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March 13, 2015

Via Hand Delivery

Mr. John Villarreal
Local Government Assistance and
Economic Development Division
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
Lyndon B. Johnson State Office Building
111 East 17th Street
Austin, TX 78774

Re: App 1028 – Supplemental Information to Oxea Corporation’s Application for
Appraised Value Limitation of Qualified Property to the Bay City Independent
School District

Dear Mr. Villarreal:

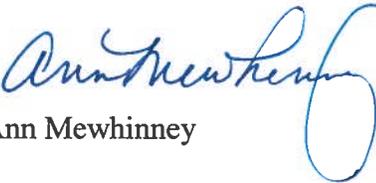
In response to the correspondence received by the Bay City Independent School District from the Comptroller’s Office dated March 3, 2015 regarding the above referenced matter, enclosed please find one hard copy of the supplemented Application for Appraised Value Limitation of Qualified Property together with an electronic copy of same. As we have discussed, this information is being provided to you today, as requested; however, the Bay City Independent School District is currently closed for Spring Break. The Bay City ISD Board of Trustees is scheduled to meet Monday evening, March 16, 2015 and is expected to consider the updated Application at that time.

Therefore, please note on page 2, Section 1, question 4. under Item 3 has been left blank. Additionally, on page 5 of the Application, question 1 under Section 9 includes the date of the Board meeting, which such date is the anticipated date of Board approval. Finally, under Tab 17, Section 16 of the Application that includes the signature block for the Authorized School District Representative is incomplete. Depending on the Board’s determination at the meeting on Monday, March 16, these items will be completed and provided to you promptly thereafter, if so approved by the Board.

Mr. John Villarreal
Local Government Assistance and
Economic Development Division
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
March 13, 2015
Page 2

Pursuant to the March 3, 2015 correspondence, the information requested in Attachment A as set forth in such letter has been compiled and is being sent as a single submission to your office. Please let us know if you have any questions or need anything additional. Thank you.

Sincerely,


Ann Mewhinney

SAM/cdg
Enclosures

cc: ***Via Electronic Mail: keith.brown@bcblackcats.net***

Mr. Keith Brown
Superintendent
BAY CITY ISD
520 Seventh Street
Bay City, Texas 77414
(w/out Enclosures)

Via Electronic Mail: doug.gordon@oxea-chemicals.com

Mr. Douglas Gordon
In-House Counsel
OXEA CORPORATION
2001 FM 3057
Bay City, Texas 77414-2968
(w/out Enclosures)

Via CMRRR # 7196 9008 9111 1685 7283

Mr. Vince Maloney
Chief Appraiser
MATAGORDA COUNTY TAX APPRAISAL DISTRICT
2222 Avenue G
Bay City, Texas 77414
(w/Enclosures)



Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

Economic Development
and Analysis
Form 50-296-A

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application before the 151st day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links on this Web page to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

February 16, 2015

Date Application Received by District

Keith

Brown

First Name

Last Name

Superintendent

Title

Bay City Independent School District

School District Name

520 7th Street

Street Address

P.O. Box 2510

Mailing Address

Bay City

Texas

77414

City

State

ZIP

(979) 245-5766

(979) 241-6077

Phone Number

Fax Number

Mobile Number (optional)

keith.brown@bcblackcats.net

Email Address

2. Does the district authorize the consultant to provide and obtain information related to this application? Yes No

The Economic Development and Analysis Division at the Texas Comptroller of Public Accounts provides information and resources for taxpayers and local taxing entities.

For more information, visit our website:
www.TexasAhead.org/tax_programs/chapter313/



Application for Appraised Value Limitation on Qualified Property

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

Terrell	Palmer
First Name	Last Name
Senior Vice President	
Title	
FirstSouthwest	
Firm Name	
713-654-8622	713-654-8658
Phone Number	Fax Number
	terrell.palmer@firstsw.com
	Email Address

4. On what date did the district determine this application complete?
5. Has the district determined that the electronic copy and hard copy are identical? Yes No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Wolfgang	Hackenberg	
First Name	Last Name	
VP/Treasurer	Oxea Corporation	
Title	Organization	
1505 West LBJ Freeway, Suite 400		
Street Address		
Mailing Address		
Dallas	Texas	75234
City	State	ZIP
972 481 2710	972 481 2777	
Phone Number	Fax Number	
214 929 2519	wolfgang.hackenberg@oxea-chemicals.com	
Mobile Number (optional)	Business Email Address	

2. Will a company official other than the authorized company representative be responsible for responding to future information requests? Yes No
- 2a. If yes, please fill out contact information for that person.

