

STATE OF TEXAS

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COUNTY OF FORT BEND

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TAX ABATEMENT AGREEMENT
 by and between
FORT BEND COUNTY
 and
WHIRLPOOL CORPORATION

This Tax Abatement Agreement, hereinafter referred to as "Agreement," is executed by and between **FORT BEND COUNTY, TEXAS**, hereinafter referred to as "County," acting by and through its Commissioners' Court, and **WHIRLPOOL CORPORATION**, a Delaware Corporation, hereinafter referred to as "Owner" of certain improvements and the owner of tangible personal property within such improvements located within Fort Bend County Reinvestment Zone No. 13.

1. **Authorization**

- (a) This Agreement is authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312 of the TEXAS TAX CODE as it exists on the effective date of this Agreement, and;
- (b) The Amended Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones created by Fort Bend County, Texas, which was approved by the Fort Bend County Commissioners Court on February 3, 2009. County has determined that the request for Tax Abatement presented by Owner conforms with the criteria established in the Guidelines for Tax Abatement
- (c) No official of County has an interest in the property subject to this Agreement.

2. **Definition**

As used in this Agreement, the following terms shall have the meanings set forth below:

- (a) The "**Certified Appraised Value or Value**" means the value certified as of January 1 of each year of this Agreement regarding the property owned by Owner within Fort Bend County Reinvestment Zone No. 13 by the Fort Bend County Central Appraisal District.
- (b) "**Phase I Improvements**" means a building to be used as a warehouse and distribution center, located on Phase I Real Property and containing approximately 750,000 square feet of floor space, and any sidewalks, parking lots, roads, outdoor lighting, landscaping and other improvements to serve the building.

- (c) **“Phase II Improvements”** means a building expansion to be used as a warehouse and distribution center located on Phase II Real Property and containing approximately 750,000 square feet of floor space, and any sidewalks, parking lots, roads, outdoor lighting, landscaping and other improvements to serve the building.
- (d) **“Phase I Real Property”** means the approximate 41 acre tract of real property owned by Owner located within Fort Bend County Reinvestment Zone No. 13, described in Exhibit “A” attached hereto and incorporated by reference herein for all purposes.
- (e) **“Phase II Real Property”** means the approximate 35 acre tract of real property located outside of the boundaries of Phase I Real Property, located in Fort Bend County Reinvestment Zone No. 13, described in Exhibit “A” plus an additional approximately 6 acre adjacent tract to be designated a second Reinvestment Zone after purchased by Owner and prior to the commencement of the Phase II Improvements, attached hereto and incorporated by reference herein for all purposes.
- (f) **“Abatement”** means the full or partial exemption from ad valorem taxes of certain property located in Fort Bend County Reinvestment Zone No. 13 and in an adjacent second Reinvestment Zone to be created for the purpose of ensuring that all of Phase II Real Property is located within a Reinvestment Zone designated for economic development purposes.
- (g) **“Eligible Property”** Abatement may be extended to machinery and equipment, necessary to the operation and administration of the facility. Eligible Property is subject to abatement under the same terms as Improvements only if specifically included in Section 6(c) and 7(c).
- (h) **“Ineligible Property”** means the existing base assessed value on the land, existing improvements, tangible personal property that the Fort Bend Central Appraisal District classifies as inventory or supplies, real property used primarily to provide retail sales or services to the public, real property used for residential purposes, tangible personal property classified as furnishings, tangible personal property located in the reinvestment zone prior to the execution date of the tax abatement agreement, real property with a productive life of less than 10 years, or any other property for which abatement is not allowed by state law.
- (i) **“Owner”** means WHIRLPOOL CORPORATION.
- (j) **“Third Party Provider”** means a designated logistics company or other service provider that manages or operates certain functions on behalf of Owner.
- (k) **“County”** means the County of Fort Bend, Texas.
- (l) **“District”** means Fort Bend County Central Appraisal District.

- (m) **“Full Time Equivalent Employees”** means the number of employees derived from the equation of the total number of hours worked by employees of both Owner and Third Party Providers, including hours for vacation, personal and medical leave, and any other paid leave; and divided by 1820 hours.

3. **Subject Property**

Fort Bend County Zone No. 13 is an area located in Fort Bend County, Texas, being legally described in Exhibit “A” attached hereto and incorporated herein for all purposes. The Fort Bend County Appraisal District has established the base-year values for the subject property as of January 1, 2010.

4. **Responsibility of Owner for Phase I Improvements (“Phase I Provisions”)**

In consideration of receiving the tax abatement granted herein, Owner represents and agrees:

- (a) That construction of Phase I Improvements shall be completed on or before December 31, 2013. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$20,000,000.00, in project costs with respect to the design and construction of Phase I Improvements within sixty (60) days after completion of the Phase I Improvements to be constructed by Owner.
- (b) That the certified appraised value of Phase I Improvements on January 1 of each year that taxes are abated under this Agreement’s Phase I Provisions must have a minimum value of \$9,000,000. Failure to meet the requirements of this section will invalidate the tax abatement for the year that this requirement was not satisfied.
- (c) Beginning January 1, 2014, and continuing through December 31, 2021, Owner and/or Third Party Providers shall have and maintain at least 60 Full Time Equivalent Employees at the Phase I Improvements. Failure of Owner and/or Third Party Providers to comply with this provision for any 90 consecutive days during an abatement year shall not be a default of this Agreement, but shall automatically invalidate the tax abatement for the year that this requirement was not satisfied, not subject to cure. Failure to comply with this provision for three consecutive reporting periods may result in immediate default of this Agreement.

