

FILED FOR RECORD
at 11:50 o'clock *a* M

SEP 26 2017

JENNIFER LINDENZWEIG
County Clerk, Hunt County, TX
By *J. Lindenzweig*

RESOLUTION NO. 14,827

A RESOLUTION OF THE COMMISSIONERS COURT OF HUNT COUNTY, TEXAS DESIGNATING CERTAIN REAL PROPERTY WITHIN HUNT COUNTY AS A REINVESTMENT ZONE AND TO ENTER INTO A TAX ABATEMENT AGREEMENT PURSUANT TO THE REQUIREMENTS OF CHAPTER 312 OF THE TEXAS TAX CODE AND THE GUIDELINES AND CRITERIA FOR TAX ABATEMENT IN A REINVESTMENT ZONE CREATED IN HUNT COUNTY AND SETTING AN EFFECTIVE DATE

WHEREAS, in accordance with Chapter 312 of the Texas Tax Code, the Commissioners Court of Hunt County has conducted a public hearing on the designation of certain real property within Hunt County, containing 77.128 acres of land located at street address 6601 FM 1570 Greenville, TX 75402, with the property description contained in Exhibit "A" as a reinvestment zone under the said chapter; and

WHEREAS, the Commissioners Court of Hunt County has found that the designation would contribute to the retention or expansion of primary employment or would attract major investment in the zone that would be a benefit to the property within Hunt County, containing 77.128 acres of land located at street address 6601 FM 1570 Greenville, TX 75402, with the property description contained in Exhibit "A" and would contribute to the economic development of the county; and

WHEREAS, in accordance with Section 5 of the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone created in Hunt County, the Commissioners Court of Hunt County has conducted a public hearing on the Tax Abatement agreement accompanying the real property within Hunt County, containing 77.128 acres of land located at street address 6601 FM 1570 Greenville, TX 75402, attached to this resolution as Exhibit "B;" and

WHEREAS, the Commissioners Court of Hunt County has found that entering into the Tax Abatement agreement would not have a substantial adverse effect on the provision of government services or tax base, the parties to the agreement have sufficient financial capacity, the planned or potential use of the property would not constitute a hazard to public safety, health or morals, or the planned or potential use of the property would not constitute a violation of other codes or laws.

BE IT RESOLVED BY THE COMMISSIONERS COURT OF HUNT COUNTY, TEXAS:

Section 1. Findings. The statements contained in the preamble to this Resolution are true and correct and are hereby adopted as findings of fact and as part of the operative provisions hereof.

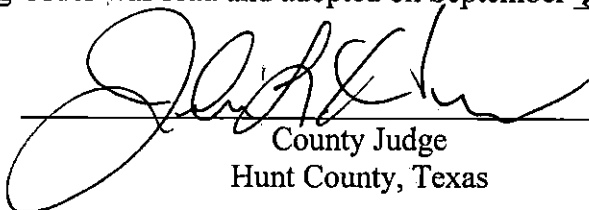
Section 2. Designation of Reinvestment Zone. The Hunt County Commissioners Court, having held a public hearing and made the required findings pursuant to Texas Tax Code § 312.401, hereby designates certain real property within Hunt County, containing 77.128 acres of

land located at street address 6601 FM 1570 Greenville, TX 75402, with the property description contained in Exhibit "A" as a reinvestment zone.


Section 3. Tax Abatement Agreement. The Hunt County Commissioners Court, having held a public hearing and made the required findings pursuant to Section 5 of the Guidelines and Criteria for Tax Abatement in a Reinvestment Zone created in Hunt County, hereby resolves to enter into the Tax Abatement agreement accompanying the real property within Hunt County, containing 77.128 acres of land located at street address 6601 FM 1570 Greenville, TX 75402, attached to this resolution as Exhibit "B."

Section 4. Setting an Effective Date. This Order shall take effect immediately upon approval.


The foregoing Order was read and adopted on September 26, 2017.