First Name	Last Name	
Title	Organization	
Street Address		
Mailing Address		
City	State	ZIP
Phone Number	Fax Number	
Mobile Number (optional)	Business Email Address	

3. Does the applicant authorize the consultant to provide and obtain information related to this application? Yes No

Application for Appraised Value Limitation on Qualified Property



SECTION 2: Applicant Information (continued)

4. Authorized Company Consultant (If Applicable)

First Name

Last Name

Title

Firm Name

Phone Number

Fax Number

Business Email Address

SECTION 3: Fees and Payments

1. Has an application fee been paid to the school district? Yes No

The total fee shall be paid at time of the application is submitted to the school district. Any fees not accompanying the original application shall be considered supplemental payments.

1a. If yes, attach in **Tab 2** proof of application fee paid to the school district.

For the purpose of questions 2 and 3, "payments to the school district" include any and all payments or transfers of things of value made to the school district or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the agreement for limitation on appraised value.

2. Will any "payments to the school district" that you may make in order to receive a property tax value limitation agreement result in payments that are not in compliance with Tax Code §313.027(i)? Yes No N/A
3. If "payments to the school district" will only be determined by a formula or methodology without a specific amount being specified, could such method result in "payments to the school district" that are not in compliance with Tax Code §313.027(i)? Yes No N/A

SECTION 4: Business Applicant Information

1. What is the legal name of the applicant under which this application is made? Oxea Corporation
2. List the Texas Taxpayer I.D. number of entity subject to Tax Code, Chapter 171 (11 digits) 13006113081
3. List the NAICS code 325100
4. Is the applicant a party to any other pending or active Chapter 313 agreements? Yes No
- 4a. If yes, please list application number, name of school district and year of agreement

SECTION 5: Applicant Business Structure

1. Identify Business Organization of Applicant (corporation, limited liability corporation, etc) Corporation
2. Is applicant a combined group, or comprised of members of a combined group, as defined by Tax Code §171.0001(7)? Yes No
- 2a. If yes, attach in **Tab 3** a copy of Texas Comptroller Franchise Tax Form No. 05-165, No. 05-166, or any other documentation from the Franchise Tax Division to demonstrate the applicant's combined group membership and contact information.
3. Is the applicant current on all tax payments due to the State of Texas? Yes No
4. Are all applicant members of the combined group current on all tax payments due to the State of Texas? Yes No N/A
5. If the answer to question 3 or 4 is no, please explain and/or disclose any history of default, delinquencies and/or any material litigation, including litigation involving the State of Texas. (If necessary, attach explanation in **Tab 3**)

SECTION 6: Eligibility Under Tax Code Chapter 313.024

1. Are you an entity subject to the tax under Tax Code, Chapter 171? Yes No
2. The property will be used for one of the following activities:
 - (1) manufacturing Yes No
 - (2) research and development Yes No
 - (3) a clean coal project, as defined by Section 5.001, Water Code Yes No
 - (4) an advanced clean energy project, as defined by Section 382.003, Health and Safety Code Yes No
 - (5) renewable energy electric generation Yes No
 - (6) electric power generation using integrated gasification combined cycle technology Yes No
 - (7) nuclear electric power generation Yes No
 - (8) a computer center that is used as an integral part or as a necessary auxiliary part for the activity conducted by applicant in one or more activities described by Subdivisions (1) through (7) Yes No
 - (9) a Texas Priority Project, as defined by 313.024(e)(7) and TAC 9.1051 Yes No
3. Are you requesting that any of the land be classified as qualified investment? Yes No
4. Will any of the proposed qualified investment be leased under a capitalized lease? Yes No
5. Will any of the proposed qualified investment be leased under an operating lease? Yes No
6. Are you including property that is owned by a person other than the applicant? Yes No
7. Will any property be pooled or proposed to be pooled with property owned by the applicant in determining the amount of your qualified investment? Yes No