- (d) That Owner has, as of the effective date of this Agreement, the financial resources to implement the above representations.
- (e) That Owner will participate in the continuing economic development process in Fort Bend County by becoming a trustee member of the Greater Fort Bend Economic Development Council for a minimum period coinciding with the term of this Agreement's Phase I Provisions.
- (f) **OWNER SHALL BE RESPONSIBLE FOR NOTIFYING THE DISTRICT OF THE ABATEMENT, INCLUDING FILING WITH THE DISTRICT ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.**
- (g) **OWNER SHALL BE RESPONSIBLE FOR REQUESTING AN ASSIGNMENT OF THIS AGREEMENT IN THE EVENT THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT IS SOLD OR ASSIGNED. FAILURE OF OWNER TO NOTIFY THE TAX ASSESSOR-COLLECTOR OF ANY SALE OF THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT MAY RESULT IN IMMEDIATE DEFAULT OF THIS AGREEMENT.**

5. **Responsibility of Owner for Phase II Improvements ("Phase II Provisions")**

In consideration of receiving the tax abatement granted herein for Phase II Improvements and Eligible Property within Phase II Improvements, Owner represents and agrees:

- (a) That construction of Phase II Improvements shall be completed on or before December 31, 2018 if Owner elects to participate in Phase II. Owner shall provide Tax Assessor/Collector a certified statement evidencing a minimum of \$15,000,000 in project costs with respect to the design and construction of the Phase II Improvements within sixty (60) days after completion of the Phase II Improvements to be constructed by Owner. The Phase II Improvements are at the sole discretion of Owner, and Owner's failure to build any Phase II Improvements shall not be a breach of this Agreement, nor shall it in any manner affect any prior abatement under the Phase I Provisions. The only consequence of Owner's failure to build the Phase II Improvements in compliance with the Phase II Provisions shall be the forfeiture of the Abatement for Phase II Improvements.

- (b) That the certified appraised value of Phase II Improvements on January 1 of each year that taxes are abated under this Agreement's Phase II Provisions must have a minimum value of \$6,000,000. Failure to meet the requirements of this section will invalidate the tax abatement for the year that this requirement was not satisfied.
- (c) Beginning on January 1, 2019 and continuing through December 31, 2027, Owner and/or Third Party Providers will have and maintain 80 Full Time Equivalent Employees at the combined Phase I Improvements and Phase II Improvements. Failure of Owner and/or Third Party Providers to comply with this provision for any 90 consecutive days during an abatement year shall not be a default of this Agreement, but shall automatically invalidate the tax abatement for the year that this requirement was not satisfied, not subject to cure. Failure to comply with this provision for three consecutive reporting periods may result in immediate default of this Agreement.
- (d) That Owner has, as of the effective date of this Agreement, the financial resources to implement the above representations.
- (e) That Owner will participate in the continuing economic development process in Fort Bend County by retaining their trustee membership acquired in Phase I of this agreement in the Greater Fort Bend Economic Development Council for a minimum period coinciding with the term of this Agreement's Phase II.
- (f) **OWNER SHALL BE RESPONSIBLE FOR NOTIFYING THE DISTRICT OF THE ABATEMENT, INCLUDING FILING WITH THE DISTRICT ANY APPLICATION OR OTHER FORMS NECESSARY TO QUALIFY FOR OR RECEIVE THE ABATEMENT GRANTED.**
- (g) **OWNER SHALL BE RESPONSIBLE FOR REQUESTING AN ASSIGNMENT OF THIS AGREEMENT IN THE EVENT THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT IS SOLD OR ASSIGNED. FAILURE OF OWNER OR LESSEE TO NOTIFY THE TAX ASSESSOR-COLLECTOR OF ANY SALE OF THE REAL PROPERTY THE SUBJECT OF THIS AGREEMENT MAY RESULT IN IMMEDIATE DEFAULT OF THIS AGREEMENT.**

6. **Value and Term of Abatement – Phase I Improvements (“Phase I Provisions”)**

(a) This Agreement shall be effective on the date executed by County or Owner, whichever is later. Phase I of this Agreement shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, 2021. In no event shall this agreement extend beyond December 31, 2021 for Phase I Provisions. This Agreement shall terminate upon the completion of the abatements, unless earlier terminated as provided elsewhere herein. Owner’s obligation upon default to pay to County any taxes abated under this Agreement shall not terminate until the abated taxes are paid.

(b) In each year that this Agreement is in effect for Phase I Provisions, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Improvements and Eligible Property.

(c) Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 4 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the Value of the Improvements and Eligible Property as defined in Section 2(f).

<u>Tax Year</u>	<u>Percentage Abatement</u>
2012	85%
2013	85%
2014	85%
2015	85%
2016	85%
2017	85%
2018	85%
2019	85%
2020	85%
2021	85%
TOTAL =	850%

(d) The abatement granted shall not apply to the value of the Phase I Real Property or Phase II Real Property, taxable inventory, nor Ineligible Property as defined in Section 2(g) above.

(e) All Phase I Improvements shall be completed in accordance with applicable laws, ordinances, rules or regulations in effect at the time such Improvements are erected.

(f) The Fort Bend Central Appraisal District's determination of values shall be used to determine the value of the property subject to this Agreement. If Owner protests the District's valuation of the property, the valuation placed on the property after the protest is resolved under State law shall be used.

(g) On or before September 1 of each year of this Agreement, Owner shall certify in writing to Fort Bend County Tax Assessor/Collector with a copy of the letter to the Greater Fort Bend Economic Development Council that each party is in compliance with each term of this Agreement.

7. **Value and Term of Abatement – Phase II Improvements (“Phase II Provisions)**

(a) This Agreement shall be effective on the date executed by County or Owner, whichever is later. Phase II of this Agreement shall terminate (unless earlier terminated in accordance with the terms hereof) on December 31, 2027. In no event shall this agreement extend beyond December 31, 2027 for Phase II Provisions. This Agreement shall terminate on the completion of the abatements, unless earlier terminated as provided elsewhere herein. Owner's obligation to pay to County any taxes due and owing under this Agreement shall not terminate until those taxes are paid.

(b) In each year that this Agreement is in effect for Phase II Provisions, the amount of abatement shall be an amount equal to the percentage indicated below of the taxes assessed upon the Improvements and Eligible Property.