County Judge
Hunt County, Texas



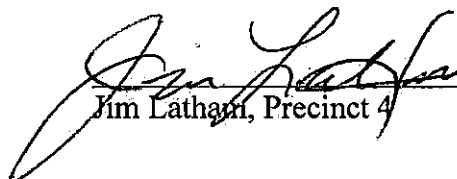
Eric Evans, Precinct 1



Tod McMahan, Precinct 2

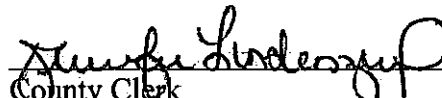


Phillip Martin, Precinct 3



Jim Latham, Precinct 4

ATTEST:



County Clerk
Hunt County, Texas



#14,827

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TAX ABATEMENT AGREEMENT

SEP 26 2017

THE STATE OF TEXAS :

COUNTY OF HUNT :

JENNIFER LINDENZWEIG
County Clerk, Hunt County, TX
By: *J. Lindenzweig*

This Tax Abatement Agreement (hereinafter referred to as the ("Agreement")) is made and entered into by and between Hunt County, Texas ("Governmental Unit") and STN Realty Holdings, LLC, a Delaware Limited Liability Company ("STN") the owner of taxable real property in the City of Greenville and Hunt County, Texas ("Property").

WHEREAS, Hunt County, Texas has designated certain property as a Reinvestment Zone within it's county limits and located at 6601 FM 1570 N, Greenville, TX 75402 and

WHEREAS, Owner is the owner of certain real property located at 6601 FM 1570 N in Greenville, Texas; and

WHEREAS, Owner intends to locate their new facility on such property; and

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained:

I. AUTHORIZATION

This agreement is authorized by the Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code, Chapter 312, as amended ("Act"), and is subject to the laws of the State of Texas and the charter, ordinances, and orders of the Governmental Unit.

II. DEFINITIONS

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

1. "Abatement" means the full or partial exemption from ad valorem taxes of the Improvements on certain property in a zone designated for economic development purposes pursuant to the Act.
2. "Added Value" means the increase in the assessed value of the Eligible Property as a result of "expansion" or "modernization" of an existing facility or construction of a "new facility". It does not mean or include "deferred maintenance".
3. "Base Year Value" means the assessed value of the eligible property as certified by the Hunt County Appraisal District on January 1, 2017 preceding the execution of the Agreement plus the agreed upon value of Improvements made after January 1, 2017, but before the execution of this Agreement.

4. "Eligible Property" means the abatement may be extended to the value of buildings, structures, fixed machinery and equipment, and site improvements, installed, constructed, or added between January 1, 2017 and January 1, 2025, plus that office space and related fixed improvements necessary to the operation and administration of the facility. STN Realty Holdings, LLC real property is Eligible Property as a lessor to Sabert Corporation for the duration of this Agreement.
5. "Facility" means a Basic Manufacturing Facility, Petrochemical Facility, Regional Distribution Facility, or other Authorized Facility approved by the Governmental Unit(s) as set forth in the Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit(s).
6. "Improvements" means the buildings or portions thereof and other improvements used for commercial or industrial purposes on the Property.
7. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
8. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
9. "Completion Agreement" means the Agreement by and between Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and STN containing agreements with respect to the Property and the Facility.

The Guidelines and Criteria for Granting Tax Abatement adopted by the Governmental Unit are incorporated as a part of this Agreement. Except as the same may be modified herein, all definitions set forth therein are applicable to this Agreement.

III. PROPERTY

The property is an area outside the city limits of Greenville, Hunt County, Texas located

in whole or part within the jurisdiction of the Governmental Unit as more fully described in Exhibit "A" attached hereto and made a part hereof. Said property is located within an authorized zone for tax abatement.

The Hunt County Appraisal District has established the following value for the Property, including improvements thereon, as of the January 1, 2017, valuation date prior to the date of execution of this Agreement and which is the last valuation record known by the parties.

Land and Improvement	\$	<u>1,300,000</u>
Machinery & Equipment	\$	<u>0</u>

The Parties incorporate such value into this Agreement but agree to adjust such value as may be necessary upon adoption of the tax rolls for January 1, 2018. This is the Base Year Value.

The Governmental Unit and the Owner agree that the approximate value of any additions to the Property made after January 1, 2017, and for which abatement is sought and not otherwise reflected on the above valuation Property is referred to as "Eligible Property".

IV. TERM OF ABATEMENT AND AGREEMENT

Land and Improvement

The Governmental Unit agrees to abate the ad valorem taxes on the Eligible Property in accordance with the terms and conditions of this agreement. The Abatement shall be effective with the January 1 valuation date effective January 1, 2019. The Abatement shall continue for ten (10) years, expiring as of December 31 of the 2028 tax year for eligible land and improvement value. The years of Abatement provided herein shall in each instance coincide with the tax year commencing on January 1 and expiring on December 31, and in no event shall the Abatement extend beyond December 31 of the tenth (10th) tax year unless extended by agreement in compliance with local and state law.