SECTION 7: Project Description

1. In **Tab 4**, attach a detailed description of the scope of the proposed project, including, at a minimum, the type and planned use of real and tangible personal property, the nature of the business, a timeline for property construction or installation, and any other relevant information.
2. Check the project characteristics that apply to the proposed project:

<input type="checkbox"/> Land has no existing improvements	<input type="checkbox"/> Land has existing improvements (<i>complete Section 13</i>)
<input checked="" type="checkbox"/> Expansion of existing operation on the land (<i>complete Section 13</i>)	<input type="checkbox"/> Relocation within Texas

SECTION 8: Limitation as Determining Factor

1. Does the applicant currently own the land on which the proposed project will occur? Yes No
2. Has the applicant entered into any agreements or contracts for work to be performed related to the proposed project? Yes No
3. Does the applicant have current business activities at the location where the proposed project will occur? Yes No
4. Has the applicant made public statements in SEC filings or other official documents regarding its intentions regarding the proposed project location? Yes No
5. Has the applicant received any local or state permits for activities on the proposed project site? Yes No
6. Has the applicant received commitments for state or local incentives for activities at the proposed project site? Yes No
7. Are you submitting information to assist in the determination as to whether the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in Texas? Yes No
8. Has the applicant considered or is the applicant considering other locations not in Texas for the proposed project? Yes No
9. Has the applicant provided capital investment or return on investment information for the proposed project in comparison with other alternative investment opportunities? Yes No
10. Has the applicant provided information related to the applicant's inputs, transportation and markets for the proposed project? Yes No

If you answered "yes" to any of the questions in Section 8, attach supporting information in Tab 5.

Application for Appraised Value Limitation on Qualified Property



SECTION 9: Projected Timeline

1. Application approval by school board March 16, 2015
2. Beginning of qualifying time period January 2016
3. First year of limitation January 2018
4. Begin hiring new employees Q3/2016
5. Commencement of commercial operations Q1/2017
6. Do you propose to construct a new building or to erect or affix a new improvement after your application review start date (date your application is finally determined to be complete)? Yes No
Note: Improvements made before that time may not be considered qualified property.
7. When do you anticipate the new buildings or improvements will be placed in service? Q1/2017

SECTION 10: The Property

1. Identify county or counties in which the proposed project will be located Matagorda County
2. Identify Central Appraisal District (CAD) that will be responsible for appraising the property Matagorda County Appraisal District
3. Will this CAD be acting on behalf of another CAD to appraise this property? Yes No
4. List all taxing entities that have jurisdiction for the property, the portion of project within each entity and tax rates for each entity:

County: <u>Matagorda County, 0.320990, 100%</u> <small>(Name, tax rate and percent of project)</small>	City: <u>Coastal Plains Groundwater District, 0.00476, 100%</u> <small>(Name, tax rate and percent of project)</small>
Hospital District: <u>Matagorda Co Hospit, 0.25600, 100%</u> <small>(Name, tax rate and percent of project)</small>	Water District: <u>Drainage District #1, 0.086000, 100%</u> <small>(Name, tax rate and percent of project)</small>
Other (describe): <u>Port of Bay City, 0.036450, 100%</u> <small>(Name, tax rate and percent of project)</small>	Other (describe): <u>Cons & Recl District, 0.005220, 100%</u> <small>(Name, tax rate and percent of project)</small>
5. Is the project located entirely within the ISD listed in Section 1? Yes No
 5a. If no, attach in **Tab 6** additional information on the project scope and size to assist in the economic analysis.
6. Did you receive a determination from the Texas Economic Development and Tourism Office that this proposed project and at least one other project seeking a limitation agreement constitute a single unified project (SUP), as allowed in §313.024(d-2)? Yes No
 6a. If yes, attach in **Tab 6** supporting documentation from the Office of the Governor.