(c) Subject to the limitations imposed by law and conditioned upon the representations outlined in Section 6 herein above, there shall be granted and allowed hereunder a property tax abatement for the following years and in the following amounts on the value of the Improvements and Eligible Property as defined in Section 2(f).

<u>Tax Year</u>	<u>Percentage Abatement</u>
2018	85%
2019	85%
2020	85%
2021	85%

2022	85%
2023	85%
2024	85%
2025	85%
2026	85%
2027	85%
TOTAL =	850%

(d) In the event Owner completes Phase II Improvements prior to December 31, 2018, a tax abatement of eighty-five percent (85%) will commence on January 1 of the full tax year immediately following the year construction is completed and extend for ten years thereafter. It shall be the sole responsibility of the Owner to notify County in writing within sixty (60) calendar days of the commencement of construction of Phase II Improvements. Upon completion of the construction of Phase II Improvements, Owner shall provide written notice to County as required in Section 5(a) herein. County shall then complete the form attached as Exhibit C, with a copy of the form to the Greater Fort Bend Economic Development Council and County shall forward the completed form to the Central Appraisal District, provided all other requirements of this Agreement have been satisfied by Owner as they relate to Phase II Improvements. County hereby authorizes the Tax Assessor/Collector to complete the form attached as Exhibit C on behalf of County. County shall have no obligation or duty to inquire of Owner as to the status of the Phase II Improvements.

(e) The abatement granted shall not apply to the value of the Phase II Real Property, taxable inventory, nor Ineligible Property as defined in Section 2(g) above

(f) All Phase II Improvements shall be completed in accordance with applicable laws, ordinances, rules or regulations in effect at the time such Improvements are erected.

(g) The Fort Bend Central Appraisal District's determination of values shall be used to determine the value of the property subject to this Agreement. If Owner protests the District's valuation of the property, the valuation placed on the property after the protest is resolved under State law shall be used.

(h) On or before September 1 of each year of this Agreement, Owner shall certify in writing to Fort Bend County Tax Assessor/Collector with a copy of the letter to the Greater Fort Bend Economic Development Council that each party is in compliance with each term of this Agreement.

8. **Taxability – Phase I & Phase II Improvements and Inventory**

During the period that this tax abatement is effective, taxes shall be payable as follows:

- (a) The Value of Phase I Real Property, Phase II Real Property and Ineligible Property shall be fully taxable, including inventory.
- (b) The Value of existing Improvements shall be determined in the base year by the Central Appraisal District.
- (c) Inventory that is exempt from ad valorem taxation by state or federal law shall not be taxable, including inventory that is exempt from ad valorem taxation under the federal Foreign Trade Zones Act (19 U.S.C. 810. (e), as amended) and further specified in Tex. Tax Code Ann. § 11.12),

9. **Event of Default - Phase I & Phase II Improvements**

- (a) County may declare the Owner in default of this Agreement if: (1) Owner fails to comply with any obligations under this Agreement (excluding, however, Section 4(b) and 5(b) above); (2) allows County ad valorem taxes on the Phase I or Phase II Real Property, or any property located thereon, to become delinquent, disputed values excepted; (3) vacates any of the improvements subject to the agreement before the term of the abatement without prior written notice to the county.
- (b) County shall notify Owner of any default in writing specifying the default. The Owner shall have thirty (30) days from the date of the notice to cure any default. If Owner fails to cure the default, County may terminate this Agreement by written notice.
- (c) If this Agreement is terminated by County due to Owner's default, Owner agrees that it is liable for and will pay to County within thirty (30) days of the termination of this Agreement:
 - (1) The amount of all property taxes abated under this Agreement;
 - (2) Interest on the abated amount at the rate provided for in the Tax Code for delinquent taxes; and

- (3) Penalties on the amount abated in the year of default, at the rate provided for in the TAX CODE for delinquent taxes.
- (d) County shall have a lien against Owner on the Phase I Real Property, Phase II Real Property and Improvements for the taxes and interest owed because of the recapture of taxes under this paragraph during the time period beginning on the date such payment obligation accrues and continuing until the date paid.
- (e) This paragraph is required by Chapter 2264, TEXAS GOVERNMENT CODE and governs over any conflicting provisions of this Agreement. Owner is prohibited from knowingly employing undocumented workers as that term is defined in Section 2264.001, TEXAS GOVERNMENT CODE. If Owner is convicted of a violation under 8 U.S.C. Section 1324a(f), the conviction shall be considered default of this Agreement, from which no cure provisions shall apply. In such event, County shall provide written notice to Owner of the default and this Agreement shall automatically terminate on the 30th day after the date of the notice of default from County to Owner. In the event of termination under this paragraph, Owner shall repay to County the amount of all property taxes abated under this Agreement, plus interest on the abated amount at the rate provided for in the TEXAS TAX CODE for delinquent taxes.

10. **Administration and Inspection – Phase I & Phase II Improvements**

(a) This Agreement shall be administered on behalf of Fort Bend County by the Fort Bend County Tax Assessor/Collector or her designee. Owner shall allow employees or other representatives of County, who have been designated by the Tax Assessor/Collector for the specific purpose of ensuring compliance with this Agreement, to have access to the reinvestment zone during the term of the Agreement provided reasonable notice is given. All inspections shall be made only after seventy-two (72) hours notice and will be conducted in such a manner as not to unreasonably interfere with the construction and/or operation of the facility. A representative of Owner may accompany the inspector at Owner's sole discretion.

(b) Upon completion of the contemplated construction, County shall annually evaluate the facility to ensure compliance with the terms and provisions of this Agreement and shall report possible defaults to Owner.

