

STATE OF TEXAS

§
§
§

TAX ABATEMENT AGREEMENT

COUNTY OF WILLIAMSON

This Tax Abatement Agreement (the “Agreement”) is entered into by and between the City of Taylor, a Texas home rule municipality (“the City”), and Samsung Austin Semiconductor, LLC, a Delaware limited liability company (the “Owner”) (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

WITNESSETH:

WHEREAS, the Owner owns the real property in Williamson County, Texas, being further described in Exhibit “A” attached hereto (the “Land”); and

WHEREAS, the Owner intends to develop the Land for the Project (hereinafter defined); and

WHEREAS, the City Council has adopted an ordinance designating an area that includes the Land as Tax Abatement Reinvestment Zone No. 9 (the “Reinvestment Zone”) as authorized by the Property Redevelopment and Tax Abatement Act, Chapter 312 of the Texas Tax Code; and

WHEREAS, in compliance with the Act, the City Council has held a public hearing to receive public comments on the creation of the proposed Reinvestment Zone and its benefits to the City and the property in the proposed Reinvestment Zone; and has notified the governing body of each taxing unit that levies real property taxes within the proposed Reinvestment Zone of its intent to establish the Reinvestment Zone; and

WHEREAS, the City has adopted guidelines for tax abatement that are current under Tax Code Section 312.002(b) (the “Tax Abatement Guidelines”); and

WHEREAS, the Tax Abatement Guidelines contain appropriate guidelines and criteria governing tax abatement agreements to be entered by the City as contemplated by the Tax Code; and

WHEREAS, the City has adopted a resolution stating that it elects to be eligible to participate in tax abatement; and

WHEREAS, in order to maintain and enhance the commercial and industrial economic and employment base of the Taylor area, it is in the best interests of the taxpayers for the City to enter into this Agreement in accordance with said Zone Ordinance, the Tax Abatement Guidelines and the Tax Code; and

WHEREAS, Owner’s development efforts described herein will create permanent new jobs in the City; and

WHEREAS, the City Council after a public hearing has found that the contemplated use of the Premises (hereinafter defined), and the contemplated Improvements are consistent with encouraging development of the proposed Reinvestment Zone and that the proposed tax abatement will be in compliance with the Tax Abatement Guidelines, the Tax Code, and all other applicable laws; and

WHEREAS, the City Council has found that the Improvements sought are feasible and practicable and would be of benefit to the Premises to be included in the proposed Reinvestment Zone and to the City after expiration of this Agreement; and

WHEREAS, a copy of this Agreement has been furnished, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units in which the Premises is located; and

WHEREAS, this Agreement was approved at a regularly scheduled meeting of the City Council of the City;

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, including the expansion of primary employment, the attraction of major investment in the Reinvestment Zone, which contributes to the economic development of Taylor and the enhancement of the tax base in the City, the Parties agree as follows:

Article I Definitions

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

“Act” shall mean the Property Redevelopment and Tax Abatement Act, Chapter 312, Texas Tax Code, as amended.

“Bankruptcy or Insolvency” shall mean the dissolution or termination of a Party’s existence as a going business, insolvency, appointment of a receiver for any part of a Party’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such Party, and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“City” is defined in the introductory paragraph.

“Completion of Construction” shall mean that: (i) the construction of the Improvements has been substantially completed; and (ii) a temporary or final certificate of occupancy has been issued by the City for the occupancy of the Improvements by the Owner.

“County” shall mean Williamson County, Texas.

“Development Agreement” shall mean that certain City of Taylor, Texas Development Agreement pursuant to Chapter 212, Subchapter G, Texas Local Government Code, between the Parties, dated November 29, 2021.

“Development Review Reimbursement Agreement” shall mean that certain Development Review Reimbursement Agreement by and between Owner and City dated September 24, 2021.

“Effective Date” shall mean the day after the later of (i) the full execution hereof by all of the Parties; and (ii) the day that all conditions precedent listed at Section 9.12 have been satisfied.

“Expiration Date” shall mean March 1 of the calendar year following the expiration of the last of the tax abatements provided herein.

“First Year of Abatement” shall mean the earlier of (a) the year commencing on January 1, 2024 or (b) first full tax year following the Owner’s obtaining a Certificate of Occupancy from the City of Taylor, Texas for a minimum of 6,000,000 square feet of facilities on the Land; provided, however, that the Owner may, at its sole discretion and sole option, elect to delay the First Year of Abatement by up to one (1) year by delivering a notice to the City and the Williamson Central Appraisal District (or its successor) stating such desire (a “Notice of First Year of Abatement Change”), and in such case, the First Year of Abatement shall be the date identified in the Notice of First Year of Abatement Change.

“Force Majeure” shall mean any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, terrorist act, or threat thereof, riot, civil commotion, insurrection, government action or inaction (unless caused by the intentionally wrongful acts or omissions of the Party), fires, earthquake, tornado, hurricane, explosions, floods, strikes, slowdowns, work stoppages, or incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or other causes affecting the area in which the Project is located, or the Owner’s labor or supply chain, or the availability of services (“**Epidemiological Event**”) that result in a reduction of labor force or work stoppage in order to comply with local, state, or national disaster orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not. If a Party is unable to perform its obligations under this Agreement due to a Force Majeure, the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is

delayed provides written notice to the other Party not later than fifteen (15) business days after occurrence of the event(s) or condition(s) causing the delay describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred. The Parties acknowledge that as of the Effective Date, the outbreak of COVID-19 (“COVID-19 Outbreak”) is an Epidemiological Event, that, notwithstanding the COVID-19 Outbreak, the existing effects of the COVID-19 Outbreak could not have been reasonably anticipated, and that the potential continuing effects of the COVID-19 Outbreak cannot reasonably be anticipated by City or Company nor be prevented nor overcome, wholly or in part, by the exercise of commercially reasonable diligence by such Party provided, however, the COVID-19 Outbreak is not an excuse from performance of any obligation under this Agreement unless it actually renders a party unable to perform such obligation in the specific instance.

“Improvements” or “Project” shall mean one or more improvements constructed on the Land consisting of (i) buildings housing one or more 300-millimeter semiconductor wafer (or successor technology) manufacturing plants (each a “Plant”); (ii) other buildings and ancillary facilities constructed on the Land supporting the operation of the Plants that are developed and used for purposes authorized by the Development Standards (as that term is defined in the Development Agreement), and (iii) such additional related improvements constructed on the Land including, but not limited to, required parking, landscaping and all other improvements constructed on the Land and which may be more fully described in the submittals filed by Owner with the City from time to time, in order to obtain building permit(s).