SECTION 11: Investment

NOTE: The minimum amount of qualified investment required to qualify for an appraised value limitation and the minimum amount of appraised value limitation vary depending on whether the school district is classified as Subchapter B or Subchapter C, and the taxable value of the property within the school district. For assistance in determining estimates of these minimums, access the Comptroller's website at www.texasahead.org/tax_programs/chapter313/.

1. At the time of application, what is the estimated minimum qualified investment required for this school district? 30,000,000.00
2. What is the amount of appraised value limitation for which you are applying? 30,000,000.00
Note: The property value limitation amount is based on property values available at the time of application and may change prior to the execution of any final agreement.
3. Does the qualified investment meet the requirements of Tax Code §313.021(1)? Yes No
4. Attach a description of the qualified investment [See §313.021(1).] The description must include:
 - a. a specific and detailed description of the qualified investment you propose to make on the property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (**Tab 7**);
 - b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your minimum qualified investment (**Tab 7**); and
 - c. a detailed map of the qualified investment showing location of new buildings or new improvements with vicinity map (**Tab 11**).
5. Do you intend to make at least the minimum qualified investment required by Tax Code §313.023 (or §313.053 for Subchapter C school districts) for the relevant school district category during the qualifying time period? Yes No

SECTION 12: Qualified Property

1. Attach a detailed description of the qualified property. [See §313.021(2)] (If qualified investment describes qualified property exactly, you may skip items a, b and c below.) The description must include:
 - 1a. a specific and detailed description of the qualified property for which you are requesting an appraised value limitation as defined by Tax Code §313.021 (Tab 8);
 - 1b. a description of any new buildings, proposed new improvements or personal property which you intend to include as part of your qualified property (Tab 8); and
 - 1c. a map of the qualified property showing location of new buildings or new improvements with vicinity map (Tab 11).

2. Is the land upon which the new buildings or new improvements will be built part of the qualified property described by §313.021(2)(A)? Yes No
 - 2a. If yes, attach complete documentation including:
 - a. legal description of the land (Tab 9);
 - b. each existing appraisal parcel number of the land on which the new improvements will be constructed, regardless of whether or not all of the land described in the current parcel will become qualified property (Tab 9);
 - c. owner (Tab 9);
 - d. the current taxable value of the land. Attach estimate if land is part of larger parcel (Tab 9); and
 - e. a detailed map showing the location of the land with vicinity map (Tab 11).

3. Is the land on which you propose new construction or new improvements currently located in an area designated as a reinvestment zone under Tax Code Chapter 311 or 312 or as an enterprise zone under Government Code Chapter 2303? Yes No
 - 3a. If yes, attach the applicable supporting documentation:
 - a. evidence that the area qualifies as a enterprise zone as defined by the Governor's Office (Tab 16);
 - b. legal description of reinvestment zone (Tab 16);
 - c. order, resolution or ordinance establishing the reinvestment zone (Tab 16);
 - d. guidelines and criteria for creating the zone (Tab 16); and
 - e. a map of the reinvestment zone or enterprise zone boundaries with vicinity map (Tab 11)
 - 3b. If no, submit detailed description of proposed reinvestment zone or enterprise zone with a map indicating the boundaries of the zone on which you propose new construction or new improvements to the Comptroller's office within 30 days of the application date. What is the anticipated date on which you will submit final proof of a reinvestment zone or enterprise zone? _____