(c) The Chief Appraiser of the Fort Bend County Appraisal District shall annually determine (1) the taxable value under the terms of this abatement of the Phase I Real Property, Phase II Real Property, Improvements, Eligible Property and other property otherwise located at or about Owner's premises subject to this Agreement and (2) the full taxable value without abatement of the Phase I Real Property, Phase II Real Property, Improvements, Eligible Property and other property otherwise located at or about Owner's premises within Fort Bend County Reinvestment Zone No. 13. The Chief Appraiser shall record both abatement taxable value and full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that is terminated in a manner that results in recapture.

(d) Owner shall furnish the Chief Appraiser annually such information requested by the Chief Appraiser and as provided for under Chapter 22 of the TEXAS TAX CODE as may be necessary for the administration of the abatement. Such information shall also be provided to County Tax Assessor/Collector in preparation of its annual evaluation for compliance with the terms and provisions of this Agreement, including Owner's payroll records. However, Owner or Third Party Provider shall provide Chief Appraiser and County Tax Assessor/Collector with only those payroll records necessary to determine Owner's compliance with this agreement (i.e. number of employees is appropriate: payroll dollars, taxes, benefits, bonuses are not appropriate) and only to the extent allowed by federal, state, and local laws.

11. **Assignment**

(a) This Agreement may not be assigned without prior written consent of County. No assignment shall be effective or approved if either County has declared a default hereunder which has not been cured or the new Owner/assignee is delinquent in the payment of ad valorem taxes owed to County. Approval shall not be unreasonably withheld. County must pre-approve the requested assignment in this document to the proposed new Owner once identified as long as the proposed new Owner agrees to the same terms and conditions on jobs, inventory, as stated in this Agreement.

(b) Any and all assignments shall contain the same terms and conditions as set out in this Agreement and shall be granted for the remaining term of the original tax abatement agreement only.

12. **Indemnity**

It is understood and agreed between the parties that Owner, in performing its obligations hereunder, is acting independently, and County assumes no responsibilities or liabilities in connection therewith to third parties. **OWNER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS COUNTY AND THE CENTRAL APPRAISAL DISTRICT FROM ANY AND ALL CLAIMS, SUITS, AND CAUSES OF ACTION OF ANY NATURE WHATSOEVER ARISING OUT OF OWNER'S OBLIGATIONS HEREUNDER EXCEPT THAT THE INDEMNITY AND DUTY TO DEFEND SHALL NOT APPLY TO THAT PORTION OF RESPONSIBILITIES AND LIABILITIES RESULTING FROM THE FAULT OF NEGLIGENCE OF COUNTY OR TAXING UNITS, THEIR RESPECTIVE OFFICERS, AGENTS OR EMPLOYEES. OWNER'S INDEMNIFICATION OBLIGATIONS INCLUDE THE PAYMENT OF REASONABLE ATTORNEY'S FEES AND EXPENSES INCURRED IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, AND CAUSES OF ACTION. OWNER SHALL BE RESPONSIBLE FOR ALL FEES INCURRED BY COUNTY IN THE DEFENSE OF ANY SUCH CLAIMS, SUITS, OR CAUSES OF ACTION SO LONG AS DEFENSE COUNSEL AND COURSES OF ACTION ARE DETERMINED SOLELY BY OWNER. NOTHING IN THIS AGREEMENT SHALL BE INTERPRETED TO PROHIBIT COUNTY FROM INCURRING REPRESENTATION OF ANY SUCH CLAIM, SUIT OR CAUSE OF ACTION AND OWNER SHALL NOT BE RESPONSIBLE FOR ANY SUCH COSTS AND OR FEES SO INCURRED.**

13. **Force Majeure**

If by reason of force majeure Owner or Third Party Provider are unable to perform any obligation of this Agreement, it shall give notice of the force majeure to County in writing within sixty (60) calendar days after Owner first becomes aware of the occurrence relied upon. By doing so, the obligation of Owner to the extent and for the period of time affected by the force majeure, shall be suspended. Owner shall endeavor to remove or overcome the inability with all reasonable effort. For purposes of this provision, "force majeure" shall mean acts of God, landslides, lightning, earthquakes, hurricanes, storms, floods, or other natural occurrences; strikes, lockouts, insurrections, riots, wars or other civil or industrial disturbances; orders of any

kind of the federal or state government or of any civil or military authority; explosions, fires, breakage or accidents to machinery, lines, or equipment, or the failure of the system or water supply system; or any other cause not reasonably within the control of Owner.

14. **Commissioners Court Approval**

This Agreement is conditioned entirely upon the approval of the Commissioners Court by the affirmative vote of a majority of the members present at a duly scheduled meeting of the Commissioner's Court.

15. **Compliance with State and Local Regulations**

(a) This Agreement shall not be construed to alter or affect the obligations of Owner to comply with any city ordinance or federal or state law or regulation.

(b) Owner and Owner's or Third Party Provider successors, executors, administrators, assigns branches, divisions and departments certify that they do not and will not knowingly employ an undocumented worker. An agreement with the company will require the company to lose all benefits going forward

(c) Repayment will be due no later than the 120th day after the date the County notifies the company of the violation as provided in the agreement.

16. **Changes in Tax Laws**

The tax abatement provided in this Agreement is conditioned upon and subject to any changes in the state tax laws during the term of this Agreement.

17. **Miscellaneous**

(a) This Agreement shall be construed under and in accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Fort Bend County, Texas. Owner does not waive any provisions as referenced in federal or state statutes regarding property tax exemption benefits available from Foreign Tax Zones.

(b) In the event of one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

(c) The waiver by either party of a breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach.

(d) Any amendments of this Agreement shall be of no effect unless in writing and signed by both parties hereto.