“Land” is defined in the Recitals.

“New Tangible Personal Property” shall mean each installation or delivery of Tangible Personal Property installed or located at the Improvements for which Owner provides the City and the Williamson Central Appraisal District, not more than once each year during the Term, a separate written rendition for such new Tangible Personal Property, including the date of delivery, location, or installation at the Improvements, and a description and historic cost or opinion of value for such property and for which Owner and City have requested the Williamson Central Appraisal District to assign an account number separate and apart from any other Tangible Personal Property tax account for appraisal purposes.

“Owner” is defined in the introductory paragraph.

“Owner Affiliate” shall mean any entity that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, Owner. The term “control” shall mean direct or indirect ownership of more than fifty percent (50%) of the voting stock of a corporation (or equivalent equity interest for other types of entities) or the power to direct or cause the direction of the management and policies of the controlled entity, whether through the ownership of voting securities, by contract or otherwise.

“Premises” shall mean collectively, the Land and the Improvements following construction thereof.

“Reinvestment Zone” is defined in the Recitals.

“Related Agreement” shall mean any agreement, other than this Agreement, related to the Project by and between (i) the City and the Owner, or (ii) if the operation of the Project is transferred to any entity that controls Owner or that is controlled by or under common control with Owner, then such other entity.

“Tangible Personal Property” shall have the same meaning assigned by Texas Tax Code, Section 1.04 and shall mean all tangible personal property, equipment, and machinery, inventory and supplies owned or leased by the Company, and located in the Improvements on January 1 of a given Tax Year. Tangible Personal Property shall not include Freeport Goods or Goods in Transit pursuant to Section 11.251 or 11.253 of the Texas Tax Code if such items qualify for and are allowed exemption from City property taxes in a given year during the Term, and nothing in this Agreement prevents application for such exemptions, if applicable and available.

“Tax Code” shall mean the Texas Tax Code.

“Taxable Value” shall mean the appraised value of Tangible Personal Property as certified by the Williamson Central Appraisal District, or its successor, as of January 1 of a given year.

“Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement” shall mean that certain Taxable Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement between City and Owner dated November 29, 2021.

“Zone Ordinance” shall mean the ordinance of the City of Taylor, Texas designating the Reinvestment Zone No. 9 pursuant to Chapter 312 of the Texas Tax Code.

Article II General Provisions

2.1 Owner is the owner of the Land, which Land is located within the city limits of the City and within the Reinvestment Zone. Owner intends to construct, or cause to be constructed, the Improvements on the Land.

2.2 The Premises are not in an improvement project financed by tax increment bonds.

2.3 This Agreement is entered into subject to the rights of the holders of outstanding bonds of the City.

2.4 The Premises are not owned or leased by any member of the Taylor City Council or any member of the Taylor Planning and Zoning Commission.

2.5 Owner shall, on or before May 1, of each calendar year that this Agreement is in effect, certify in writing to the City that it is in compliance with each term of the Agreement.

2.6 The Land and the Improvements constructed thereon shall be used in the manner (i) that at the time of construction is consistent with the City's Comprehensive Zoning Ordinance, as amended, and (ii) that, during the period taxes are abated hereunder, is consistent with the general purposes of encouraging development or redevelopment within the Reinvestment Zone.

2.7 The "Term" of this Agreement shall begin on the Effective Date and shall continue until the Expiration Date, unless sooner terminated as provided herein.

Article III Phase I Tax Abatement Authorized

3.1 This Agreement is authorized by the Tax Code and in accordance with the City Tax Abatement Guidelines that were approved by resolution of the City Council no more than two (2) years before the Effective Date of this Agreement.

3.2 Subject to the terms and conditions of this Agreement, the City hereby grants Owner an abatement of ninety-two and one-half percent (92.5%) of the Taxable Value of New Tangible Personal Property in each annual rendition of New Tangible Personal Property occurring after the Effective Date of this Agreement and within the nine (9) calendar years after the First Year of Abatement ("Phase I"). The City will work with Williamson Central Appraisal District to ensure the Williamson Central Appraisal District will assign each new installation, delivery, or location of New Tangible Personal Property an account number separate and apart from any other Tangible Personal Property for appraisal purposes, and establish, if necessary, a mutually acceptable administrative method to allow compliance with this Agreement.

3.3 The period of tax abatement for New Tangible Personal Property in each annual rendition shall be for a period of ten (10) consecutive years beginning with the first calendar year after each rendition of New Tangible Personal Property during Phase I.

3.4 During the period of tax abatement herein authorized, Owner shall be subject to all taxation not abated, including, but not limited to, ad valorem taxation on the Land; however, for clarity, this provision is not intended to limit or restrict the rights and obligations under the Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement.

Article IV Phase II and Phase III Tax Abatement Authorized

4.1 Subject to the terms and conditions of this Agreement, the City grants Owner a tax abatement for New Tangible Personal Property for: (i) calendar years ten (10) through nineteen

(19) *after* the First Year of Abatement (herein “Phase II”); and (ii) calendar years twenty (20) through twenty-nine (29) *after* the First Year of Abatement (herein “Phase III”).

4.2 Subject to the terms and conditions of this Agreement, the City hereby grants Owner an abatement of ninety percent (90%) of the Taxable Value of New Tangible Personal Property in each annual rendition of New Tangible Personal Property occurring within Phase II.

4.3 The period of tax abatement for each installation, delivery or location of New Tangible Personal Property during Phase II shall be for a period of ten (10) consecutive years beginning with the first calendar year after each rendition of New Tangible Personal Property during Phase II.

4.4 Subject to the terms and conditions of this Agreement, the City hereby grants Owner an abatement of eighty-five percent (85%) of the Taxable Value of New Tangible Personal Property in each annual rendition of New Tangible Personal Property occurring within Phase III.

4.5 The period of tax abatement for each installation, delivery or location of New Tangible Personal Property during Phase III shall be for a period of ten (10) consecutive years beginning with the first calendar year after each rendition of New Tangible Personal Property during Phase III.

4.6 Notwithstanding any provision of this Agreement to the contrary: (i) in no case shall any tax abatement be granted for New Tangible Personal Property rendered in Phase III for the thirtieth (30th) year *after* the First Year of Abatement or thereafter; and (ii) in no case shall any New Tangible Personal Property receive abatement for more than ten (10) years.