Machinery and Equipment

The Governmental Unit agrees to abate the ad valorem taxes on the Eligible Property in accordance with the terms and conditions of this agreement. The Abatement shall be effective with the January 1 valuation date effective January 1, 2019. The Abatement shall continue for ten (10) years, expiring as of December 31 of the 2028 tax year for eligible land and improvement value. The years of Abatement provided herein shall in each instance coincide with the tax year commencing on January 1 and expiring on December 31, and in no event shall the Abatement extend beyond December 31 of the tenth (10th) tax year unless extended by agreement in compliance with local and state law.

The terms and conditions of this Agreement shall continue for the period of Abatement. All covenants and representations of the Owner herein shall continue throughout the term of this Agreement, and any defaults shall be subject to the recapture provisions provided in Part VII

herein.

V. TAXABILITY

During the period that the Abatement is effective, taxes shall be payable as follows:

- (1) The value of the land comprising the Property shall be fully taxable;
- (2) The value of Ineligible Property shall be fully taxable;
- (3) The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- (4) The value of the personal property comprising the Property shall be fully taxable; and
- (5) The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in Part VI herein.

VI. AMOUNT OF ABATEMENT

The Abatement provided by this Agreement shall be based upon the added Value of Eligible Property made a part of the Property as a result of the project. Tax abatement schedule for ten (10) years of eligible appraised value of Real Property Investment and taxes shall be abated annually as follows:

<u>Abatement</u>			
Year One	50%	Year Six	50%
Year Two	50%	Year Seven	50%
Year Three	50%	Year Eight	50%
Year Four	50%	Year Nine	50%
Year Five	50%	Year Ten	50%

VII. CONTEMPLATED IMPROVEMENTS

Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general

purpose of encouraging development or redevelopment of the zone during the period of this Agreement.

*****Review This Paragraph*****

Upon completion of the Project, the Reinvestment Advisory Committee shall review the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value that has been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

VIII. EVENTS OF DEFAULT AND RECAPTURES

- A. 1) Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.
- 2) Certification of Compliance by Owner. Owner of the property shall certify annually, through a notarized statement to the governing body of each taxing unit that Owner is in compliance with each applicable term of this agreement.
- 3) Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.
- 4) Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.
- B. Notice of Default. Should the Governmental Unit, determine that the Owner is in default according to the terms and conditions of this Agreement, it shall notify the Owner that if such default is not cured within sixty (60) days from the date of such notice ("Cure

Period”), then this Agreement may be terminated or modified. In the event the Owner fails to cure said default during the Cure Period, the Agreement may be terminated or modified and the taxes abated by virtue of the Agreement will be recaptured and paid as provided herein.

- C. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the real and personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.
- D. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner’s tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner’s tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

X. ADMINISTRATION

The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All

inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the real and personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the real and personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the 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 are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

X. ASSIGNMENT

The Owner may assign this Agreement to a new owner or lessee of the Facility with the prior written consent of the Governmental Unit, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in this Agreement. Any assignment of this Agreement shall be to an entity that will provide substantially the same improvements to the Property, except to the extent such improvements have been completed. No assignment shall be approved if the Owner or any assignee are indebted to the Governmental Unit for ad valorem taxes or other obligations.

XI. NOTICE

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, with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, with the United States Postal Service, addressed to the Governmental Unit or Owner at the following addresses. If mailed, any notice or communication shall be deemed to be received three days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To the Owner:	STN Realty Holdings, LLC 2288 Main Street Extension Sayreville, NJ 08872 Attention: Owner
To the Governmental Unit(s)	Hunt County

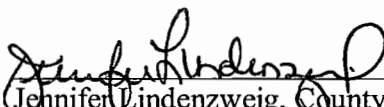
2507 Lee Street
Greenville, Texas 75401
Attention: Judge John Horn

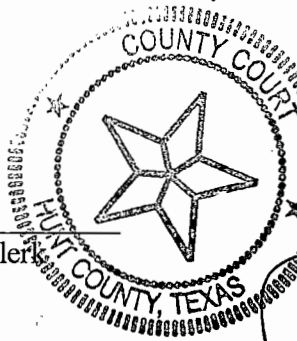
Either party may designate a different address by giving the other party ten (10) days written notice.