17. **Notices**

Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper and sent in overnight mail service which letter can be traced, addressed to Owner, County, or Tax Assessor at the mailing address as hereinafter set out. If mailed, any notice of communication shall be deemed to be received three (3) business days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to Owner, County, Tax Assessor or Greater Fort Bend Economic Development Council at the following addresses:

To the Tax Assessor/Collector: The Honorable Patsy Schultz
Fort Bend County Tax Assessor-Collector
500 Liberty, Suite 101
Richmond, Texas 77469

To Owner Whirlpool Corporation
Attn: Government Relations
2000 North M-63
Benton Harbor, MI 49022

Copy Owner: Whirlpool Corporation
Attn: General Counsel
2000 North M-63
Benton Harbor, MI 49022

To County: Fort Bend County
301 Jackson, Suite 719
Richmond, Texas 77469
Attention: County Judge

Copy County: Fort Bend County Attorney
301 Jackson, Suite 728
Richmond, Texas 77469

GFBEDC

Greater Fort Bend Economic Development Council
One Fluor Daniel Drive
Sugar Land, TX 77478

Either party may designate a different address by giving the other party ten (10) days written notice thereof. **Failure of Owner to provide County Tax Assessor/Collector sixty (60) days notice of a change of address may result in default unless cured.**

19. **Entire Agreement; Ordinance and Economic Impact Statement:** This Agreement contains the entire Agreement among the parties and supercedes all other negotiations and agreements, whether written or oral. Attached hereto are:

Exhibit A – Order Creating Fort Bend Reinvestment Zone No. 13;

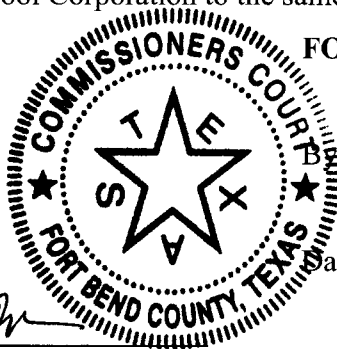
Exhibit B – Economic Impact Statement/Application for Value Added Tax Abatement;

Exhibit C – Form pertaining to Phase II Improvements

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20. Execution

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by County, and Owner as of the dates below stated. Owner warrants and represents that the individuals executing this agreement on behalf of Whirlpool Corporation have full authority to execute this Agreement and bind Whirlpool Corporation to the same.



FORT BEND COUNTY

Robert Hebert

Robert E. Hebert, County Judge

ATTEST:

Dianne Wilson

Dianne Wilson, County Clerk

Date: 11-9-10

WHIRLPOOL CORPORATION
"Owner"

By: *Brian Hancock*

Signature

Brian Hancock, VP of Supply Chain
Printed name & title

Date: 11/5/10

ATTEST:

John M. Hancock

Attachments:

Exhibit A – Order Creating Reinvestment Zone No. 13.

Exhibit B – Economic Impact Statement/Application for Value Added Tax Abatement.

Exhibit C – Form pertaining to Phase II Improvements

Exhibit A

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

The Commissioners Court of Fort Bend County, Texas (the "Commissioners Court"), acting for and on behalf of Fort Bend County convened in regular session at a regular term of said Court, open to the public, on the 6th day of July, 2010, at the Travis Building, 7th Floor, Richmond, Texas.

WHEREUPON, among other business, the following was transacted at said meeting:

ORDER DESIGNATING FORT BEND COUNTY REINVESTMENT ZONE NO. 13

The Order was duly introduced for the consideration of the Commissioners Court and reviewed in full. It was then duly moved and seconded that the Order be adopted; and, after due discussion, the motion, carrying with it the adoption of the Order, prevailed and carried by the following vote:

AYES: 5

NOES: 0

The County Judge thereupon announced that the Motion had duly and lawfully carried and that the Order had been duly and lawfully adopted. The Order thus adopted follows:

ORDER DESIGNATING FORT BEND COUNTY REINVESTMENT ZONE NO. 13

WHEREAS, the County Commissioners Court passed and approved Amended Guidelines and Criteria for Granting Tax Abatement in Reinvestment Zones created in Fort Bend County, Texas, on February 3, 2009;

WHEREAS, pursuant to the Amended Guidelines, the County has received a request for designation of a Reinvestment Zone and Tax Abatement;

WHEREAS, notice was given to all taxing entities where the proposed zone is to be located;

WHEREAS, after proper notice had been given in the June 24, 2010, edition of the Fort Bend Herald, the County has held a public hearing on July 6, 2010, where all interested persons were given an opportunity to speak, and evidence for and against the designation of Fort Bend County Reinvestment Zone No. 13, ("Reinvestment Zone No. 13") was gathered;

WHEREAS, the County Commissioners Court has determined, based on evidence gathered, that the improvements sought to be located in proposed Reinvestment Zone No. 13 are feasible and practical and would be a benefit to the land to be included in Reinvestment Zone No. 13 and to the County after the expiration of the Tax Abatement Agreement, and

WHEREAS, the designation of Reinvestment Zone No. 13 will reasonably likely contribute to the retention or expansion of primary employment, increase business opportunities in Fort Bend County and contribute to the economic development of both the property in Reinvestment Zone No. 13 and to Fort Bend County;

NOW THEREFORE, BE IT ORDERED BY THE COUNTY COMMISSIONERS COURT OF FORT BEND COUNTY:

SECTION ONE

That the findings and provisions set out in the preamble of this Order are hereby found to be true and correct, and are made a part of this Order for all purposes.

SECTION TWO

That Fort Bend County Reinvestment Zone No. 13 is hereby designated pursuant to the Amended Guidelines for the purpose of encouraging economic development in Fort Bend County through tax abatement

SECTION THREE

This designation shall be effective for five (5) years from the date of final passage of this Order and may be renewed for five (5) year periods thereafter.

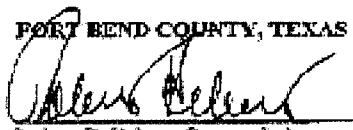
SECTION FOUR

The attached Exhibit A described tract(s) are to be designated as Reinvestment Zone No. 13.

PASSED AND APPROVED this the 21 day of July, 2010.