SECTION 13: Information on Property Not Eligible to Become Qualified Property

1. In Tab 10, attach a specific and detailed description of all **existing property**. This includes buildings and improvements existing as of the application review start date (the date the application is determined to be complete by the Comptroller). The description must provide sufficient detail to locate all existing property on the land that will be subject to the agreement and distinguish existing property from future proposed property.
2. In Tab 10, attach a specific and detailed description of all **proposed new property that will not become new improvements** as defined by TAC 9.1051. This includes proposed property that: functionally replaces existing or demolished/removed property; is used to maintain, refurbish, renovate, modify or upgrade existing property; or is affixed to existing property; or is otherwise ineligible to become qualified property. The description must provide sufficient detail to distinguish existing property (question 1) and all proposed new property that cannot become qualified property from proposed qualified property that will be subject to the agreement (as described in Section 12 of this application).
3. For the property not eligible to become qualified property listed in response to questions 1 and 2 of this section, provide the following supporting information in Tab 10:
 - a. maps and/or detailed site plan;
 - b. surveys;
 - c. appraisal district values and parcel numbers;
 - d. inventory lists;
 - e. existing and proposed property lists;
 - f. model and serial numbers of existing property; or
 - g. other information of sufficient detail and description.
4. Total estimated market value of existing property (that property described in response to question 1): \$ 50,000,000.00
5. In Tab 10, include an appraisal value by the CAD of all the buildings and improvements existing as of a date within 15 days of the date the application is received by the school district.
6. Total estimated market value of proposed property not eligible to become qualified property (that property described in response to question 2): \$ 29,000,000.00

Note: Investment for the property listed in question 2 may count towards qualified investment in Column C of Schedules A-1 and A-2, if it meets the requirements of 313.021(1). Such property cannot become qualified property on Schedule B.

Application for Appraised Value Limitation on Qualified Property



SECTION 14: Wage and Employment Information

1. What is the estimated number of permanent jobs (more than 1,600 hours a year), with the applicant or a contractor of the applicant, on the proposed qualified property during the last complete quarter before the application review start date (date your application is finally determined to be complete)? 164

2. What is the last complete calendar quarter before application review start date:
 First Quarter Second Quarter Third Quarter Fourth Quarter of 2014
(year)

3. What were the number of permanent jobs (more than 1,600 hours a year) this applicant had in Texas during the most recent quarter reported to the Texas Workforce Commission (TWC)? 254
Note: For job definitions see TAC §9.1051 and Tax Code §313.021(3).

4. What is the number of new qualifying jobs you are committing to create? 19

5. What is the number of new non-qualifying jobs you are estimating you will create? 0

6. Do you intend to request that the governing body waive the minimum new qualifying job creation requirement, as provided under Tax Code §313.025(f-1)? Yes No
 - 6a. If yes, attach evidence in **Tab 12** documenting that the new qualifying job creation requirement above exceeds the number of employees necessary for the operation, according to industry standards.

7. Attach in **Tab 13** the four most recent quarters of data for each wage calculation below, including documentation from the TWC website. The final actual statutory minimum annual wage requirement for the applicant for each qualifying job — which may differ slightly from this estimate — will be based on information from the four quarterly periods for which data were available at the time of the application review start date (date of a completed application). See TAC §9.1051(21) and (22).
 - a. Average weekly wage for all jobs (all industries) in the county is 989.00
 - b. 110% of the average weekly wage for manufacturing jobs in the county is 858.00
 - c. 110% of the average weekly wage for manufacturing jobs in the region is 1,149.71

8. Which Tax Code section are you using to estimate the qualifying job wage standard required for this project? §313.021(5)(A) or §313.021(5)(B)

9. What is the minimum required annual wage for each qualifying job based on the qualified property? 44,616.00

10. What is the annual wage you are committing to pay for each of the new qualifying jobs you create on the qualified property? 50,000.00

11. Will the qualifying jobs meet all minimum requirements set out in Tax Code §313.021(3)? Yes No

12. Do you intend to satisfy the minimum qualifying job requirement through a determination of cumulative economic benefits to the state as provided by §313.024(d-2)? Yes No
 - 12a. If yes, attach in **Tab 12** supporting documentation from the TWC, pursuant to §313.021(3)(F).

13. Do you intend to rely on the project being part of a single unified project, as allowed in §313.024(d-2), in meeting the qualifying job requirements? Yes No
 - 13a. If yes, attach in **Tab 6** supporting documentation including a list of qualifying jobs in the other school district(s).

SECTION 15: Economic Impact

1. Complete and attach Schedules A1, A2, B, C, and D in **Tab 14**. Note: Excel spreadsheet versions of schedules are available for download and printing at URL listed below.
2. Attach an Economic Impact Analysis, if supplied by other than the Comptroller's Office, in **Tab 15**. (*not required*)
3. If there are any other payments made in the state or economic information that you believe should be included in the economic analysis, attach a separate schedule showing the amount for each year affected, including an explanation, in **Tab 15**.