Article V Improvements

5.1 Owner owns a portion of the Land and intends to construct or cause to be constructed the Improvements on the Land and to locate Tangible Personal Property at such Improvements. Nothing in this Agreement shall obligate Owner to construct the Improvements on the Land or to locate Tangible Personal Property thereat, but said actions are conditions precedent to tax abatement pursuant to this Agreement.

5.2 As a condition precedent to the initiation of the Owner’s tax abatement pursuant to this Agreement, Owner agrees, subject to delays resulting from one or more events of Force Majeure and/or an uncured breach of a Related Agreement by City, to cause Completion of Construction of the Improvements on or before December 31, 2028, in phases as set forth below:

(a) By December 31, 2023 - Owner will cause Completion of Construction of a minimum of 2,500,000 square feet of Improvements;

(b) By December 31, 2024 - Owner will cause Completion of Construction of a minimum of an additional 1,500,000 square feet of Improvements, totaling 4,000,000 square feet of Improvements;

(c) By December 31, 2026 - Owner will cause Completion of Construction of an additional 2,000,000 square feet of Improvements, totaling 6,000,000 square feet of Improvements; and

(d) Subject to and contingent upon the Fab 2 Certificate being issued, by December 31, 2028 - Owner will cause Completion of Construction of a minimum of an additional 1,000,000 square feet of Improvements, totaling 7,000,000 square feet of Improvements.

Notwithstanding anything to the contrary in this Agreement, Owner's obligation to cause Completion of Construction of that portion of the Improvements described under Section 5.2(d) is contingent upon, and shall only apply if, the Comptroller issues the Fab 2 Certificate (as defined below).

5.3 Construction plans for the Improvements constructed on the Land will be filed with the City, which shall be deemed to be incorporated by reference herein and made a part hereof for all purposes.

5.4 Owner agrees to maintain the Improvements during the Term of this Agreement in accordance with all applicable state and local laws, codes, and regulations in all material respects, or shall diligently pursue the cure of any material non-compliance.

5.5 The City, its agents and employees shall have the right of access to the Premises during and following construction to inspect the Improvements at reasonable times and with reasonable notice to Owner, and in accordance with visitor access and security policies of the Owner, in order to ensure that the construction of the Improvements are in accordance with this Agreement and all applicable state and local laws and regulations (or valid waiver thereof).

Article VI

Default: Recapture of Tax Revenue

6.1 If Owner fails to comply with its obligations in Section 5.2(c) (or, if the Fab 2 Certificate is received, then in the event Owner fails to comply with its obligations in Section 5.2(d)), and does not cure such failure within the notice and cure periods described in Section 6.2, then Owner shall be in default of this Agreement, and as liquidated damages in the event of such default, the Owner shall, within thirty (30) days after demand, pay to the City the amount equal to all taxes with respect to the time period preceding such termination which otherwise would have been paid by the Owner to the City without the benefit of the tax abatement under this Agreement, for the property subject to this Agreement, plus interest at the statutory rate for delinquent taxes as determined by Section 33.01 of the Tax Code, as amended, but without penalties.

In the event Owner (i) has delinquent ad valorem taxes owed to the City, and does not cure such delinquency within sixty (60) days after written notice from the City (provided Owner retains its right to timely and properly protest such taxes or assessment); (ii) has an event of Bankruptcy or Insolvency; or (iii) breaches any of the other terms and conditions of this Agreement (i.e., other than Section 5.2(c) (or, if the Fab 2 Certificate is received, then any other terms and conditions in this Agreement other than Section 5.2(d)), or a Related Agreement, and does not cure such breach

within the notice and cure periods described in Section 6.2 of this Agreement, or those described in the applicable Related Agreement, as the case may be, then Owner shall be in default of this Agreement. As liquidated damages in the event of such default, the Owner shall, within thirty (30) days after demand, pay to the City all taxes with respect to the three (3) years directly preceding the date of the notice of default which otherwise would have been paid by the Owner to the City without the benefit of the tax abatement under this Agreement, for the property subject to this Agreement, plus interest at the statutory rate for delinquent taxes as determined by Section 33.01 of the Tax Code, as amended, but without penalties.

For clarity, it is understood and agreed by the Parties that if a particular action is to be performed by a certain date, and such action is not performed by the required date in the first instance but is then performed before the end of the applicable cure period, then the action shall be deemed to have been performed on time in the first instance, with no effect given to the initial delay.

The Parties acknowledge that actual damages in the event of default and termination by the City would be speculative and difficult to determine. The Parties further agree that the amount of abated tax, including interest, as a result of this Agreement, shall, in accordance with the above provisions of this Section 6.1, be recoverable against the Owner, its successors and assigns and shall constitute a tax lien against the Premises, and shall become due, owing, and shall be paid to the City within thirty (30) days after notice of termination.

6.2 Upon breach by Owner of any of the obligations under this Agreement, the City shall notify Owner in writing, and Owner shall have ninety (90) days from receipt of the notice in which to cure any such default. If the default cannot reasonably be cured within such 90-day period, and the Owner has diligently pursued such remedies as shall be reasonably necessary to cure such default, then the City shall extend the period in which the default must be cured for an additional sixty (60) days.

6.3 If the Owner fails to cure the default within the time provided as specified above or, as such time period may be extended, the City, at its sole option, shall have the right to terminate this Agreement by providing written notice to the Owner.

6.4 Upon termination of this Agreement by City, the amount of liquidated damages set forth in Section 6.1, shall become a debt to the City as liquidated damages, and shall become due and payable not later than thirty (30) days after a notice of termination is provided. The City shall have all remedies for the collection of the abated tax provided generally in the Tax Code for the collection of delinquent property tax, but without penalties. The computation of the abated tax for the purposes of the Agreement shall be based upon the full Taxable Value of the New Tangible Personal Property without tax abatement for the applicable years for which recapture is required as set forth above and in which tax abatement hereunder was received by the Owner, as determined by the Williamson Central Appraisal District, multiplied by the tax rate of the years in question, as calculated by the City Tax Assessor-Collector. The liquidated damages shall incur interest as provided for delinquent taxes and shall commence to accrue after expiration of the thirty (30) day payment period.

**Article VII
Annual Application for Tax Exemption**

It shall be the responsibility of the Owner, pursuant to Section 11.43 of the Tax Code, as amended, to file, **on or before April 30**, an annual exemption application form for the New Tangible Personal Property with the Williamson County Chief Appraiser. A copy of the respective exemption application shall be submitted to the City upon request.

**Article VIII
Annual Rendition**

The Owner shall annually render the value of the New Tangible Personal Property to the Williamson Central Appraisal District and shall provide a copy of the same to the City upon written request.