This agreement has been executed by the parties in multiple originals or counterparts, each having full force and effect.

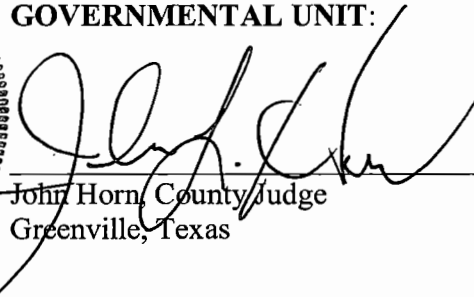
Executed this the 26 day of September, 2017.

WITNESS:



Jennifer Lindenzweig, County Clerk
Greenville, Texas



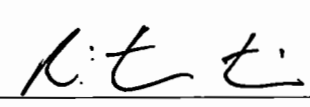
GOVERNMENTAL UNIT:


John Horn, County Judge
Greenville, Texas

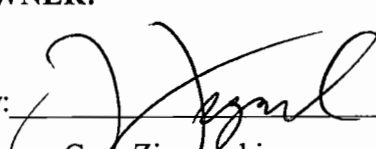
APPROVED AS TO FORM:


Daniel Ray, County Attorney
Hunt County
Greenville, Texas

WITNESS:


Name: Rita Valinoti
Title: Executive Assistant

OWNER:

By: 
Name: Gary Ziznewski
Title: CFO

JAN 03 2018


JENNIFER LINDENZWEIG
County Clerk, Hunt County, TX
By: 

Exhibit A
Property Description

77.128 ACRE TRACT

Sheppard Gandy Survey, Abstract No. 398
City of Greenville, Hunt County, Texas

DESCRIPTION, of a 77.128 acre tract of land situated in the Sheppard Gandy Survey, Abstract No. 398, City of Greenville, Hunt County, Texas; said tract being all of that tract of land described in Special Warranty Deed to STN Realty Texas, LLC recorded in Instrument Number 2017-413 of the Official Public Records of Hunt County, Texas; said 77.128 acre tract being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod found in the east right-of-way line of F.M. Highway No. 1570 (a 100-foot wide right-of-way), said point being the northwest corner of said STN Realty Texas tract and the southwest corner of Lot 1, Block 1, Rubbermaid Addition, an addition to the City of Greenville, according to the plat recorded in Volume 400, Page 1309 of the Map Records of Hunt County, Texas;

THENCE, South 89 degrees, 44 minutes, 38 seconds East, departing the said east line of F.M. Highway No. 1570 and along the north line of said STN Realty Texas tract and the south line of said Rubbermaid Addition, a distance of 2,654.50 feet to a 1/2-inch iron pipe found for the northeast corner of said STN Realty Texas tract and the most northerly northwest corner of a tract of land described in Deed to Nolan Lehmann, recorded in Volume 1060, Page 155 of said Deed Records;

THENCE, South 00 degrees, 20 minutes, 37 seconds East, along the east line of said STN Realty Texas tract and the west line of said Lehmann tract, a distance of 1,343.52 feet to a 1/2-inch iron pipe found for the corner southeast corner of said STN Realty Texas tract and an ell corner of said Lehmann tract;

THENCE, South 89 degrees, 58 minutes, 16 seconds West, along the south line of said STN Realty Texas tract and a north line of said Lehmann tract, at a distance of 1,650.86 feet passing the northwest corner of said Lehmann tract and the northeast corner of a tract of land described in Warranty Deed to Leslie Wayne Eddins and Wife, Nellie Ruth Eddins recorded in Volume 1060, Page 157 of said Deed Records; at a distance of 2,181.03 feet passing the northwest corner of said Eddins tract from which a 3/4-inch iron rod found bears North 60 degrees, 05 minutes East, a distance of 1.7 feet, continuing in all a total distance of 2,427.47 feet to a 1/2-inch iron rod found for corner in the said east line of F.M. Highway No. 1570; said point being the southwest corner of said STN Realty Texas tract and the northwest corner of a tract of land described in Warranty Deed to Leslie Wayne Eddins and Wife, Nellie Ruth Eddins recorded in Volume 794, Page 406 of said Deed Records; said point being the beginning of a non-tangent curve to the right;

