Created</b>	
<i>Full-time jobs created during _____ through _____.</i>	
8. Jobs created during reporting period.	
9. Jobs existing <b>prior to</b> reporting period.	
10. Total number of jobs created as a result of the Tax Abatement Agreement (Add responses from 8 and 9).	
11. Minimum hourly wage of full-time permanent employment positions (required under Section 4.04).	\$
12. Percentage of employment positions earning a cash wage meeting the average hourly wage standard (required under Section 4.05).	
<b>Additional Representations</b>	
13. Percentage of new employment positions occupied by Bexar County residents during reporting period (required under Section 4.06).	
14. Goodwill benefits provided or planned to be provided to the Bexar County community (pursuant to Section 5.01). Attach a printed description of goodwill benefits to this report with the company name as the title.	

**EXHIBIT "C"**  
**CERTIFICATE OF COMPLETION**

DATE: \_\_\_\_\_, 201\_\_

AFFIANT: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Unless defined herein, each capitalized term or phrase used in this Certificate of Completion of construction ("*Certificate of Completion*") will have the meaning ascribed to such term or phrase in the Tax Abatement Agreement dated \_\_\_\_\_, 2013 ("*Tax Abatement Agreement*") between Nexolon America, LLC. ("*Affiant*") and Bexar County, Texas ("*County*"), which is incorporated herein by reference for all purposes.

The person signing this Certificate of Completion has been duly sworn. Under oath, the undersigned swears the following information is true and correct:

1. Authority of Affiant. The undersigned person has been duly authorized by Affiant to sign this Certificate of Completion of construction as its agent and representative and deliver it to the County in accordance with the terms of the Tax Abatement Agreement.

2. Description of Affiant's Obligations. Affiant entered into the Tax Abatement Agreement with the County wherein the County agreed to abatement the taxes on Affiant's Personal Property as incentive for Affiant to make certain capital investments described in the Tax Abatement Agreement and create and fill a specified number of Employment Positions in the Zone and at the Project site.

3. Representations of Affiant. Affiant swears that (i) the capital investments described in the Tax Abatement Agreement have been made, (ii) substantial completion (except for minor "punch-list" items) of Affiant's facilities occurred on or before \_\_\_\_\_, \_\_\_\_\_, and (iii) as of the date of this Certificate of Completion, no breach of any of the terms, conditions, representations or warranties contained in the Tax Abatement Agreement has occurred without cure by Affiant.

4. Liability for False Statements. Affiant is aware that the County is relying upon the truth and accuracy of this Certificate of Completion and that Affiant will be liable to the County for all damages, attorney's fees, and other expenses incurred because of any false statement contained in this Certificate of Completion.

**AFFIANT:** \_\_\_\_\_

Printed Name: \_\_\_\_\_

SWORN AND SUBSCRIBED to before me on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_.

[seal]

Notary Public, State of Texas

EXHIBIT “D”

The County of Bexar and The City of San Antonio Joint Application For Tax Abatement Assistance



**THE COUNTY OF BEXAR and THE CITY OF SAN ANTONIO  
JOINT APPLICATION FOR TAX ABATEMENT ASSISTANCE**



This application is relative to the County of Bexar and the City of San Antonio ad valorem taxes. The application will become a part of any Tax Abatement Agreement with the County of Bexar and the City of San Antonio. Knowingly providing false information will result in voiding the application and termination of any Tax Abatement Agreement. At the time of submission, a non-refundable application fee to each jurisdiction must be provided in the proper amount.