**Article IX
Miscellaneous**

9.1 **Notice.** Any notice required or permitted to be delivered hereunder shall be deemed received upon the earlier of (a) actual receipt or (b) three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below, or such other address as is designated by the applicable Party from time to time, or on the day actually received as sent by courier or otherwise hand delivered.

If intended for City, to:

Attn: Brian LaBorde
City Manager
City of Taylor, Texas
400 Porter Street
Taylor, Texas 76574

With a copy to:

Ted W. Hejl
City Attorney
Hejl & Schroder, P.C.
311 Talbot
P.O. Box 192
Taylor, Texas 76574

If intended for Owner, to:

Attn: Chief Financial Officer
Samsung Austin Semiconductor, LLC
12100 Samsung Boulevard
Austin, Texas 78754

With a copy to:

Attn: General Counsel
Samsung Austin Semiconductor LLC
12100 Samsung Boulevard
Austin, Texas 78754

9.2 **Authorization.** This Agreement was authorized by resolution of the City Council approved by its Council at a meeting authorizing the Mayor to execute this Agreement on behalf of the City.

9.3 **Severability.** In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal, unconstitutional or unenforceable, such invalidity, illegality,

unconstitutionality or unenforceability shall not affect other provisions, and it is the intention of the Parties that in lieu of each provision that is held to be invalid, illegal, unconstitutional or unenforceable, a provision will be added to this Agreement which is valid, legal, constitutional and enforceable and is as similar in terms as possible to the provision held to be invalid, illegal, unconstitutional or unenforceable.

9.4 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Williamson County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

9.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument. This Agreement may be executed in facsimile or electronically transmitted portable document format (“PDF”) or by electronic means, and such signatures shall have the same force of law as one executed and witnessed by the parties in person.

9.6 Entire Agreement. This Agreement, together with the Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement, is the entire agreement of the Parties with respect to the tax abatements provided for hereunder. There is no other collateral oral or written agreement between the Parties that in any manner relates to the subject matter of this Agreement, except as provided in any Exhibits attached hereto or as that are otherwise expressly identified and described in this Agreement as being an agreement to be entered concurrently with or subsequent to this Effective Date of this Agreement. This Agreement cannot be modified without written agreement of the Parties.

9.7 Recitals. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

9.8 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

9.9 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by the Owner without the prior written consent of the City Manager not to be unreasonably withheld, delayed, or conditioned; and provided that Owner may (without the consent of the City or City Manager) assign this Agreement in its entirety to an Owner Affiliate upon written notice to the City; provided, however, no such assignment without the City’s consent shall be effective as to the City unless and until the City receives a copy of the written assignment that provides for the Owner Affiliate to assume all rights and obligations of Owner set forth in this Agreement.

9.10 Employment of Undocumented Workers. Owner has executed the certification attached hereto as Exhibit “B.” During the Term of this Agreement, the Owner agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C.

Section 1324a (f), the Owner shall repay the taxes abated herein, and any other funds received by the Owner from the City as of the date of such violation within 120 days after the date the Owner is notified by the City of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Owner is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of Owner or by a person with whom Owner contracts. Owner hereby verifies in accordance with the requirements of Chapters 2271, 2274, and 2274 of the Government Code and subject to applicable law that Owner will not Boycott Israel, does not and will not Boycott Energy Companies, and does not and will not Discriminate Against Firearm Entities or Firearm Trade Associations, as such capitalized terms are defined in such chapters of the Government Code and subject to the provisions of such chapters of the Government Code.

9.11 Right of Offset. The City may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to the City from the Owner, regardless of whether the amount due arises pursuant to the terms of this Agreement or a Related Agreement or otherwise and regardless of whether or not the debt due the City has been reduced to judgment by a court.

9.12 Conditions Precedent. This Agreement shall not be effective until such time as the following conditions precedent have been met: (i) the Parties' execution of the Project Funding Agreement by and between the Parties dated approximate date herewith or earlier; (ii) the Parties' execution of the First Amendment to the Development Review Reimbursement Agreement dated approximate herewith or earlier; (iii) the Parties' execution of the First Amendment to the Tax Increment Reinvestment Zone No. Two Economic Development Agreement and Chapter 380 Economic Development Incentive Agreement dated approximate date herewith or earlier; (iv) the Parties' execution of that certain Chapter 380 Economic Development Agreement dated approximate date herewith or earlier; (v) the Parties' execution of the First Amendment to the Development Agreement dated approximate date herewith or earlier; and (vi) the Parties' execution of that certain Agreement for the Provision of Nonstandard Retail Water and Wastewater Service by and between the Parties relating to the provision of retail water and wastewater services by City to the Property as referenced in Articles VII and VIII of the Development Agreement, as amended.


9.13 Original Tax Abatement Agreement Terminated and Superseded. The parties entered into that certain Tax Abatement Agreement, dated as of November 29, 2021 (the "Original Tax Abatement Agreement"). Upon the Effective Date, this Agreement shall terminate, supersede and replace the Original Tax Abatement Agreement, which shall be of no further force or effect thereafter.

9.14 Fab 2 Certificate. Owner represents, and City acknowledges, that Owner has submitted an application to the Texas Comptroller for Public Accounts (the "Comptroller") for appraised value limitation on qualified property under Chapter 313 of the Texas Tax Code, with respect to the second Plant that Owner is considering constructing on the Land (commonly referred to as "Fab 2") and its supporting facilities (the "Fab 2 Application"). The "Fab 2 Certificate" means a certificate for a limitation on appraised value under Chapter 313 of the Texas Tax Code issued by the Comptroller with respect to the Fab 2 Application.

[Signature page to follow]

EXECUTED this 25 day of August 2022.

CITY OF TAYLOR, TEXAS

By: 
Brandt Rydell, Mayor

APPROVED AS TO FORM:

By: 
Ted Hejl, City Attorney

EXECUTED this 8 day of September 2022.