THENCE, in a northerly direction, along the said west line of said STN Realty Texas tract and the east line of F.M. Highway No. 1570, the following three (3) calls:
In a northerly direction along said curve to the right, having a central angle of 12 degrees, 14 minutes, 42 seconds, a radius of 1,382.39 feet, a chord bearing and distance of North 06

degrees, 49 minutes, 42 seconds West, 294.87 feet, an arc distance of 295.44 feet to a 1/2-inch iron rod found at the end of said curve;

North 00 degrees, 42 minutes, 22 seconds West, a distance of 424.26 feet to a 1/2-inch iron rod found for corner at the beginning of a tangent curve to the left;

In a northerly direction along said curve to the left, having a central angle of 32 degrees, 27 minutes, 48 seconds, a radius of 1,195.92 feet, a chord bearing and distance of North 16 degrees, 56 minutes, 16 seconds West, 668.57 feet, an arc distance of 677.60 feet to the **POINT OF BEGINNING**;

CONTAINING: 3,359,702 square feet or 77.128 acres of land, more or less.

Exhibit B Project Description

STN Realty Holdings, LLC and Sabert Corporation will build a molded fiber and plastics food packaging facility. The facility will be approximately 350,000 square foot. Estimated operation of the facility will begin in late 2018. Production will increase approximately 20% annually for the next 5 years with plans for future expansion over the next 10 years.

SEP 26 2017

JENNIFER LINDENZWEIG
County Clerk, Hunt County, TX
By *J. Lindenzweig*

#14,827

TAX ABATEMENT AGREEMENT

THE STATE OF TEXAS

COUNTY OF HUNT

This Tax Abatement Agreement (hereinafter referred to as the ("Agreement")) is made and entered into by and between Hunt County, Texas ("Governmental Unit") and Sabert Corporation, a New Jersey corporation ("Sabert"), an affiliate company of STN Réalty Holdings, LLC, a Delaware Limited Liability Company ("STN"), and Sabert is the owner of taxable business personal property in the City of Greenville and Hunt County, Texas ("Property").

WHEREAS, Hunt County, Texas has designated certain property as a Reinvestment Zone within it's county limits and located at 6601 FM 1570 N, Greenville, TX 75402 and

WHEREAS, STN is the owner of certain real property located at 6601 FM 1570 N in Greenville, Texas; and Sabert is the owner of certain business personal property located at 6601 FM 1570 N in Greenville, Texas and

WHEREAS, Owner intends to locate their new facility on such property; and

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained:

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7. "Ineligible Property" means the following types of property shall be fully taxable and ineligible for abatement: Land; inventories; supplies; tools; furnishings and other forms of movable personal property; vehicles; vessels; aircraft; housing; hotel accommodations; retail facilities deferred maintenance; investments; property to be rented or leased, except as provided; property owned or used by the State of Texas or its political subdivisions or by any organization owned, operated or directed by a political subdivision of the State of Texas.
8. "Community Entities" means Hunt County, Texas, Greenville 4A Economic Development Corporation, the Board of Development of the City of Greenville, Texas, and any other similar organization within the City of Greenville, Texas which extends to Owner one or more incentives pursuant to this or other agreements.
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III. PROPERTY

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Land and Improvement	\$	<u>0</u>
Machinery & Equipment	\$	<u>0</u>

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The Governmental Unit and the Owner agree that the approximate value of any additions to the Property made after January 1, 2017, and for which abatement is sought and not otherwise reflected on the above valuation Property is referred to as "Eligible Property".

IV. TERM OF ABATEMENT AND AGREEMENT

Machinery and Equipment

The Governmental Unit agrees to abate the ad valorem taxes on the Eligible Property in accordance with the terms and conditions of this agreement. The Abatement shall be effective with the January 1 valuation date effective January 1, 2019. The Abatement shall continue for ten (10) years, expiring as of December 31 of the 2028 tax year for eligible land and improvement value. The years of Abatement provided herein shall in each instance coincide with the tax year commencing on January 1 and expiring on December 31, and in no event shall the Abatement extend beyond December 31 of the tenth (10th) tax year unless extended by agreement in compliance with local and state law.