Application for Appraised Value Limitation on Qualified Property



APPLICATION TAB ORDER FOR REQUESTED ATTACHMENTS

TAB	ATTACHMENT
1	Pages 1 through 11 of Application
2	Proof of Payment of Application Fee
3	Documentation of Combined Group membership under Texas Tax Code 171.0001(7), history of tax default, delinquencies and/or material litigation <i>(if applicable)</i>
4	Detailed description of the project
5	Documentation to assist in determining if limitation is a determining factor
6	Description of how project is located in more than one district, including list of percentage in each district and, if determined to be a single unified project, documentation from the Office of the Governor <i>(if applicable)</i>
7	Description of Qualified Investment
8	Description of Qualified Property
9	Description of Land
10	Description of all property not eligible to become qualified property <i>(if applicable)</i>
11	<p>Maps that clearly show:</p> <ul style="list-style-type: none"> a) Project vicinity b) Qualified investment including location of new buildings or new improvements c) Qualified property including location of new buildings or new improvements d) Existing property e) Land location within vicinity map f) Reinvestment or Enterprise Zone within vicinity map, showing the actual or proposed boundaries and size <p>Note: Electronic maps should be high resolution files. Include map legends/markers.</p>
12	Request for Waiver of Job Creation Requirement and supporting information <i>(if applicable)</i>
13	Calculation of three possible wage requirements with TWC documentation
14	Schedules A1, A2, B, C and D completed and signed Economic Impact <i>(if applicable)</i>
15	Economic Impact Analysis, other payments made in the state or other economic information <i>(if applicable)</i>
16	<p>Description of Reinvestment or Enterprise Zone, including:</p> <ul style="list-style-type: none"> a) evidence that the area qualifies as a enterprise zone as defined by the Governor's Office b) legal description of reinvestment zone* c) order, resolution or ordinance establishing the reinvestment zone* d) guidelines and criteria for creating the zone* <p>* To be submitted with application or before date of final application approval by school board</p>
17	Signature and Certification page, signed and dated by Authorized School District Representative and Authorized Company Representative <i>(applicant)</i>

OXEA Bay City Expansion Projects Wave 2
General Equipment Lists by Project

Project	Equipment type	Quantity	New or Affixed to Existing Equipment	Estimated Investment by Process Area (in millions USD)		
	Recycle gas compressor	1	New Equipment			
	Heat Exchangers	18	New Equipment			
	Pumps	59	New Equipment			
	Reactors (OXO, and Hydrogenation)	3	New Equipment			
	Columns	3	New Equipment			
	Vessels / Pressure Vessels	33	New Equipment			
	Storage Tanks	2	New Equipment			
	Miscellaneous Items	26	New Equipment			
	Transformer	1	New Equipment			
	Subtotal for 'New Equipment'				\$ 86.00	
	Cooling Tower	1	Affixed to Existing Equipment			
Subtotal for 'Affixed to Existing Equipment'				\$ 4.00		
Total Propanol II project				\$ 90.00		
	Heat Exchangers					
	Pumps	7	New Equipment			
	Reactors	1	New Equipment			
	Columns	2	New Equipment			
	Vessels	2	New Equipment			
	Miscellaneous Items	13	New Equipment			
	Subtotal for 'New Equipment'				\$ 47.00	
		Heat Exchangers	2		Affixed to Existing Equipment	
		Pumps	2		Affixed to Existing Equipment	
		Columns	2		Affixed to Existing Equipment	
	Vessel	1	Affixed to Existing Equipment			
Subtotal for 'Affixed to Existing Equipment'				\$ 11.00		
Total POX 3rd Train project				\$ 58.00		
	Recycle gas compressor	2	New Equipment			
	Heat Exchangers	23	New Equipment			
	Pumps	69	New Equipment			
	Reactors (Aldol, and Hydrogenation)	3	New Equipment			
	Columns	7	New Equipment			
	Vessels / Pressure Vessels	8	New Equipment			
	Storage Tanks		New Equipment			
	Miscellaneous Items	4	New Equipment			
	Transformer	1	New Equipment			
	Subtotal for 'New Equipment'				\$ 83.00	
	Cooling Tower	1	Affixed to Existing Equipment			
	Tanks	2	Affixed to Existing Equipment			
Subtotal for 'Affixed to Existing Equipment'				\$ 7.00		
Total POX 3rd Train project				\$ 90.00		
all 3 projects	Subtotal for 'New Equipment'			\$ 216.00		
all 3 projects	Subtotal for 'Affixed to Existing Equipment'			\$ 22.00		
all 3 projects	Total all 3 projects			\$ 238.00		