SAMSUNG AUSTIN SEMICONDUCTOR, LLC


By: 
Name: Sang Sup Jeong
Title: EUP

EXHIBIT "A"
Description of the Land

Property generally located Southwest of downtown Taylor, Texas, in an area South of State Highway 79, North of County Road 1660, East of County Road 3349, and West of Farm to Market Road 973 in the City of Taylor, including the properties listed below by Williamson Central Appraisal District Property Identification Number:

| Property ID | WCAD Legal Description |
|--------------------|--|
| R019409 | AW0800 LEE, T.B. SUR. |
| R019700 | AW0631 TYLER, B.J. SUR. |
| R020073 | AW0631 TYLER, B.J. SUR. |
| R019412 | AW0800 LEE, T.B. SUR. |
| R019701 | AW0631 TYLER, B.J. SUR. |
| R020074 | AW0631 TYLER, B.J. SUR. |
| R019411 | AW0800 - LEE, T.B. SUR. |
| R020004 | AW0800 - LEE, T.B. SUR. |
| R430327 | AW0484 - NOBLES, W. SUR. |
| R019702 | AW0632 - TYLER, L.A. SUR. |
| R020075 | AW0632 TYLER, L.A. SUR. |
| R019408 | AW0800 LEE, T.B. SUR. |
| R019261 | AW0318 H.T. & B.R.R. CO. SUR. |
| R019977 | AW0318 H.T. & B.R.R. CO. SUR. |
| R019262 | AW0318 H.T. & B.R.R. CO. SUR. |
| R092013 | AW0318 H.T. & B.R.R. CO. SUR. |
| R019706 | AW0636 TYLER, G.W. SUR. |
| R020076 | AW0636 TYLER, G.W. SUR. |
| R019209 | AW0923 EBBERLY, J. SUR. |
| R019237 | AW0315 H.T. & B.R.R. CO. SUR. |
| R019230 | AW0315 - H.T. & B.R.R. CO. SUR. |
| R594305 | AW0315 - H.T. & B.R.R. CO. SUR. |
| R019965 | AW0315 - H.T. & B.R.R. CO. SUR. |
| R019705 | AW0634 TYLER, G.N. SUR. |
| R019264 | AW0318 H.T. & B.R.R. CO. SUR. |
| R019263 | AW0318 H.T. & B.R.R. CO. SUR. |
| R107030 | AW0318 H.T. & B.R.R. CO. SUR. |
| R019259 | AW0318 H.T. & B.R.R. CO. SUR. |
| R333621 | AW0318 H.T. & B.R.R. CO. SUR. |
| R337975 | AW0318 - H.T. & B.R.R. CO. SUR. |
| R019267 | AW0318 - H.T. & B.R.R. CO. SUR. |
| R019260 | AW0318 H.T. & B.R.R. CO. SUR. |
| R019269 | AW0318 H.T. & B.R.R. CO. SUR. |
| R577898 | AW0315 AWO315 - H.T. & B.R.R. CO. SUR. |
| R019703 | AW0634 TYLER, G.N. SUR. |
| R331121 | AW0923 - EBBERLY, J. SUR. |
| R331122 | AW0923 - EBBERLY, J. SUR. |
| R331120 | AW0923 - EBBERLY, J. SUR. |

EXHIBIT "A"
Description of the Land

| Property ID | WCAD Legal Description |
|--------------------|---------------------------------|
| R331123 | AW0923 - EBBERLY, J. SUR. |
| R019223 | AW0923 - EBBERLY, J. SUR. |
| R338860 | AW0923 - EBBERLY, J. SUR. |
| R019235 | AW0315 - H.t. & B.r.r. Co. Sur. |
| R327085 | AW0315 H.t. & B.r.r. Co. Sur. |