Date of application (MM/DDYY): / /

**SECTION I – APPLICANT INFORMATION AND BUSINESS DESCRIPTION**

**Company name:** Nexolon America, LLC

**Address:** 7330 San Pedro Avenue, Suite 400

**City:** San Antonio **State:** Texas **Zip:** 78216

**Principal contact name:** Mr. Woo Jeong Lee

**Title:** President

**Mailing Address:** Nexolon America, LLC % Bracewell & Giuliani, LLP, 106 S. St Mary's, Suite 800

**City:** San Antonio **State:** Texas **Zip:** 78205

**Telephone:** (210) 226-1166 **Fax:** (210) 299-0133

**E-mail address:** wjlee@nexolon.com

**1.1 Indicate ownership of applicant company:**  Private  Public

**1.2 Indicate applicant's North American Industrial Classification System (NAICS) code for the operations at the project location:** TED – but Nexolon America, LLC believes that NAICS code 334413 (Semiconductor and Related Device Manufacturing) may be applicable.

**1.3 Indicate applicant's type of business entity, i.e., proprietorship, partnership, joint venture, or corporation:** Limited Liability Company

**1.4 Identify applicant's state of registration or incorporation, if applicable:** Delaware

**1.5 Identify business headquarters location (city, state):**

San Antonio, Bexar County, Texas

**1.6 Is the applicant a certified Small, Minority or Woman-owned Enterprise:**  Yes  No

**Indicate certifications:**  SBE  MBE  WBE  DBE  8(a)  Veteran

**Certifying agency:** No. **Renew date:** / /

**1.7 Does/will the applicant own or lease the project land and/or facility:**  Own  Lease

**If leased, indicate lease term:** 10 Years with purchase option (proposed) **Expiration date:** 12 / 31 / 2024 (expected)

**1.8 Indicate applicant's total workforce: Full-time: -0- (at this time) Part-time: -0- (at this time)  
Seasonal: -0- (at this time)**

**1.9 Indicate applicant's local workforce: Full-time: -0- (at this time) Part-time: -0- (at this time)  
Seasonal: -0- (at this time)**

**1.10 Indicate applicant's existing Bexar Appraisal District tax account numbers:**

**Real property:** None (at this time)

**Personal property:** None (at this time)

**Inventory and supplies:** None (at this time)

**1.11 Identify the owner or owners of the real and/or personal property if applicant is not the owner:** Brooks Development Authority.

**1.12 Is the company delinquent in the payment of ad valorem taxes to any taxing unit located in Bexar County:**  Yes  No If yes, explain: N/A

**SECTION II - PROJECT DESCRIPTION**

**2.1 Type of facility (check):**

Agribusiness

Aviation/Aerospace

Biotechnology

Creative Services

Environmental Technology (also known as Clean Technology or Green Technology)

Finance

Information Technology and Security

Logistics and Distribution

Manufacturing (any industry)

Telecommunications

Corporate and Regional Headquarters

Urban Significant Projects, including but not limited to mixed-use and multi-family rental only housing projects (the terms of these Urban Significant Projects will be negotiated separately)

**2.2 Type of project (check):**  New construction  Expansion or modernization

Lease development or improvements

**2.3 Fully describe the proposed project, including capital improvements (real and personal property) to be undertaken, the facility's use, and the product or service to be produced:**

Nexolon America, LLC proposes to place both its headquarters and its manufacturing facilities within the Brooks Development Authority. Nexolon America, LLC proposes to lease, likely on a build to suit basis, the facility. It is also possible that it might finance and build such facility itself. In either case, Nexolon America, LLC seeks a purchase option on the leased land and improvements. Final construction costs are not known with certainty, but it is expected that the real property improvements will be approximately \$35M while the personal property investment will be approximately \$80M. These figures are subject to some potential variation as final engineering is completed and construction contracts are bid.

**2.4 Briefly justify how this tax abatement is necessary for the project to be located in Bexar County/San Antonio and distinguish the project's associated community benefits:**

Nexolon America, LLC proposes to stand up a major manufacturing facility and locate its corporate headquarters within the San Antonio / Bexar County area. While it is obligated, by virtue of an agreement with OCI Solar Power to build a headquarters and place some manufacturing within the CPS Service Area, Nexolon America, LLC prefers and proposes to place its operations within San Antonio / Bexar County and position itself for a long-term presence with expansion opportunities in this area. The requested tax abatements will help it position its business for long-term success by allowing it to more heavily invest in workforce development.