PORT BEND COUNTY, TEXAS

By:


Robert E. Hebert, County Judge

ATTEST:


Dianne Wilson, County Clerk

Attachment Exhibit A - Metes & Bounds Description of Reinvestment Zone

MBR/FBC RE 13.J195-132

Exhibit A

METES AND BOUNDS DESCRIPTION
76.36 ACRES OUT OF THE
ISAAC MCGARY LEAGUE, A-53 &
GABRIEL COLE 3/4 LEAGUE, A-19,
FORT BEND COUNTY, TEXAS

Being a tract or parcel of land containing 76.36 acres situated partly in the Isaac McGary League, Abstract No. 38, and partly in the Gabriel Cole 3/4 League, Abstract No. 19, in Fort Bend County, Texas, and out of that certain tract called 819.9040 acres conveyed to the Texas Mexican Railway Company, described in Fort Bend County Clerk's File No. 2005192634, being all of the property called 27.583 acres conveyed to the Texas Mexican Railway Company, described in Fort Bend County Clerk's File No. 2008025735, all of the property called 24.17 acres, more or less, and also called 38.000 acres in the same deed, conveyed to the Texas Mexican Railway Company, described in Fort Bend County Clerk's File No. 2005125444, and all of the property called 1.19 acres conveyed to the Texas Mexican Railway Company, described in Fort Bend County Clerk's File No. 2008071795, said 76.36 acre tract being more particularly described by metes and bounds as follows (with all bearings referenced to State Plane Coordinate System, South Central Zone, NAD 83, 1998 adj):

COMMENCING at a 5/8-inch iron rod set in the center of West End Davener Road (no recorded dedication found) at its intersect with the southwest line of the said Isaac McGary League, being the southeast line of the M. McCormick Survey, Abstract No. 57, in the southeast right-of-way line of Pink Taylor Run Road (no recorded dedication found) for the most southerly west corner of said 819.9040 acre tract and that certain development tract called 685.00 acres, from which a 1/2-inch iron pipe found for the north corner of a called 21.60 acre tract, described in Fort Bend County Clerk's File No. 2005084882, bears S60°51'25"W, 25.70';

THENCE North 57°36'46" East along the southwest line of said Isaac McGary League and said 819.9040 acre tract, being the southern line of said M. McCormick Survey, to the center of Pink Taylor Run Road, at 35.00 feet pass a 5/8-inch iron rod found for reference, and continue in all a distance of 583.33 feet to a 1/2-inch iron pipe found for the north corner of said Isaac McGary League, along the most southerly west corner of said Gabriel Cole 3/4 League, and an angle point in the northwesterly line of the herein described parcel;

THENCE North 56°07'17" East, at about 975 feet pass the interior corner of said Gabriel Cole 3/4 League, and continue along the southwest line of said 819.9040 acre tract, being the southeast line of that certain tract called 146.5 acres conveyed to Dotsie Paulson and recorded in Vol. 701, Pg. 42, of the Deed Records of Fort Bend County, in all a distance of 1,148.54 feet to an intersect with the easterly line of that certain 30 foot wide TECO Industrial Gas Company & Conoco Industries Pipeline Company easement, described in Fort Bend County Clerk's File No. 9664518;

THENCE South 12°30'13" East, along the east line of said 30 foot wide easement, a distance of 1083.78 feet;

THENCE North 58°00'01" East, a distance of 19.05 feet to a 5/8-inch iron rod set for the northwest corner and POINT OF BEGINNING of the herein described 76.36 acre tract;

THENCE continuing North 58°00'01" East, a distance of 976.97 feet to a 5/8-inch iron rod set for the northeast corner of the herein described parcel;

THENCE South 12°50'13" East, a distance of 3,764.09 feet to a 5/8-inch iron rod set for the southeast corner of the herein described parcel;

THENCE South 77°09'47" West, a distance of 922.84 feet to a 5/8-inch iron rod set for the southwest corner of the herein described parcel;

THENCE North 12°50'13" West along a line parallel with and eighteen feet east of the center line of said 30 foot wide pipeline easement, a distance of 3,444.00 feet to the POINT OF BEGINNING and containing 76.36 acres of land, more or less.

