

RESOLUTION NUMBER 2005-002

This Resolution is made this 8th day of August, 2005, (the Effective Date)
by the City of Alabaster Industrial Development Board (the Granting Authority),
(City, County, or Industrial Development Board)

Shelby West Industrial Enterprises, LLC on behalf of:
to grant a tax abatement for AGC Automotive Americas & Asset Mgmt. Solutions (the Company).

WHEREAS, the Company has announced plans for a (check one):

☒ new project or ☐ major addition to their existing facility (the Project),

located within the jurisdiction of the Granting Authority; and

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., **Code of Alabama 1975**) (the Act), the Company has requested from the Granting Authority an Abatement of (check all that apply):

- ☒ all state and local noneducational property taxes,
- ☒ all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or
- ☒ all mortgage and recording taxes; and

WHEREAS, the Company has requested that the abatement of state and local noneducational property taxes (if applicable) be extended for a period of 10 years, in accordance with the Act; and

WHEREAS, the Granting Authority has considered the request of the Company and the completed applications (copy attached) filed with the Granting Authority by the Company, in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's application to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the proposed project and to determine the economic benefits to the community; and

WHEREAS, the construction of the project will involve a capital investment of \$ 10,000,000.00; and

WHEREAS, the Company is duly qualified to do business in the State of Alabama, and has powers to enter into, and to perform and observe the agreements and covenants on its part contained in the Tax Abatement Agreement; and

WHEREAS, the Granting Authority represents and warrants to the Company that it has power under that constitution and laws of the State of Alabama (including particularly the provisions of the Act) to carry out provisions of the Tax Abatement Agreement;

WHEREAS, this agreement will become null and void if the predominant business activity of the project does not qualify under Section 40-9B-3(6), Code of Alabama 1975;

NOW THEREFORE, be it resolved by the Granting Authority as follows:

Section 1. Approval is hereby given to the application of the Company and abatement is hereby granted of (check all that apply):

- ☒ all state and local noneducational property taxes,
- ☒ all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or
- ☒ all mortgage and recording taxes

as the same may apply to the fullest extent permitted by the Act. The period of abatement for the noneducational property taxes (if applicable) shall extend for a period of 10 years measured as provided in Section 40-9B-3(8) of the Act.

Section 2. The governing body of the Granting Authority is authorized to enter into an abatement agreement with the Company to provide for the abatement granted in Section 1.

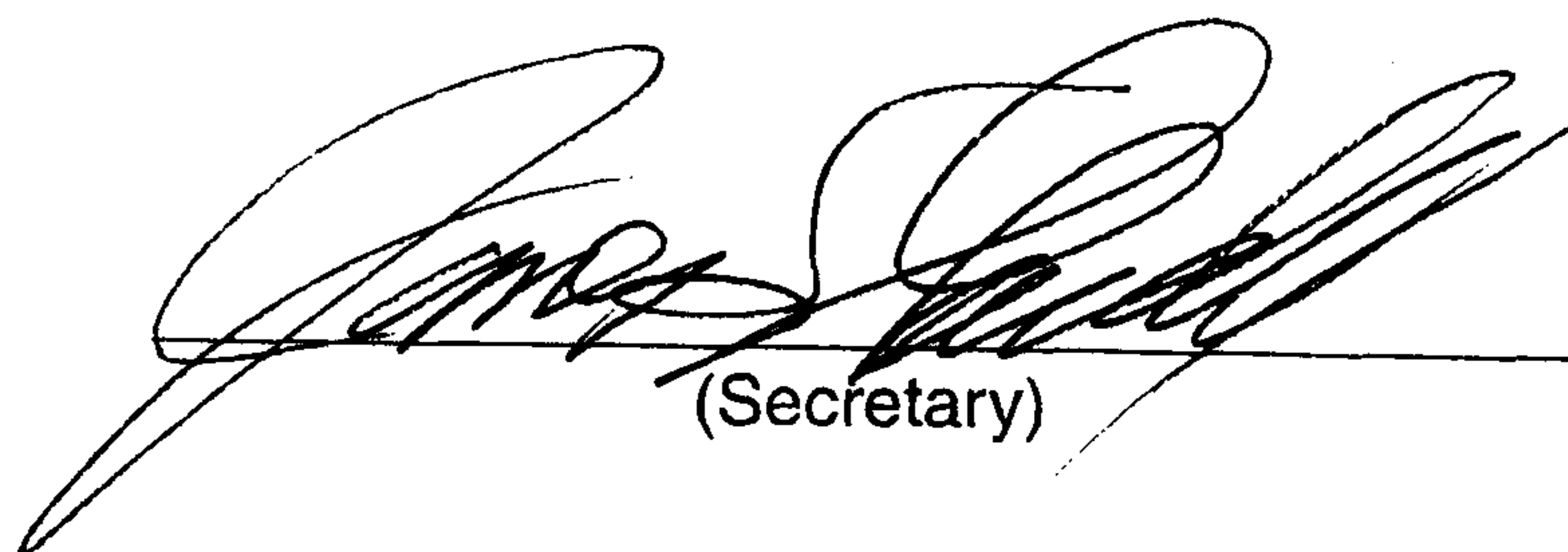
Section 3. A certified copy of this resolution, with the application and abatement agreement, shall be forwarded to the Company to deliver to the appropriate local taxing authorities (if applicable) and to the Alabama Department of Revenue in accordance with the Act.