The terms and conditions of this Agreement shall continue for the period of Abatement. All covenants and representations of the Owner herein shall continue throughout the term of this Agreement, and any defaults shall be subject to the recapture provisions provided in Part VII herein.

V. TAXABILITY

During the period that the Abatement is effective, taxes shall be payable as follows:

- (1) The value of the land comprising the Property shall be fully taxable;

- (2) The value of Ineligible Property shall be fully taxable;
- (3) The Base Year Value of existing Improvements comprising the Property shall be fully taxable;
- (4) The value of the personal property (equipment value only) comprising the Property shall be fully taxable; and
- (5) The Added Value of the Eligible Property made a part of the Property shall be abated as set forth in Part VI herein.

VI. AMOUNT OF ABATEMENT

The Abatement provided by this Agreement shall be based upon the added Value of Eligible Property related to this Project. Tax abatement schedule for ten (10) years of eligible appraised value of Equipment Value and taxes shall be abated annually as follows:

<u>Abatement</u>			
Year One	50%	Year Six	50%
Year Two	50%	Year Seven	50%
Year Three	50%	Year Eight	50%
Year Four	50%	Year Nine	50%
Year Five	50%	Year Ten	50%

VII. CONTEMPLATED IMPROVEMENTS

Owner represents that it will expand and/or renovate a facility at the cost, for the purpose, and in the manner as set forth in the Project Description attached as Exhibit "B". During the Construction Phase, the Owner may make such change orders as to the project as are reasonably necessary, provided that no such change order may be made which will change the qualification of the project as a "Facility" under the Guidelines for Granting Tax Abatement approved by the Governmental Unit. All improvements shall be completed in accordance with all applicable laws, ordinances, rules or regulations. During the term of this Agreement, use of the Property shall be limited to operation of the Facility described in the Project Description consistent with the general purpose of encouraging development or redevelopment of the zone during the period of this Agreement

Upon completion of the Project, the Reinvestment Advisory Committee shall review

the Added Value, as determined by the Hunt County Appraisal District. If the Added Value is less than Estimated Added Value that has been added, the Reinvestment Advisory Committee may recommend to the Governmental Unit that the amount of Abatement be immediately adjusted or extinguished.

VIII. EVENTS OF DEFAULT AND RECAPTURES

- A. 1) Discontinued or Reduced Operation During Term of Agreement. In the event that the facility is completed and begins operation but subsequently discontinues operation for any reason except fire, explosion or other casualty or accident or natural disaster for a period of one year during the term of the Agreement, the Agreement may be terminated by the Governmental Unit and all taxes previously abated by virtue of the Agreement will be recaptured and paid within 60 days of the termination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty day notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.
- 2) Certification of Compliance by Owner. Owner of the property shall certify annually, through a notarized statement to the governing body of each taxing unit that Owner is in compliance with each applicable term of this agreement.
- 3) Removal of Eligible Property. In the event that fixed machinery or equipment is installed and becomes eligible property, but is subsequently removed from the facility or becomes ineligible property during the abatement period, and is not replaced with fixed machinery or equipment of like value within a reasonable time, then all taxes previously abated by virtue of the agreement for said machinery or equipment will be recaptured and paid within sixty (60) days from the date the machinery or equipment is removed from the facility or becomes ineligible property.
- 4) Delinquent Taxes. In the event that the company or individual (1) allows its ad valorem taxes owed the Governmental Unit or any affected jurisdiction to become delinquent and fails to timely and properly file the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the cure Period, the agreement then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.
- B. Notice of Default. Should the Governmental Unit, determine that the Owner is in default according to the terms and conditions of this Agreement, it shall notify the Owner that if such default is not cured within sixty (60) days from the date of such notice ("Cure Period"), then this Agreement may be terminated or modified. In the event the Owner fails to cure said default during the Cure Period, the Agreement may be terminated or modified and the taxes abated by virtue of the Agreement will be recaptured and paid as provided herein.