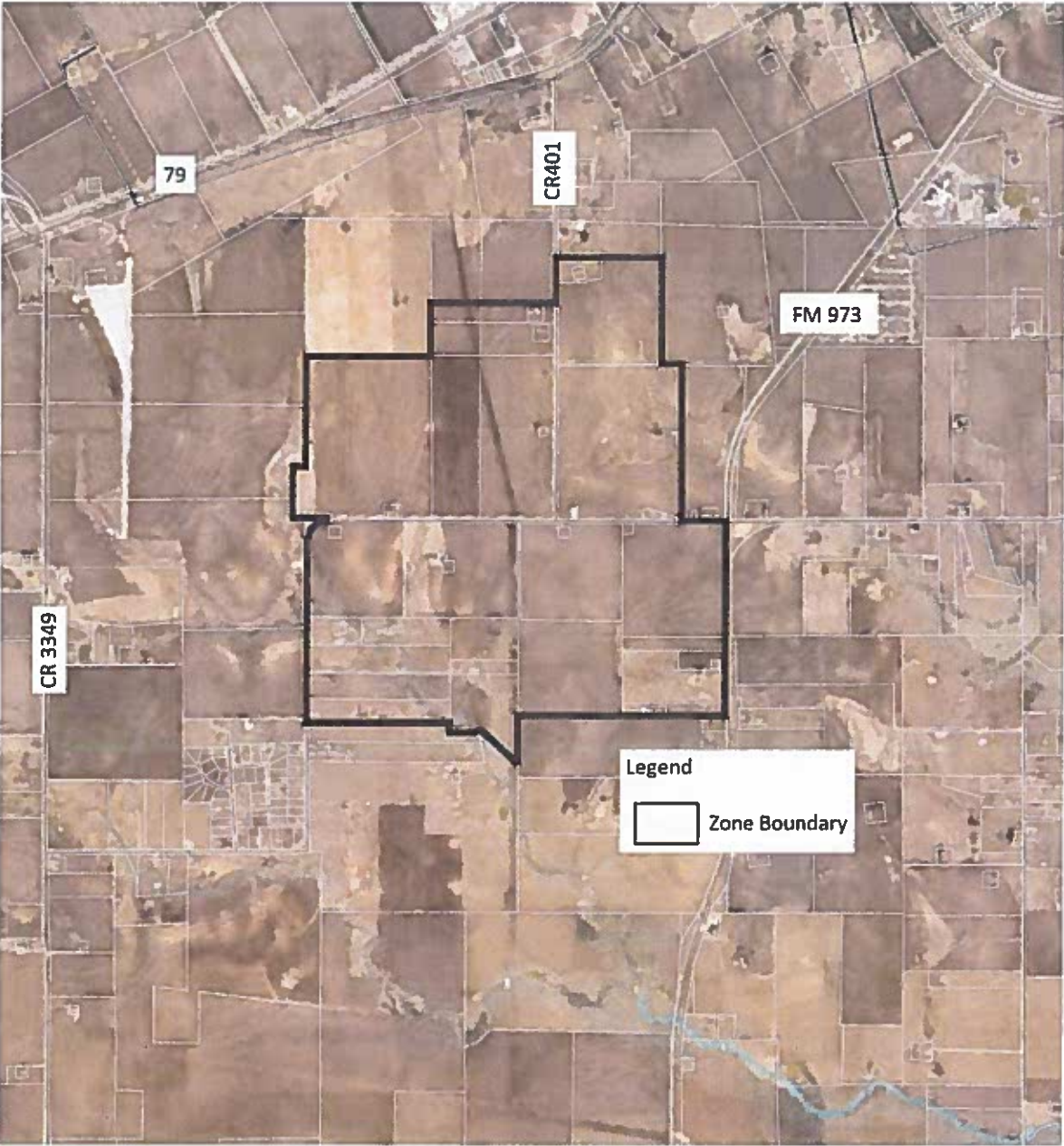


EXHIBIT "A"
Description of the Land

DESCRIPTION

A 1268.23 Acre (55,244,173 Square Feet), tract of land, lying within the Benjamin J. Survey Abstract 631, the Thomas B. Lee Survey Abstract 800, the Lucius A. Tyler Survey Abstract 632, the H T & B R.R.Co Survey Abstract 315, the H T & B R R Co Survey Abstract 318, the GW Tyler Survey Abstract 636, the George N Tyler Survey Abstract 634 and the Jacob Eberly Survey, Abstract 923, Williamson County, Texas, and being all of the following tracts conveyed to Samsung Austin Semiconductor, LLC, a called 100.57 acre tract in Document No. 2021184352, a called 7.19 acre tract in Document No. 2021184013, a called 35.18 acre tract in Document No. 2021183985, a called 11.02 acre tract in Document No. 2021184141, the remainder of a called 79.36 acre tract, Tract 1 and a called 159.14 acre tract, Tract 2 both in Document No. 2021184492, a called 33.62 acre tract, Tract 1, Parcel A, a called 1.85 acre tract, Tract 1, Parcel B, and a called 21.67 acre tract, Tract 2 all three in Document No. 2021184917, a called 23.58 acre tract in Document No. 2021184841, a called 29.87 acre tract in Document No. 2021183753, a called 29.99 acre tract in Document No. 2021184513, a called 11.18 acre tract in Document No. 2021185096, a called 70.38 acre tract in Document No. 2021184494, a called 61.29 acre tract, Tract 1 and a called 84.06 acre tract, Tract 2 both in Document No. 2021181069, a called 18.92 acre tract in Document No. 2021184843, a called 7.85 acre tract in Document No. 2021184919, a called 0.875 acre tract in Document No. 2021183313, a called 2.00 acre tract in Document No. 2021184507, a called 5.30 acre tract in Document No. 2021184505, a called 140.73 acre tract in Document No. 2021184511, a called 0.93 acre tract in Document No. 2021187920, a called 95.27 acre tract in Document No. 2021184038, a called 164.63 acre tract in Document No. 2021184270, a called 51.57 acre tract in Document No. 2021183993, the remainder of a called 8.43 acre tract in Document No. 2021184854 and a portion of a called 15.23 acre tract in Document No. 2021189911 all in the Official Public Records of Williamson County, Texas, described As Follows:

BEGINNING, at a 1/2" iron rod with cap stamped "COBB FENDLEY" found, for the northeastern corner of said 100.57 acre tract and also being the intersection point of the southern right of way line of County Road 404 (right of way varies) with the western right of way line of Farm to Market Road 973 (right of way varies) for the **POINT OF BEGINNING** of the herein described tract;

THENCE, with the western right of way line of said Farm to Market Road 973 and also being the eastern line of said 100.57 acre tract, said 7.19 acre tract, said 35.18 acre tract and said 11.02 acre tract, the following three (3) courses and distances:

1. S 07° 24' 04" W, a distance of 2400.22 feet to a 1/2" iron rod with "ATWELL LLC" cap set,
2. S 82° 29' 00" E, a distance of 20.69 feet to a 1/2" iron rod with "ATWELL LLC" cap set,
3. S 07° 23' 06" W, passing at a distance of 307.06 feet a TxDOT monument with aluminum cap found for the southeastern corner of said 7.19 acre tract and also being the most eastern northeastern corner of said 35.18 acre tract, in all a total distance of 1176.05 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the southeastern corner of the herein described tract;

THENCE, with the southern line of said 11.02 acre tract and said 159.14 acre tract and also being the northern line of a called 93.583 acre tract conveyed to M Moore Family Farms, LLC in Document No. 2018097226, Official Public Records of Williamson County, Texas, N 82° 16' 01" W, passing at a distance of 1907.29 feet a 1/2" iron rod found for the southwestern corner of said 11.02 acre tract and also being the southeastern corner of said 159.14 acre tract, in all a total distance of 3840.55 feet to a 1/2" iron rod found for the southwestern corner of said 159.14 acre tract, the northwestern corner of said 93.583 acre tract and also being on the eastern line of said 33.62 acre tract,

THENCE, with the eastern line of said 33.62 acre tract and also being the western line of said 93.583 acre tract, S 07° 05' 14" W, a distance of 843.78 feet to a 2 1/2" wagon wheel hub found for the southeastern corner of said 33.62 acre tract and also being the northeastern corner of a called 242.54 acre tract, conveyed to Billy B. Trimble and wife, Betty O'Brien Trimble in Volume 2420, Page 29, Deed Records of Williamson County, Texas,

THENCE, with the southern line of said 33.62 acre tract, the northern lines of said 242.54 acre tract and of a called 26.63 acre tract, conveyed to John William Wilder in Volume 2406, Page 378, Official Records of Williamson County, Texas, the following four (4) courses and distances,

1. N 39° 26' 18" W, a distance of 834.84 feet to a 1/2" iron rod with "ATWELL LLC" cap set,
2. N 34° 42' 04" W, a distance of 91.04 feet to a 1/4" iron rod found,
3. S 84° 59' 56" W, a distance of 145.60 feet to a 1/2" iron rod with "ATWELL LLC" cap set,
4. N 82° 12' 04" W, a distance of 424.95 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the southwestern corner of said 33.62 acre tract and also being an ell corner of said 26.63 acre tract,

THENCE, with the western line of said 33.62 acre tract and also being the eastern lines of said 26.63, N 07° 29' 21" E, a distance of 142.58 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the southeastern corner of said 23.58 acre tract and also being the northeastern corner of said 26.63 acre tract;

EXHIBIT "A"
Description of the Land

THENCE, with the southern line of said 23.58 acre tract and also being the northern lines of said 26.63 acre tract, N 81° 50' 43" W, a distance of 2604.65 feet to a 1 1/4" iron rod found for the southwestern corner of said 23.58 acre tract, the northwestern corner of said 26.63 acre tract and also being on the eastern right of way line of County Road 404 (right of way varies), for the southwestern corner of the herein described tract,