Updated 3/9/2015 due to Affixed to Existing Equipment values.

Note: This document is Confidential and should not be shared.

Tab 4

Oxea is a global Chemical Manufacturing company, since December 2013 owned by the Oman Oil Company (OOC), which is owned by the State of Oman. Bay City is our main U.S. manufacturing location; we also operate a smaller manufacturing operation at Bishop, TX.

Oxea intends to build two new manufacturing units for n-Propanol and for 2-Ethylhexanol. Oxea has started pre-engineering work at Bay City to define a more detailed technical scope for the two units for both Bay City, TX and Duqm/Oman. *1)

The project includes both said units, plus would include for Bay City either the expansion of the own synthesis gas production unit by a third manufacturing train or additional syngas would be sourced from Air Liquide through a pipeline currently being constructed between Freeport and Bay City. Additionally the growth would require more space for plant management, engineering, and administration – the current building would be replaced with the investment into a new building for these functions.

Bay City currently operates one n-Propanol manufacturing unit and would add a second n-Propanol unit to serve the increasing world demand. This second new unit will create 15 direct manufacturing jobs, while maintaining all positions at the other unit. The second unit at Bay City would keep Bay City as the sole supplier of n-propanol within the global Oxea manufacturing network.

Presently, 2-Ethylhexanol is manufactured at our Oberhausen/Germany plant, and is not currently produced in Bay City. Construction of this unit will result in creation of four direct manufacturing jobs plus at least six indirect positions

The investment amounts (before pre-engineering) would be around \$90 million for each of the two process units, plus \$58 million for a syngas expansion (a 3rd such unit to produce our internal raw material 'synthesis gas'), and \$6-8 million for a new administration/technical building. The investment total would add to almost \$250 million.

*1). www.oxea-chemicals.com press release 3/21/2014, attached

Tab 5

It is the stated strategy of Oman Oil Company to leverage Oxea to "expand OOC's downstream portfolio by bringing world-class technology and knowhow to Oman through existing assets and new investments."*1).

This will include the construction of a fully integrated (back to local natural gas and oil) petrochemical manufacturing site at Duqm/Oman, which is the optimal manufacturing structure.

Oxea Corporation in the US attempts to attract the described projects in direct competition with the Duqm/Oman location and leverage the existing infrastructure, superb technological know-how and long manufacturing experience in Bay City.

The advantage of Duqm is the backward integration of the overall chemical manufacturing operation,

Both manufacturing locations, Bay City and Duqm have their unique advantages that would favor one or the other as the future location for these projects. The overall logistics are fairly comparable between both locations, as the units will serve worldwide markets.

The amount of property tax triggered by our proposed capital intensive investment into high technology chemical manufacturing assets in Bay City is not mirrored by other locations in the global competition of manufacturing locations, i.e. Duqm. The lack of this tax in Duqm/Oman is a significant benefit over Bay City/TX, which might well shift the investment decision away from Bay City.

Reg Section 8, #1: Oxea operates a chemical manufacturing plant in Bay City, the land is described in section 9.

Section 8, #3: Oxea operates a chemical manufacturing production at our plant in Bay City – the project presented here would mean a very significant addition to our Bay City manufacturing footprint.