Section 4. The governing body of the Granting Authority is authorized to take any and all actions necessary or desirable to accomplish the purpose of the foregoing of this resolution.

City of Alabaster

I hereby certify that the above and foregoing was duly adopted by the Industrial Development Board
(City, County, or Industrial Development Board)

of Alabama at a meeting held on the 8th day of August, 2005.


(Secretary)

Tax Abatement Agreement

This Agreement is made this 8th day of August, 2005, (the Effective Date)
by and between the City of Alabaster Industrial Development Board (the Granting Authority),
(City, County, or Industrial Development Board)
Shelby West Industrial Enterprises, LLC on behalf of:
and AGC Automotive Americas & Asset Mgmt. Solutions (the Company), its successors and assigns.

WHEREAS, the Company's Standard Industrial Classification Code, 3211
5044, meets the qualifica-
tions of an industrial or research enterprise in accordance with Section 40-9B-3(6), **Code of Alabama**
1975, as amended.

WHEREAS, the Company has announced plans for a (check one):

☒ new project or ☐ major addition to their existing facility (the Project),

located within the jurisdiction of the Granting Authority; and

WHEREAS, the Project is estimated to be completed by the 1st day of May, 2006; and

WHEREAS, the Project will be located in the County of Shelby (check whichever is
applicable)

☒ inside the city limits of Alabaster,

☐ inside the police jurisdiction of _____,

☐ outside the city limits and police jurisdiction of the City of _____; and

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., **Code of Alabama 1975**) (the Act), the Company has requested from the Granting Authority an Abatement of
(check all that apply):

☒ all state and local noneducational property taxes,

☒ all construction related transaction taxes, except those construction related transaction taxes levied
for educational purposes or for capital improvements for education, and/or

☒ all mortgage and recording taxes; and

WHEREAS, the Granting Authority has considered the request of the Company and the completed
applications filed with the Granting Authority by the Company, in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's application
to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the pro-
posed project and to determine the economic benefits to the community; and

WHEREAS, this agreement will become null and void if the predominant
business activity of the project does not qualify under Section 40-9B-3(6),
Code of Alabama 1975; and

WHEREAS, at its meeting held on the 8th day of August, 2005 (the Meeting), the Granting Authority approved the Company's application for abatement of (check all that apply):

- ☒ all state and local noneducational property taxes,
- ☒ all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or
- ☒ all mortgage and recording taxes; and

WHEREAS, the Project will consist of private use industrial development property, which is composed of all real and related personal property to be acquired, constructed, and installed thereon, as described in Attachment One hereto; and

WHEREAS, the private use industrial development property for which the abatement is applied shall be (check whichever is applicable):

- ☒ owned by the entity applying for the abatement,
- ☐ leased from a public authority, municipal, or county government; and

WHEREAS, in the event that the private use industrial development property is leased from a public authority, municipal, or county government, the lessee shall be treated as the owner of such property for federal income tax purposes; and

WHEREAS, it shall be indicated whether the Granting Authority intends to issue bonds in connection with the private use industrial development property herein described, and, if so intends, shall attach a copy of the inducement agreement; and

WHEREAS, for the purposes of abatement of all noneducational property taxes (if applicable), it has been determined that no portion of the Project has been placed in service or operation by the Company or by a related party, as defined in 26 U.S.C. §267, with respect to the Company prior to the Effective Date of this Agreement; and

WHEREAS, for the purposes of the abatement of all construction related transaction taxes (if applicable), no portion of the Project which has been requested for abatement has been purchased prior to the Effective Date of this Agreement; and