THENCE, with the eastern right of way line of said County Road 404 and also being the western line of said 23.58 acre tract, said 29.87 acre tract, said 1.85 acre tract, said 29.99 acre tract and said 11.18 acre tract, N 07° 33' 46" E, passing at a distance of 394.60 feet a 1/2" iron rod found for the northwestern corner of said 23.58 acre tract and also being the southwestern corner of said 29.87 acre tract, passing at a distance of 894.20 feet a 1/2" iron rod found for the northwestern corner of said 29.87 acre tract and also being the southwestern corner of said 1.85 acre tract, in all a total distance of 1924.49 feet to a 1/2" iron rod found for the northwestern corner of said 11.18 acre tract and also being the southwestern corner of said 70.38 acre tract,

THENCE, continuing with the eastern right of way line of said County Road 404 and also being the western line of said 70.38 acre tract, the following two (2) courses and distances:

1. N 07° 17' 54" E, a distance of 1440.52 feet to a 1/2" iron rod with "ATWELL LLC" cap set, for the point of curvature of a curve to the right,
2. With said curve to the right, an arc distance of 464.06 feet, having a radius of 370.00 feet, an angle of 71° 51' 43", and a chord bearing N 50° 50' 35" E, a distance of 434.24 feet a 1/2" iron rod with "KC ENG" cap found for the most eastern northwestern corner of said 70.38 acre tract and also being the most southern southwestern corner of said 14.37 acre tract,

THENCE, with the eastern right of way line of said County Road 404 and also being the western line of said 14.37 acre tract, N 07° 58' 51" E, a distance of 55.72 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the most northern southwestern corner of said 14.37 acre tract, being on the southern line of said 164.63 acre tract and also being on the northern right of way of said County Road 404,

THENCE, with the southern line of said 164.63 acre tract and also being the northern right-of-way line of said County Road 404, N 82° 01' 09" W, a distance of 555.93 feet to a 1/2" iron rod with plastic cap found for the southwestern corner of said 164.63 acre tract and also being an ell corner of the remainder of a called 194.559 acre tract, conveyed to RCR Taylor Land, L.P. in Document No. 2018058746, Official Public Records of Williamson County, Texas,

THENCE, with the western line of said 164.63 acre tract, being the eastern line of said 194.559 acre tract, the eastern line of a called 183.84 acre tract, conveyed to RCR Taylor Land, L.P. in Document No. 2018058736, Official Public Records of Williamson County, Texas and also being the eastern line of a called 183.94 acre tract, conveyed to RCR Taylor Land, L.P. in Document No. 2018058735, Official Public Records of Williamson County, the following three (3) courses and distances,

1. N 07° 20' 22" E, a distance of 963.95 feet to a post found,
2. S 82° 39' 33" E, a distance of 232.48 feet to a 1/2" iron rod with "SAM SURVEYING" cap found,
3. N 07° 36' 06" E, a distance of 2035.60 feet to a 1/2" iron rod found for the northwestern corner of said 164.63 acre tract and also being the southwestern corner of a called 305.22 acre tract, conveyed to C. Ernest Lawrence Family Limited Partnership in Document No. 2005011334, Official Public Records of Williamson County, Texas, for the most western northwestern corner of the herein described tract,

THENCE, with the northern line of said 164.63 acre tract and also being the southern line of said 305.22 acre tract, S 82° 27' 21" E, a distance of 2297.84 feet to a 1/2" iron rod found for the northeastern corner of said 164.63 acre tract, the southeastern corner of said 305.22 acre tract, the northwestern corner of said 61.29 acre tract and also being the southwestern corner of said 51.57 acre tract,

THENCE, with the western line of said 51.57 acre tract and also being the eastern line of said 305.22 acre tract, N 07° 13' 32" E, a distance of 978.27 feet to a post found for the northwestern corner of said 51.57 acre tract and also being the southwestern corner of a called 79.74 acre tract, conveyed to C. Ernest Lawrence Family Limited Partnership in Document No. 200501133, Official Public Records of Williamson County, Texas,

THENCE, with the northern line of said 51.57 acre tract and northern line of said 14.37 acre tract also being the southern line of said 79.74 acre tract and the southern ROW line of County Road 401 (right of way varies), S 82° 46' 28" E, a distance of 2328.97 feet to a 1/2" iron rod with "ATWELL LLC" cap set on the eastern right of way line of said County Road 401 and also being on the western line of said 79.36 acre tract,

EXHIBIT "A"
Description of the Land

THENCE, with the eastern right of way line of said County Road 401 and also being on the western line of said 79.36 acre tract, N 07° 06' 15" E, a distance of 365.08 feet to a 1/2" iron rod with "ATWELL LLC" cap set for an ell corner of said 79.36 acre tract and also being the southwestern corner of said remainder of 8.43 acre tract;

THENCE, with the eastern right of way line of said County Road 401 and also being the western line of said remainder of 8.43 acre tract, N 07° 18' 23" E, a distance of 422.83 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the northwestern corner of said remainder of 8.43 acre tract and also being the southwestern corner of a called 1.13 acre tract, Tract 2 conveyed to Prophet Capital Management, LTD in Document No. 2021187922, Official Public Records of Williamson County, Texas;

THENCE, with the southern line of said 1.13 acre tract and of a called 1.50 acre tract, Tract 1 conveyed to Prophet Capital Management, LTD in Document No. 2021187922, Official Public Records of Williamson County, Texas and also being the northern line of said remainder of 8.43 acre tract and said remainder of 79.36 acre tract, S 82° 28' 11" E, a distance of 1904.77 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the southeastern corner of said 1.50 acre tract and also being on the western line of a called 151.17 acre tract, (Tract 1) conveyed to Prophet Capital Management, LTD in Document No. 2019032467, Official Public Records of Williamson County, Texas, for the northeastern corner of the herein described tract;

THENCE, with the eastern line of said 79.36 acre tract and also being the western line of said 151.17 acre tract, S 07° 08' 58" W, a distance of 1947.41 feet to a 1/2" iron rod found for the southeastern corner of said 79.36 acre tract and also being the northeastern corner of said 0.93 acre tract;

THENCE, with the eastern line of said 0.93 acre tract and also being the western line of said 151.17 acre tract, S 16° 12' 59" W, a distance of 23.14 feet to a 1/2" iron rod found for the southeastern corner of said 0.93 acre tract, the southwestern corner of said 151.17 acre tract and also being on the northern line of said 140.73 acre tract;