- C. Actual Added Value. Annually, the Chief of the Hunt County Appraisal District or his/her designee, shall assess the real and personal property comprising the reinvestment zone. Should the Hunt County Appraisal District determine that the total level of Added Value during any year of the term of this Agreement after completion of the Construction Phase is lower than the Estimated Added Value such that a lower percentage of Abatement is applicable, for each year during which an Abatement has been granted the difference between the tax abated and the tax which should have been abated based upon, the actual Added Value shall be determined and each Governmental Unit owner shall be notified. The taxes shall be paid within sixty (60) days of notification to the Owner of such determination. Penalty and interest shall not begin to accrue upon such sum until the first day of the month following such sixty (60) days notice, at which time penalty and interest shall accrue in accord with the laws of the State of Texas.
- D. Continuation of Tax Lien. The amount of tax abated each year under the terms of this agreement shall be secured by a first and prior tax lien which shall continue in existence from year to year until such time as this Agreement between the Governmental Unit and Owner is fully performed by Owner, or until all taxes, whether assessed or recaptured, are paid in full.

If the Governmental Unit terminated this Agreement pursuant to this paragraph VIII, it shall provide Owner written notice of such termination. If Owner believes that such termination was improper, Owner may file suit in the Hunt County district courts appealing such termination within sixty (60) days after the written notice of the termination by the Governmental Unit. If an appeal suit is filed, Owner shall remit to the Governmental Unit(s), within sixty (60) days after the notice of termination, and additional and/or recaptured taxes as may be payable during the pendency of the litigation pursuant to the payment provision of Section 42.08, Texas Tax Code. If the final determination of the appeal increases Owner's tax liability above the amount of tax paid, Owner shall remit the additional tax to the Governmental unit(s) pursuant to Section 42.42, Texas Tax Code. If the final determination of the appeal decreases Owner's tax liability, the Governmental Unit(s) shall refund the Owner the difference between the amount of tax paid and the amount of tax for which owner is liable pursuant to Section 42.43, Texas Tax Code.

X. ADMINISTRATION

The Owner shall allow employees and/or representative(s) of the Governmental Unit to have access to the Property during the term of this Agreement to inspect the facility to determine compliance with the terms and conditions of this Agreement. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the Facility. All inspections will be made with one or more representatives of the Owner and in accordance with Owner's safety standards.

Upon completion of construction, the affected jurisdiction shall annually evaluate each facility and report possible violations of the contract and agreement to the governing body and its

attorney.

The Chief Appraiser of the Hunt County Appraisal District shall annually determine (i) the taxable value of the real and personal property comprising the Property taking in to consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the real and personal property comprising the Property. The Chief Appraiser shall record both the abated taxable value and the 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 are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Owner shall furnish the Chief Appraiser with such information outlined in Chapter 22, Texas Tax Code, as amended, as may be necessary for the administration of the Agreement specified herein.

X. ASSIGNMENT

The Owner may assign this Agreement to a new owner or lessee of the Facility with the prior written consent of the Governmental Unit, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in this Agreement. Any assignment of this Agreement shall be to an entity that will provide substantially the same improvements to the Property, except to the extent such improvements have been completed. No assignment shall be approved if the Owner or any assignee are indebted to the Governmental Unit for ad valorem taxes or other obligations.

XI. NOTICE

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, with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, with the United States Postal Service, addressed to the Governmental Unit or Owner at the following addresses. If mailed, any notice or communication shall be deemed to be received three days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

To the Owner:	Sabert Corporation 2288 Main Street Extension Sayreville, NJ 08872 Attention: CFO
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To the Governmental Unit(s)	Hunt County 2507 Lee Street Greenville, Texas 75401
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Attention: Judge John Horn

Either party may designate a different address by giving the other party ten (10) days written notice.

This agreement has been executed by the parties in multiple originals or counterparts, each having full force and effect.

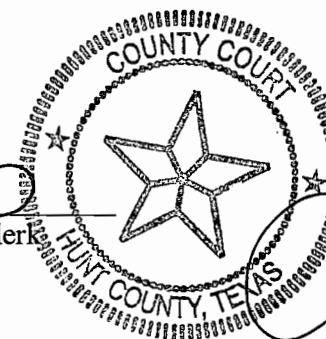
Executed this the 26 day of September, 2017.