WHEREAS, the Project conducts trade or business as described in any of the following 1987 Standard Industrial Classification Major Groups 20 to 39, inclusive, 50 or 51, Industrial Group Number 737, or Industry Numbers 0724, 4613, 8731, 8733, or 8734, as set forth in the Standard Industrial Classification Manual published by the United States Government Office of Management and Budget; and

WHEREAS, if the Project is a major addition to an existing facility, the request for abatement of all state and local noneducational property taxes (if applicable) and/or all construction related transaction taxes (if applicable) does not include any capitalized repairs, rebuilds, maintenance, replacement equipment, or costs associated with the renovating or remodeling of existing facilities of industrial development property previously placed in service by the Company; and

WHEREAS, if the Project is a major addition to an existing facility the addition equals the lesser of (i) thirty (30) percent of the original cost of the industrial development property, or (ii) \$2,000,000; and

WHEREAS, the Company is duly qualified to do business in the State of Alabama, and has powers to enter into, and to perform and observe the agreements and covenants on its part contained in this Agreement; and

WHEREAS, the Granting Authority represents and warrants to the Company (a) that it has power under that constitution and laws of the State of Alabama (including particularly the provisions of the Act) to carry out provisions of this Agreement, (b) that the execution of this Agreement on its behalf has been duly authorized by resolution adopted by the governing body of the Granting Authority;

NOW, THEREFORE, the Granting Authority and the Company, in consideration of the mutual promises and benefits specified herein, hereby agree as follows:

1. In accordance with the Act, the Granting Authority hereby grants to the Company an abatement from liability for the following taxes as permitted by the Act (check all that apply):

☒ (a) Noneducational Property Taxes: all property taxes that are not required to be used for educational purposes or for capital improvements for education;

☒ (b) Construction Related Transaction Taxes: the transaction taxes imposed by Chapter 23 of Title 40 of the **Code of Alabama 1975** on the tangible personal property and taxable services to be incorporated into the Project, the cost of which may be added to capital account with respect to the Project, except for those local construction related transaction taxes levied for educational purposes or for capital improvements for education;

☒ (c) Mortgage and Recording Taxes: all taxes imposed by Chapter 22 of Title 40 of the **Code of Alabama 1975** relating to mortgages, deeds, and documents relating to issuing or securing obligations and conveying title into or out of the Granting Authority with respect to the Project.

2. An estimate of the amount of tax abated pursuant to this Agreement is set forth below. The Granting Authority and the Company hereby acknowledge that this estimate reflects the amount of tax abated for the period stated, under current law, and that the actual abatement for such taxes may be for a greater or lesser amount depending upon the actual amount of such taxes levied during the abatement period as stated. (Check all that apply)

☒ (a) If no bonds are to be issued, noneducational property taxes are expected to be approximately \$ 43,000.00 per year and the maximum period for such abatement shall be valid for a period of 10 years, beginning with the October 1 lien date next proceeding the acquisition date of abated property.

☐ (b) If bonds are issued, noneducational property taxes are expected to be approximately \$ _____ per year and the maximum period for such abatement shall be valid for a period of _____ years, beginning the initial date bonds are issued to finance project.

☐ (c) Construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, are expected to be approximately \$ 428,000.00 and such abatement shall not extend beyond the date the Project is placed in service.

☐ (d) Mortgage and recording taxes are expected to be approximately \$ 12,000.00.

3. The Company hereby makes the following good faith projections:

(a) Amount to be invested in the Project: \$ 10,000,000.00;

(b) Number of individuals to be employed initially at the Project and in each of the succeeding three years:
Initially 65 Year 1 65 Year 2 65 Year 3 65;

(c) Annual payroll initially at the Project and in each of the succeeding three years:
Initially \$ 1,200,000 Year 1 \$ 1,300,000 Year 2 \$ 1,400,000 Year 3 \$ 1,500,000;

4. The Company shall file with the Alabama Department of Revenue within 90 days after the date of the Meeting a copy of this agreement as required by Section 40-9B-6(c) of the Act.

GENERALLY

20051021000549170 6/6 \$26.00
Shelby Cnty Judge of Probate, AL
10/21/2005 02:07:50PM FILED/CERT

5. Compliance. If the Company fails to comply with any provision in this Agreement or if any of the material statements contained herein or in Attachment Two (*Note: This attachment shall include the application for abatement*), are determined to have been misrepresented whether intentionally, negligently, or otherwise, the Granting Authority shall terminate this Agreement and take such equitable action available to it as if this Agreement had never existed. If it is determined that certain items, which are identified on the application form for abatement of taxes, are not in compliance with the Act or governing regulations, these items may be subject to taxation for all local and state taxing authorities.