**2.5 Indicate any other incentives sought in connection with the proposed project:** In addition to the incentives sought through this Application, Nexolon Americas, LLC expects that it will likely work with Alamo Community College District to help that district obtain a Texas Skills Development Fund grant allowing the district to provide more tailored training to renewable energy and high tech manufacturing workers.

**2.6 List other communities that are being considered for the proposed project:** Nexolon America, LLC is also looking at various communities within the CPS Service Area.

**2.7 Indicate project street address:** The project street address is to be determined but is proposed to be within the Brooks Development Authority.

**2.8 Is the project located in an empowerment or existing enterprise zone: x Yes x No**

Brooks Development Authority is not within an existing zone.

**2.9 Identify the jurisdictions where the proposed project will be located:**

**County Commissioner precinct number:**

4 (Brooks Development Authority)

**City Council district number:** 3 (Brooks Development Authority)

**School district:** San Antonio ISD (Brooks Development Authority)

**SECTION III – PROJECT VALUATIONS**

**3.1 As provided by the Bexar Appraisal District, indicate the appraised values of the following:**

As to Brooks Development Authority

**Land (excluding acquisition costs)** Value: \$-0- Date / /

**Existing real property** Value: \$-0- Date / /

**Existing personal property** Value: \$-0- Date / /

**3.2 Are any of the appraised values described above currently being contested:**

Yes  No If yes, please explain: N/A

**3.3 Indicate the estimated project improvement values:**

**Real property:** \$35M **Personal property:** \$80M **Inventory/supplies:** \$TBD

**SECTION IV – PROJECT JOB CREATION**

**4.1 Number of new, permanent jobs to be created:** Full-time: Over 400 (approximately 404)  
Part-time: N/A

**4.2 Indicate the number of new, full-time jobs to be created for each year of the project:**

Year 1 (2013)	40	Year 6 (2018)	-0-
Year 2 (2014)	160	Year 7 (2019)	-0-
Year 3 (2015)	204	Year 8 (2020)	-0-
Year 4 (2016)	-0-	Year 9 (2021)	-0-
Year 5 (2017)	-0-	Year 10 (2022)	-0-

**4.3 Indicate the project impact on the following job position classifications (at full operations)<sup>1</sup>:**

	Managerial/ Executive	Professional	Clerical	Other (Identify) Technicians and Operators
Total number of employees	F/T: 13	F/T: 32	F/T: 47	F/T: 312
	P/T: -0-	P/T: -0-	P/T: -0-	P/T: -0-
# to be filled by a relocated worker				
Salary range	\$70,000 - \$200,000	\$50,000 - \$100,000	\$30,000 - \$50,000	\$30,000 - \$40,000
Min. hourly rate	\$	\$	\$	\$14.42

<sup>1</sup>All new and existing employees must meet the \$10.75 per hour living wage. After one year, 70% must meet the Median Hourly Wage for Manufacturing (\$13.97), or Median Hourly Wage for All Industries (\$13.76) wage standard which applies to all companies not engaged in the manufacturing. Please see the Tax Abatement Guidelines for full details.

**4.4 Indicate the projected Average Annual Salary with Existing Jobs and the projected Average Annual Salary with the additional New Jobs.**

Existing Jobs: -0-

New Jobs: \$44,431.00

**4.5 Describe the recruitment policies for new, permanent jobs, including how the applicant will utilize Workforce Solutions Alamo:**

Nexolon America, LLC intends to work with Workforce Solutions Alamo to both locate and identify potential applicants and to provide training as needed.

**4.6 Describe the benefits package to be offered to employees (and their dependents) for the entire term of the Tax Abatement Agreement:**

Nexolon America, LLC will offer benefits packages to all full time employees. The exact details are to be determined. However, it is expected that all full time employees will be offered the opportunity to participate in a health benefit plan and a 401(k) program.