TEXAS SURVEYING, INC.
P.O. Box 240-0099
Job No. 44-1007
April 21, 2010

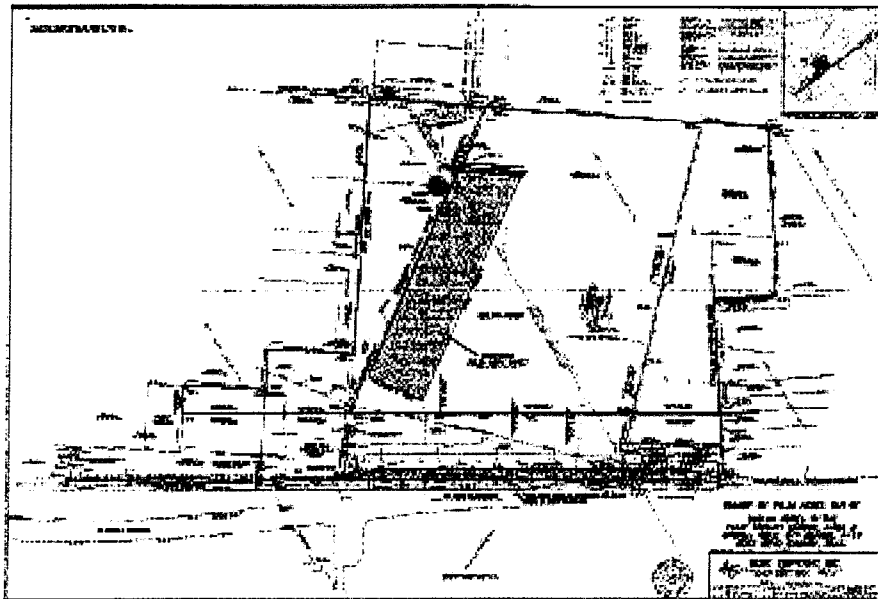


Exhibit B



GREATER FORT BEND
ECONOMIC DEVELOPMENT
COUNCIL

ECONOMIC IMPACT STATEMENT QUESTIONNAIRE

WHIRLPOOL CORPORATION City, Fort Bend County

This document is part one of a two part questionnaire. Based on the information you provide below, the Greater Fort Bend Economic Development Council (GFBEDC) will begin prequalification of your project. The information you provide will allow the GFBEDC to begin to develop your application and economic impact statement for presentation to the taxing entities for consideration of economic incentives. The following factors will be considered as a whole to determine the entire economic impact of the company: location of project, type of business, is the company in one of the city's target industries, number of jobs, skill level of each job, average salary, investment in building improvements or new building, value of taxable inventory, value of taxable personal property and equipment, sales tax revenue generated for the city, impact on local infrastructure, and impact (good or bad) on existing businesses in the County.

1. Please provide a detailed summary statement about your company (its history, type of business and industry, etc.) and clearly describe its operations at the proposed facility in Fort Bend.

Whirlpool Corporation is the world's leading manufacturer and marketer of major home appliances, with annual sales in 2008 of approximately \$19 billion, 70,000 employees, and 67 manufacturing and technology research centers around the world. The company markets Whirlpool, Maytag, KitchenAid, Jenn-Air, Amana, Brastemp, Consul, Bauknecht and other major brand names to consumers in nearly every country around the world.

Whirlpool, the flagship brand of the company, is the world's No. 1 global appliance brand and ranks among the world's most valuable brands identified by Brand Finance, the world's leading independent brand valuation and marketing metrics consultancy.

Fort Bend County is completing with several markets for a new Whirlpool Factory Distribution Center (FDC). Appliances would be shipped directly from Whirlpool manufacturing divisions to the FDC and then distributed to Regional Distribution Centers throughout the United States and Canada. Whirlpool is proposing a 750,000 sq distribution facility with the ability to double the size over time. The new FDC would employ 80 people and the estimated investment is over \$30 million not including the value of inventory. Whirlpool is considering the CenterPoint Intermodal Center – Metro Houston in Rosenberg.

2. Information About Your Company

Company Name: Whirlpool Corporation	
Contact Person: Luke M. Harms	Title: Sr. Gov't Relations Specialist
Current Address: 701 Pennsylvania Avenue, NW, Suite 750, Washington, DC	
Office #: 202-639-9420	Mobile #: 202-286-9308
Fax #: 202-639-9421	Website: www.whirlpoolcorp.com
Email Address: luke_m_harms@whirlpool.com	
The Company's Primary SIC Code: 3690	

3. Type of project (check all that apply):
- Existing business in Fort Bend County
 - New business to Fort Bend County
 - Expansion of existing facility
 - Construction of new facility
 - Company will lease facility
 - Company will own facility
 - Corporate/Regional Headquarters

4. If the company will lease the facility, who will be the owner: The facility would be leased, but the developer is undetermined at this time.

5. Location of proposed site(s) in Fort Bend (street address, name of Business Park or other development, city, or name of area if unincorporated):
CenterPoint Intermodal Center

6. Scope of project:

Size of new facility/expansion:	750,000 sf
Size of existing facility (if applicable):	N/A
Size of lease space in existing facility (if applicable):	N/A
Number of acres at facility site:	+/- 82 Gross Acres
Type of Construction (tilt wall, metal, concrete, etc.):	Concrete tilt wall

7. Please give detailed breakdown of operations within the proposed facility (i.e., 20% office; 25% distribution; 15% metal fabrication; 40% warehouse, etc.): 2% Office, 98% warehouse / distribution

8. Truck traffic to be generated (# daily or weekly): 170 truck trailers daily, 36 rail cars daily

9. Targeted start of construction: 2010
10. Targeted start of operations: 2011
11. Market value (taxable assets) of the firm's property that would be located at the facility in Fort Bend (new property in Fort Bend):

Land	Contractor Costs of Building Improvements	Furniture & Fixtures	Equipment	Inventory	Total
\$ 7,000,000	\$25,000,000	\$ 200,000	\$ 1,050,000	\$ 27,000,000	\$ 78,250,000

12. Estimated percent of inventory that would be Freeport qualified: 90 %
Freeport goods are inventories (raw materials, goods-in-process, and finished products) acquired by a business and held for no more than 175 days before being shipped out of state.
13. Employment information: (Year 1: 60; Year 2: 80)

Number of new jobs in Fort Bend County	Number of existing jobs to be retained (if company currently located in Fort Bend)	Total Number of Jobs
80	0	80

14. Average salary (before benefits): \$13.50/hr (estimate)
15. Amount of initial, annual local payroll to be created:
Year 1: \$1,684,800
Year 2: \$2,246,400
16. What are the estimated annual total sales at the new facility? What portion of the total sales will be subject to local and state sales taxes?
Minimal, if any.
17. Does the company own a corporate airplane that would be housed at a local corporate airport in Fort Bend (i.e., Sugar Land Regional Airport or Houston Southwest Airport)? If so, what is the plane's value:
No
18. Will the company's local business practices necessitate business travel that will bring clients or employees to the Fort Bend facility, resulting in hotel/motel bookings? If so, what is the estimated number of hotel/motel stays per year that will be booked locally:
Yes. Approximately 150 hotel/motel stays
19. If your company currently has operations elsewhere in the State of Texas, please list the name of the communities:

Waco Local Distribution Center (LDC)
Fort Worth Regional Distribution Center (RDC)
Houston LDC
New Braunfels LDC
Lubbock LDC
El Paso LDC
Austin LDC
McAllen LDC