6. Binding Agreement. Each party to this Agreement hereby represents and warrants that the person executing this Agreement on behalf of the party is authorized to do so and that this Agreement shall be binding and enforceable when duly executed and delivered by each party. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective successors.

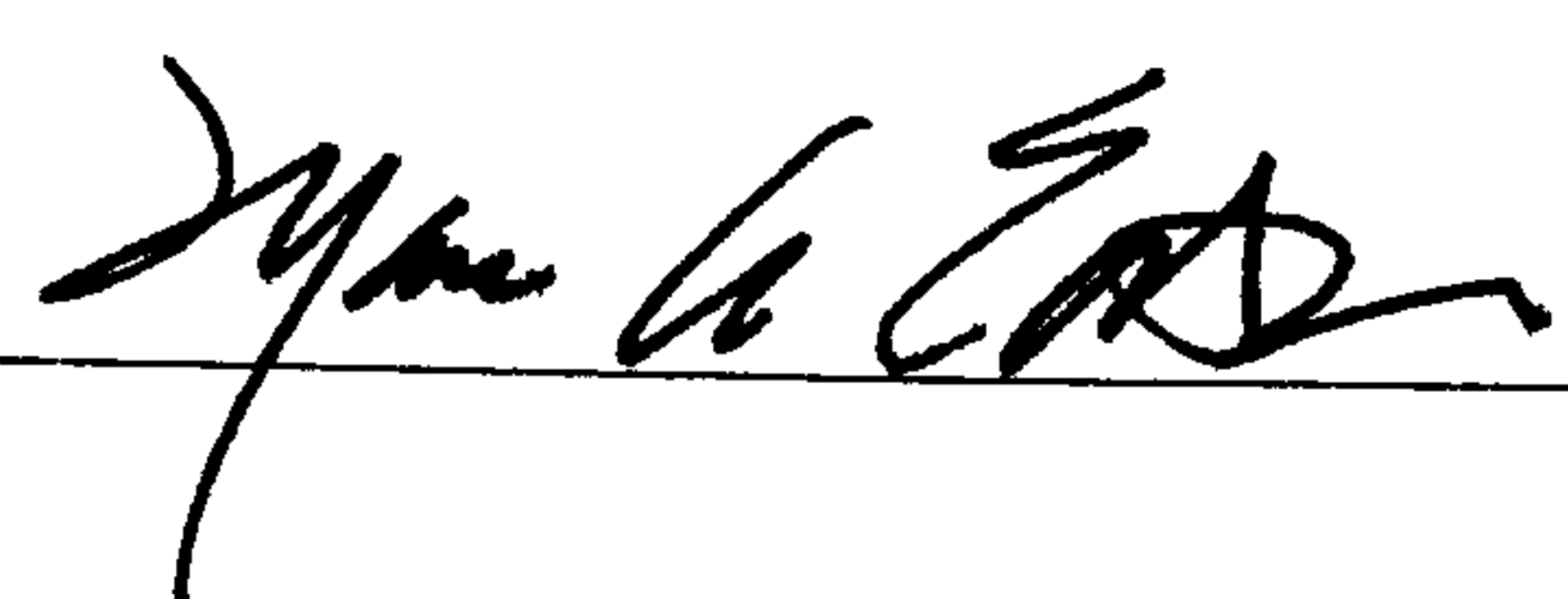
7. Limitations. Notwithstanding any provision contained herein to the contrary, this Agreement is limited solely to the abatement of (check all that apply):

- ☒ all state and local noneducational property taxes,
- ☒ all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or
- ☒ all mortgage and recording taxes fees for the periods specified herein. Nothing in this Agreement shall be construed as a waiver by the Company of any greater benefits that the Project or any portion thereof may have available under provisions of the law other than the Act.

8. Severability. This Agreement may be amended or terminated upon mutual consent of the Company and the Granting Authority. Any such amendment or termination shall not in any manner affect the rights and duties by and between the Company and the Granting Authority.

This Agreement is executed as of the dates specified below.