THENCE, with the northern line of said 140.73 acre tract and also being the southern line of said 151.17 acre tract, S 82° 21' 54" E, a distance of 365.25 feet to a 1/2" iron rod found for the northeastern corner of said 140.73 acre tract and also being the northwestern corner of the remainder of a called 75 acre tract, conveyed to Tony Daniel Michalik in Volume 440, Page 579, Deed Records of Williamson County, Texas;

THENCE, with the eastern line of said 140.73 acre tract and said 14.37 acre tract and also being the western line of said 75 acre tract, the following five (5) courses and distances:

1. S 07° 50' 32" W, a distance of 1249.86 feet to a 1/2" iron rod with "ATWELL LLC" cap set;
2. N 82° 10' 24" W, a distance of 158.33 feet to a 1/2" iron rod with "ATWELL LLC" cap set;
3. S 07° 49' 36" W, a distance of 40.00 feet to a 1/2" iron rod with "ATWELL LLC" cap set;
4. S 82° 10' 24" E, a distance of 158.33 feet to a 1/2" iron rod with "ATWELL LLC" cap set;
5. S 07° 48' 15" W, a distance of 1626.42 feet to a 1/2" iron rod with "ATWELL LLC" cap set for the most southern southeastern corner of said 14.37 acre tract, being on the northern line of said 100.57 acre tract and also being on the southern right of way line of County Road 404 (right of way varies);

THENCE, with the southern right of way line of said County Road 404 and also being the northern line of said 100.57 acre tract, S 82° 09' 51" E, a distance of 796.69 feet to the POINT OF BEGINNING.

Containing 1268.23 acres or 55,244,173 square feet, more or less.

BEARING BASIS NOTE

This project is referenced for all bearing and coordinate basis to the Texas State Plane Coordinate System NAD 83 (2011 adjustment), Central Zone (4203). The Grid to Surface combined scale factor is 1.000120.

Robert J. Gertson, RPLS
Texas Registration No. 6367
Atwell, LLC
805 Las Cimas Parkway, Suite 310
Austin, Texas 78746
Ph. 512-904-0505
TBPE LS Firm No. 10193726



12/30/2021

Page 3 of 3

EXHIBIT "A"
Description of the Land

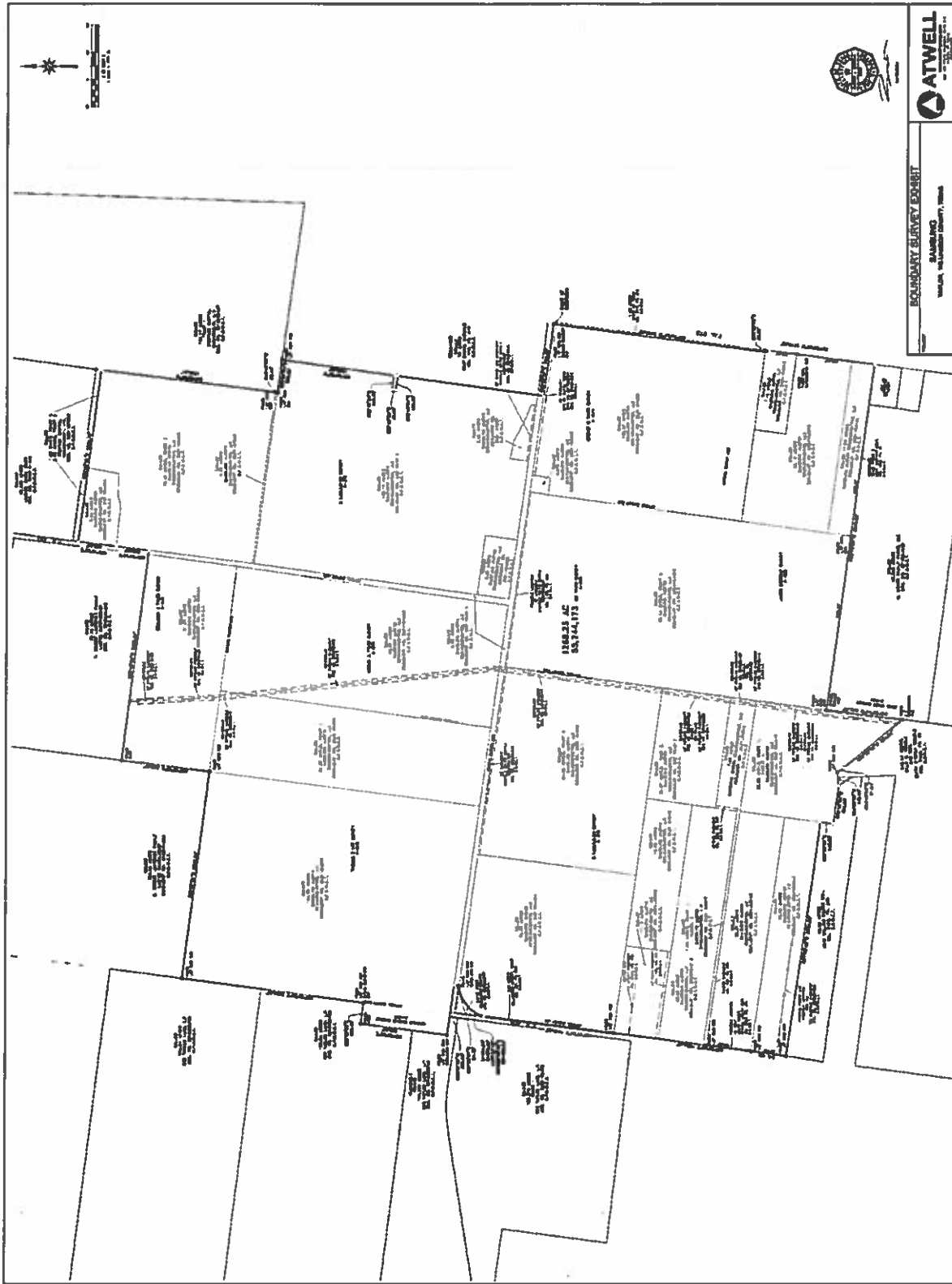



EXHIBIT "B"
Certification

Certification Regarding Employment of Undocumented Aliens

Samsung Austin Semiconductor, LLC, a Delaware limited liability company (the "**Company**") hereby certifies to the City of Taylor that Company and any branches, divisions, or departments of Company do not and will not knowingly employ an undocumented worker, as that term is defined by Section 2264.001(4) of the Texas Government Code.

Samsung Austin Semiconductor, LLC

By: 
Name: Sang Sup Jeong
Title: EVP