**4.7 Describe the investment in training/education that will be made for jobs created:**

Nexolon America, LLC will provide training to its own workforce. It will also enter into a 5 year commitment to the Alamo Area Academies through which it will provide \$100,000.00 per year to allow the Academies to better educate and train its students in renewable energy and advanced manufacturing skills. Nexolon America, LLC will also work with the Alamo Community College District to develop and implement renewable energy and advanced manufacturing curricula. Going forward, Nexolon America LLC hopes to work with the University of Texas – San Antonio and the Alamo Community College District to provide higher education in renewable energy and advanced engineering skills.

**SECTION V – PROJECT CONSTRUCTION**

**5.1 Schedule for undertaking and completing the proposed improvements (MM/YY):**

**Start date:** 3 / 2013    **Completion date:** TBD – likely 2014

**5.2 Indicate the construction contract amounts for the following:**

**Facility exterior:** \$TBD (some part of \$35M)    **Facility interior:** \$TBD (some part of \$35M)

**SECTION VI – OTHER PROJECT INFORMATION**

**6.1 The County Bexar may augment the percentage of abatement on qualified real and personal property based on the applicant company committing to the following project criteria – as outlined in the Tax Abatement Guidelines, a plan describing how the applicant will accomplish these project criteria must be attached for consideration (check all that apply):**

	BEXAR COUNTY INCENTIVE	Plan Attached
<input checked="" type="checkbox"/>	Local Hire (Nexolon intends to use the services of Workforce Solutions Alamo)	<input type="checkbox"/>
<input type="checkbox"/>	Hiring of Economically Disadvantaged or Dislocated Individuals	<input type="checkbox"/>
<input type="checkbox"/>	Small, Minority and Women-owned Business Enterprise (SMWBE)	<input type="checkbox"/>
<input type="checkbox"/>	Environmental Practices	<input type="checkbox"/>

**6.2 Has the company or any of its affiliates been cited, currently under investigation, or have litigation pending for any violations of Federal, State, County and/or City laws, codes or ordinances:  Yes     No. If yes, indicate the nature/status of the violation(s): N/A**

**6.3 Has the company received a tax abatement before:  Yes     No**

**If yes, indicate the granting governmental entities:** N/A

**If yes, indicate the time period (MM/YY):** N/A

**If yes, is/was the company in compliance with all terms and conditions:  Yes     No**

**6.4 Is any interest in the proposed project presently held by a member of the San Antonio City Council or other City official or employee:  Yes     No**

6.5 Is any interest in the proposed project presently held by a member of Bexar County Commissioners Court or other County official or employee:  Yes  No

**APPLICATION ATTACHMENTS**

The following information supports various application sections and is needed to fully evaluate the company for tax abatement assistance. *Applications will not be considered until all the information is received:*

**SECTION I – APPLICANT INFORMATION AND BUSINESS DESCRIPTION**

1. Provide information regarding the applicant company’s description, including corporate structure, annual financial statement or prior year report, and organization chart identifying affiliates and subsidiaries, if any.

See attached.

**SECTION II – PROJECT DESCRIPTION**

2. Indicate property description and attach field notes and a map showing the location of existing and proposed improvements.

See attached site plan for Brooks Development Authority proposed site.

**SECTION III – OTHER PROJECT INFORMATION**

3. Provide an assessment of the proposed project’s environmental impact, and any remediation and/or compliance plan associated with the project, which would have the effect of minimizing the negative impact of the project on the environment.

No adverse environmental impact is anticipated. It is expected that all necessary emissions permits can be obtained and that the operations will be within the parameters of these permits.

4. Describe any goodwill benefits and involvement that the applicant company has previously provided and/or is committed to providing in the future to the County of Bexar community.

Nexolon America, LLC intends to be very active in promoting green technology and advanced manufacturing training and education. It will be an active supporter, both financially and otherwise, of the Alamo Area Academics. It will work closely with the Alamo Community College District to create and implement educational and training programs. And it hopes to work closely with the University of Texas – San Antonio and the Alamo Community College District in the development and implementation of advanced engineering programs.