20. Employee benefit burden (percent of employee's salary that is invested by the company into the employee's benefits): 45%
21. Current owner of real property (land/building) at the time of application:
CenterPoint Properties-Kansas City Southern Joint Venture
22. Have you received or are you currently receiving tax abatement in Fort Bend:
 Yes No
23. Is this land currently under Agriculture Exemption: Yes No
- a. If so, what will be the increase in taxes paid annually to taxing authorities: The County will receive over \$30,000 in new tax revenue a year from taxes on the land alone. Kendallton ISD would collect over \$75,000 in new tax revenue a year from taxes on the land alone.
- b. What is the value of roll back taxes to be collected as a result of being taken out of Ag Exemption: TBD
24. What is the expected increase in value of the land once it is sold? The value of the land is expected to increase by over \$80,000 an acre.
25. Productive life of proposed improvements and/or initial term of lease:
Term of lease: Likely 10 years
26. Time of day activities will be taking place (i.e. # of shifts): 3 Shifts daily (most employees would work daytime shifts)
27. The costs to be incurred by local government to provide facilities or services directly resulting from the new improvements: TBD
Explain any costs for development or depletion of infrastructure the city and/or water district are being asked to absorb, if any.
- 28.
29. If located in the city limits, do you (or your construction company) agree to declare "stus" for construction sales taxes at the construction site:
When purchasing construction materials for the new facility from a company that is situated outside the city where the new facility will be located, the builder agrees to declare the situs (point of sale) of the materials at the construction site address or the

local city receives the sales tax revenue. N/A

30. Please provide wastewater information, including activities, facilities, plant processes, products, services, chemicals, materials, and hazardous substances that may be used or that may result from the activities to be conducted within the proposed improvements: Restrooms of employees, battery recharging stations
31. Explain any proposed pretreatment of wastewater prior to discharge into the sanitary sewer system: *N/A*
32. Will there be any proposed monitoring of wastewater discharge into the sanitary sewer system: *N/A*
33. Public improvements to be made by the Company in which the public may benefit (please list if any): *N/A*
34. Will this business compete with existing businesses in the county? If so, please list local companies providing the same services: *No*
35. Are there possibilities for local businesses to become suppliers? Any new retail opportunities? Please explain. *Yes.*
-Security
-Office Supplies
-Transportation
-Landscaping
-Maintenance (equipment, building, site)
-Employment (full time and temporary) agencies
-Material handling equipment (parts and service)
-Facility repair
-Custodial/cleaning suppliers
36. Do you anticipate your relocation to attract other new businesses to the area? Please explain: *Yes, this facility is likely to be the largest in the CenterPoint Development. A recognizable and highly regarded company name like Whirlpool would help attract other businesses to this location.*
37. Does the business produce any type of emissions or are there any other environmental matters for the city/county to consider:
Exhaust emissions from transportation
38. The company agrees to participate in the continuing economic development process in Fort Bend County by becoming a Trustee member (\$6,000/yr) of the GFBEDC for a minimum period coinciding with the term of any County abatement agreement: Yes No
The County Commissioners' Court has placed this requirement in their evaluation

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Main (281) 242-0000 • Fax (281) 242-6739 • Toll Free (888) 500-5668

5

process to require new companies to join in the continuance of the economic development process)

39. By signing and submitting this application you certify that the company, its branches, divisions and departments (company) do not and will not knowingly employ an undocumented worker. An agreement with the company will require the company to repay the total amount of the public benefit received with interest at the rate and according to the terms of the agreement if the company is convicted of a violation under 8 U.S.C. Section 1324a. Repayment will be due no later than the 120th day after the date the City/County notifies the company of the violation as provided in the agreement.

An undocumented worker is an individual who, at the time of employment, is not:
a. (1) lawfully admitted for permanent residence to the United States; or
b. (2) authorized under law to be employed in that manner in the United States.

Please provide the additional information as an addendum to the EIS Questionnaire:

- A. **Site Plans & Legal Description of the Property:** City Council and Commissioners Court will not place a value-added tax abatement request on their agenda without first having a copy of the project site plan, including a meter and bounds description of the site to be designated as the reinvestment zone.
- B. **Five year projection of planned improvements and employment, to be provided by the applicant.**

Employment:


Year	Number of New Jobs
2	<u>20</u>
3	<u>0</u>
4	<u>0</u>
5	<u>0</u>

Future employment levels could substantially increase if the Rosenberg facility is expanded to 1.5 million square feet.

CERTIFICATION:

1. Whirlpool does hereby certify that all statements and representations made herein are accurate to the best of their knowledge and agree to comply with these terms.

By Authorized Representative:



Signature

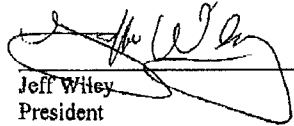
1/29/10
Date

Print Name: Brian Hawcock

Title: VP of Supply Chain

Company: Whirlpool Corp.

2. The Greater Fort Bend Economic Development Council certifies that Whirlpool has met the standard requirements and is qualified for value added tax abatement in Fort Bend County.



Jeff Witey
President
Greater Fort Bend Economic
Development Council

2/11/10
Date

Exhibit C

REVISED PHASE II IMPROVEMENTS (PHASE II Provisions) Tax Abatement Schedule

Pursuant to Section 7(d) of the Tax Abatement Agreement between Fort Bend County and Whirlpool Corporation, approved by Fort Bend County Commissioners Court on November 9, 2010, ("the Agreement"), the Fort Bend County Central Appraisal District is hereby notified that the Phase II Improvements, as defined in the Agreement, will be subject to a tax abatement in the following amounts and according to the following schedule, adjusted from the schedule contained in the Agreement:

Tax Year:	Percentage of Abatement
_____	85%
_____	85%
_____	85%
_____	85%
_____	85%
_____	85%
_____	85%
_____	85%
_____	85%
_____	85%

Approved:

Fort Bend County:

Patsy Schultz, Tax Assessor/Collector

Date: _____

Approved as to form:

Assistant County Attorney

Cc: GFBEDC

Recorded in the Minutes of the Fort Bend County
Commissioners Court on: _____
Agenda Item: _____