WITNESS:

Jennifer Lindenzweig
 Jennifer Lindenzweig, County Clerk
 Greenville, Texas

John Horn
 John Horn, County Judge
 Greenville, Texas

GOVERNMENTAL UNIT:



APPROVED AS TO FORM:

[Signature]
 Daniel Ray, County Attorney
 Hunt County
 Greenville, Texas

WITNESS:

Rita Valinot
 Name: Rita Valinot
 Title: Executive Assistant

OWNER:

[Signature]
 By: _____
 Name: Gary Ziznewski
 Title: CFO

Exhibit A

JAN 03 2018

JENNIFER LINDENZWEIG
 County Clerk Hunt County, TX
 By: [Signature]

Property Description

77.128 ACRE TRACT

Sheppard Gandy Survey, Abstract No. 398
City of Greenville, Hunt County, Texas

DESCRIPTION, of a 77.128 acre tract of land situated in the Sheppard Gandy Survey, Abstract No. 398, City of Greenville, Hunt County, Texas; said tract being all of that tract of land described in Special Warranty Deed to STN Realty Texas, LLC recorded in Instrument Number 2017-413 of the Official Public Records of Hunt County, Texas; said 77.128 acre tract being more particularly described as follows:

BEGINNING, at a 1/2-inch iron rod found in the east right-of-way line of F.M. Highway No. 1570 (a 100-foot wide right-of-way), said point being the northwest corner of said STN Realty Texas tract and the southwest corner of Lot 1, Block 1, Rubbermaid Addition, an addition to the City of Greenville, according to the plat recorded in Volume 400, Page 1309 of the Map Records of Hunt County, Texas;

THENCE, South 89 degrees, 44 minutes, 38 seconds East, departing the said east line of F.M. Highway No. 1570 and along the north line of said STN Realty Texas tract and the south line of said Rubbermaid Addition, a distance of 2,654.50 feet to a 1/2-inch iron pipe found for the northeast corner of said STN Realty Texas tract and the most northerly northwest corner of a tract of land described in Deed to Nolan Lehmann, recorded in Volume 1060, Page 155 of said Deed Records;

THENCE, South 00 degrees, 20 minutes, 37 seconds East, along the east line of said STN Realty Texas tract and the west line of said Lehmann tract, a distance of 1,343.52 feet to a 1/2-inch iron pipe found for the corner southeast corner of said STN Realty Texas tract and an ell corner of said Lehmann tract;

THENCE, South 89 degrees, 58 minutes, 16 seconds West, along the south line of said STN Realty Texas tract and a north line of said Lehmann tract, at a distance of 1,650.86 feet passing the northwest corner of said Lehmann tract and the northeast corner of a tract of land described in Warranty Deed to Leslie Wayne Eddins and Wife, Nellie Ruth Eddins recorded in Volume 1060, Page 157 of said Deed Records; at a distance of 2,181.03 feet passing the northwest corner of said Eddins tract from which a 3/4-inch iron rod found bears North 60 degrees, 05 minutes East, a distance of 1.7 feet, continuing in all a total distance of 2,427.47 feet to a 1/2-inch iron rod found for corner in the said east line of F.M. Highway No. 1570; said point being the southwest corner of said STN Realty Texas tract and the northwest corner of a tract of land described in Warranty Deed to Leslie Wayne Eddins and Wife, Nellie Ruth Eddins recorded in Volume 794, Page 406 of said Deed Records; said point being the beginning of a non-tangent curve to the right;

THENCE, in a northerly direction, along the said west line of said STN Realty Texas tract and the east line of F.M. Highway No. 1570, the following three (3) calls:
In a northerly direction along said curve to the right, having a central angle of 12 degrees, 14 minutes, 42 seconds, a radius of 1,382.39 feet, a chord bearing and distance of North 06

degrees, 49 minutes, 42 seconds West, 294.87 feet, an arc distance of 295.44 feet to a 1/2-inch iron rod found at the end of said curve;

North 00 degrees, 42 minutes, 22 seconds West, a distance of 424.26 feet to a 1/2-inch iron rod found for corner at the beginning of a tangent curve to the left;

In a northerly direction along said curve to the left, having a central angle of 32 degrees, 27 minutes, 48 seconds, a radius of 1,195.92 feet, a chord bearing and distance of North 16 degrees, 56 minutes, 16 seconds West, 668.57 feet, an arc distance of 677.60 feet to the **POINT OF BEGINNING**;

CONTAINING: 3,359,702 square feet or 77.128 acres of land, more or less.

Exhibit B Project Description

STN Realty Holdings, LLC and Sabert Corporation will build a molded fiber and plastics food packaging facility. The facility will be approximately 350,000 square foot. Estimated operation of the facility will begin in late 2018. Production will increase approximately 20% annually for the next 5 years with plans for future expansion over the next 10 years.