5. Applicant company must complete and sign the City of San Antonio’s Discretionary Contracts Disclosure form, which can be found at the following web address: <http://www.sanantonio.gov/atty/ethics/forms/DContract.doc>.

A signed and completed form is attached.

**NON-REFUNDABLE APPLICATION FEE**

Jurisdiction	# of Employees in Company	Fee	Submission

City of San Antonio <sup>1</sup>	0-19	\$0	
	20-99	\$500	<input type="checkbox"/>
	100-499	\$1,000	x
	500+	\$1,500*	<input type="checkbox"/>
Bexar County <sup>2</sup>	One fee for all companies	\$1,000	x

**\*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.**

<sup>1</sup> Application fee is made by check or money order and payable to the City of San Antonio.

<sup>2</sup> Application fee is made by check or money order and payable to the County of Bexar Tax Abatement Program.

**CERTIFICATION**

I certify that I am authorized to sign the tax abatement application and that the information provided in this application is true and correct. I understand that the information provided will become a part of the Tax Abatement Agreement with the County of Bexar and the City of San Antonio. I also understand and certify that I have read the Tax Abatement Guidelines and am familiar with the provisions contained therein.

Signature: \_\_\_\_\_

Date (MM/DD/YY): 8/22/2012

Printed Name: Mr. Woo Jeong Lee

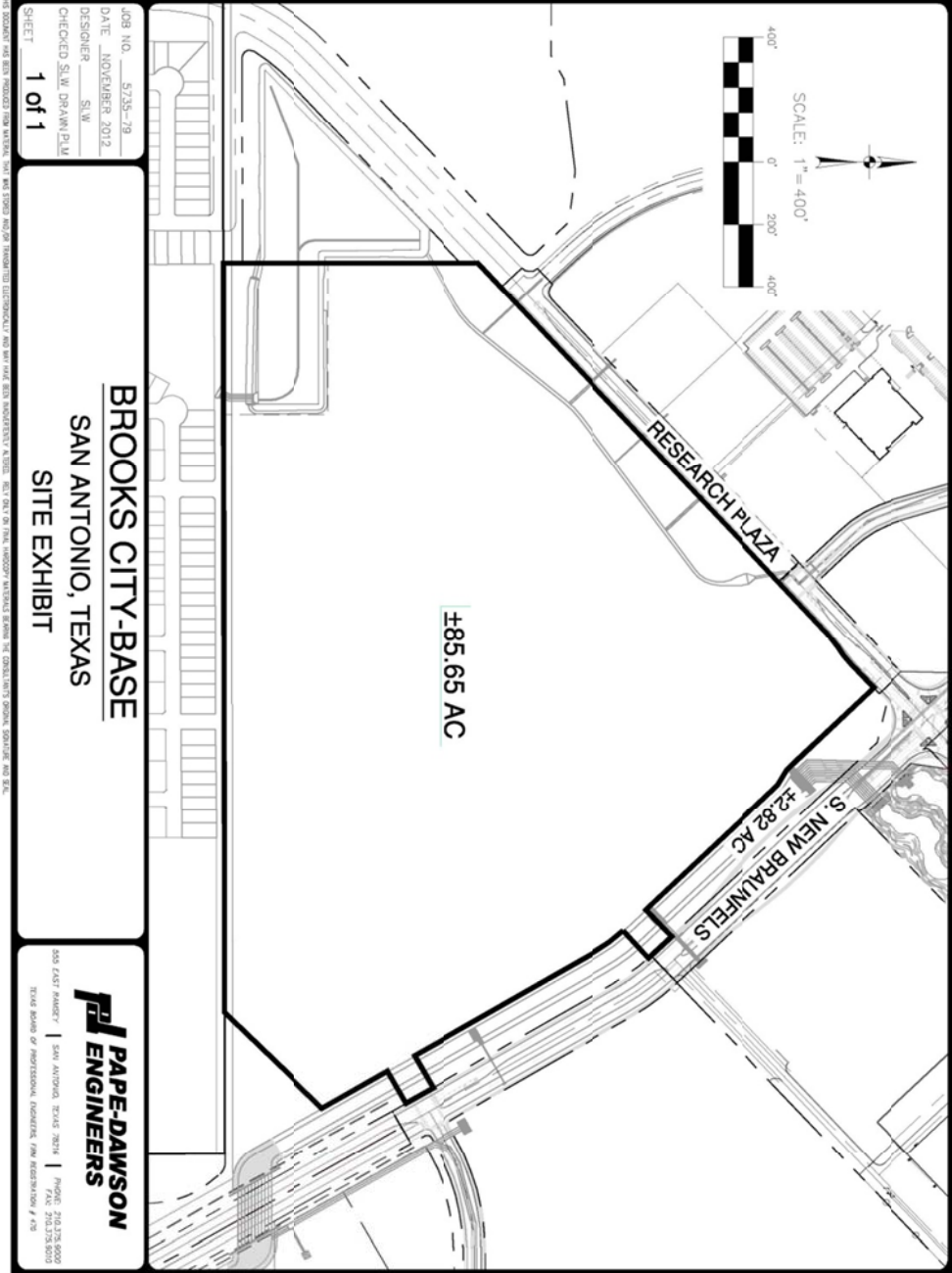
Title: President

Company Name: Nexolon America, LLC

Organizational Chart Identifying Affiliates



Date: Nov 28, 2012, 5:23pm User ID: Pskline  
File: P:\3\7\35\79\Design\Exhibit\NEXOLON\121128\_8\5r1.dwg



JOB NO. 5735-79  
DATE NOVEMBER 2012  
DESIGNER SLW  
CHECKED SLW DRAWN PLM  
SHEET 1 of 1

**BROOKS CITY-BASE**  
**SAN ANTONIO, TEXAS**  
**SITE EXHIBIT**

**Pape-Dawson**  
**ENGINEERS**  
505 EAST PARKWAY | SAN ANTONIO, TEXAS 78204 | PHONE 210.278.6000  