Shelby West
Industrial Enterprises, LLC
(the Company)

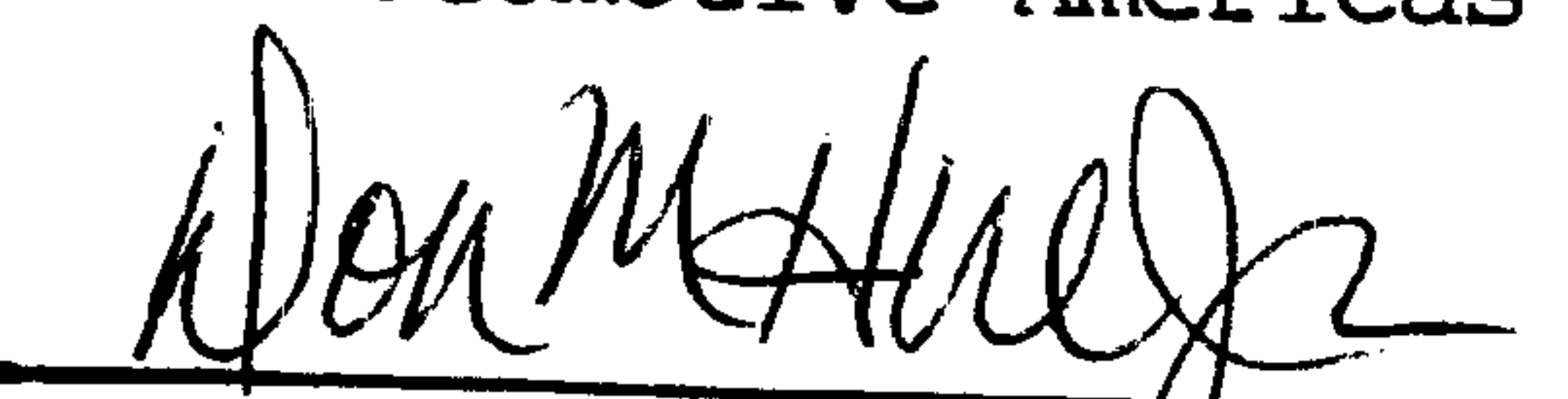
By: 

Name: Marc A. Eason

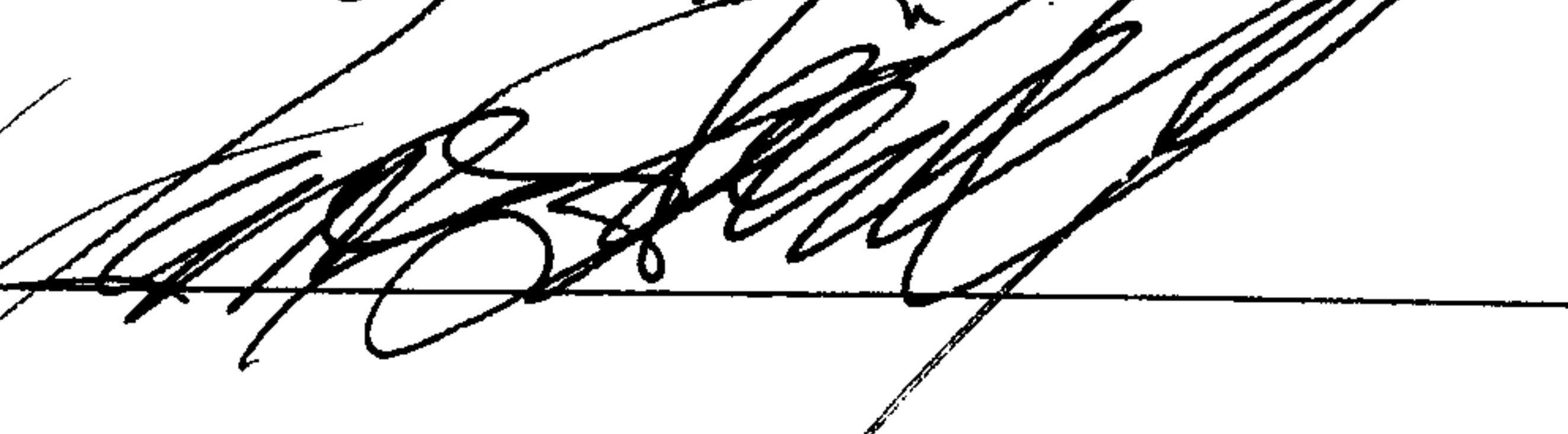
Title: Managing Member

Date: 8/8/2005


AGC Automotive Americas


Asset Management Solutions

City of Alabaster
Industrial Development Board
(the Granting Authority)

By: 

Name: James S. Gould

Title: Secretary

Date: 8/8/2005