TEXAS BOARD OF PROFESSIONAL ENGINEERS, FINAL REGISTRATION # 419 | FAX 210.278.8000

EXHIBIT "E"

Nexolon Employee Benefits Package

## NEXOLON Employee Benefits Package

Nexolon employees will receive a comprehensive benefits program including medical, dental, vision, and short-term disability. The specific benefits are subject to change and applicable law. As of the date of agreement, the benefits include:

**Medical** - Individual/Family coverage with shared cost.

**Dental** - Individual/Family coverage with shared cost.

**Vision** - Individual/Family coverage with shared cost.

**Short Term Disability** - The premiums for this benefit will be fully paid by Nexolon America and provides a benefit in the event an employee is temporarily disabled and unable to perform their normal work duties & responsibilities.

**Long Term Disability** - This is a voluntary benefit paid by the employee that provides a benefit in the event the employee becomes disabled and unable to perform their normal work duties & responsibilities.

**Life Insurance/Accidental Death & Dismemberment (AD&D)** - The premiums for the benefit will be fully paid by Nexolon America.

**Voluntary Life/Accidental Death & Dismemberment (AD&D)** - This is a voluntary benefit paid by the employee that provides an opportunity to purchase added coverage for the employee and family.

**Employee Assistance Program (EAP)** - The premiums for this benefit will be fully paid by Nexolon America. This confidential service provides a variety of personal services, including consulting on childcare, eldercare, alcohol and drug abuse, emotional well-being, grief and loss, stress and anxiety.

**Travel Assistance Program** - The premiums for this benefit will be fully paid by Nexolon America. This service helps members any time they travel more than 100 miles from home or internationally for trips of up to 180 days.