Section 8, #6: please find attached: (a) letter from Denise M. Fortenberry, County Attorney Matagorda County re Chapter 312 Tax Abatement, and (b) letter from the Office of the Governor, Economic Development & Tourism re Enterprise Project Application approval

*1). www.oman-oil.com/News/2013/oxea.htm, attached

1700 Seventh Street, Rm. 305
Bay City, Texas 77414-5034



(979) 244-7645
Fax: (979) 244-7647
email: attorney@co.matagorda.tx.us

DENISE M. FORTENBERRY
County Attorney
Matagorda County, Texas

September 11, 2014

OXEA Bay City
Wolfgang Hackenberg
P.O. Box 1141
Bay City, Texas 77404-1141

Re: Chapter 312 Tax Abatement on Phase II Application.

Dear Mr. Hackenberg,

The Matagorda County Commissioner's Court has authorized me to offer your company a tax abatement on your Phase II Construction. This offer includes a 5 year tax abatement with the first and second year at 100% abatement, the third year at 75% abatement, the fourth year at 50% abatement and the fifth year at 25% abatement. Of course this would involve the project location at 2011 FM 3057 Bay City, Texas 77414 which was declared by Commissioner's Court as a reinvestment zone and be limited to the buildings, machinery and/or equipment added to the site for this expansion described in your Phase II Property Tax Abatement Application. Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink that reads "Denise M. Fortenberry".
Denise M. Fortenberry



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

RICK PERRY
GOVERNOR

February 27, 2014

Nate McDonald
County Judge
Matagorda County
1700 Seventh Street, Room 301
Bay City, TX 77414

Wolfgang Hackenberg
VP - Treasurer
OXEA Corporation
1505 West LBJ Freeway, Ste 400
Dallas, TX 75234

SUBJECT: **OXEA Corporation** Enterprise Project Application

Dear Honorable Judge McDonald and Wolfgang Hackenberg:

We have reviewed and hereby approve a Texas enterprise project designation for the application submitted on behalf of OXEA Corporation (Project) by Matagorda County, pursuant to the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code (Act) and the Enterprise Zone Program Rules (Rules) promulgated by the Economic Development and Tourism (EDT) division of the Governor's Office.

The Texas Enterprise Zone Program is allocated 105 enterprise project designations statewide during a state biennium. The Act and Rules for the program require that all applications received during a project round must be reviewed and competitively scored to ensure that they meet the goals and objectives of the program, which includes, but is not limited to, high impact projects or activities, targeted industry clusters and creation of primary jobs.

In conformance with the Act, EDT has hereby affirmatively determined that Project (a) complies with criteria set forth in the Act and Rules, and (b) is in furtherance of the public purposes of the Act. EDT hereby designates OXEA Corporation as a Single Enterprise Project. The designation is effective from 12/2/2013, until 12/2/2018 unless it is determined that the Project is no longer in compliance with requirements set forth in the Act and the Rules.



State sales and use taxes paid at the qualified business site, and new jobs created up to 90 business days prior to the designation date of 12/2/2013 are eligible for benefit. This allows the Project to gain benefit for activity from 7/19/2013 through 12/2/2018. In addition, the Project may submit the paperwork for benefits up to 18 months following the date the designation expires, no later than 6/1/2020 for activities that occurred during the designation period.

The qualified business site, 2001 FM 3057, is not located in an enterprise zone and 35 percent of the Project's new employees are required to be economically disadvantaged individuals or enterprise zone residents. The tax identification number under which this designation is approved is 300611308. The Project has committed that 35 percent of the Project's new employees will be economically disadvantaged individuals or enterprise zone residents. The maximum number of jobs to be included in any calculation for state sales and use tax refund for the enterprise project is stated under Jobs Allocated. The company has made the following commitments in its application for the enterprise project designation:

Capital Investment:	<u>\$156,974,000</u>
Jobs to be Created:	<u>0</u>
Jobs to be Retained:	<u>155</u>
Total Jobs:	<u>155</u>
Job Baseline:	<u>155</u>
Jobs Allocated for Project Designation:	<u>500</u>

The designation is made based upon the requirements of the Act and the Rules and is not to be construed as a pledge of the faith or credit of or by the State, EDT, the individual members or staff thereof, Texas Enterprise Zone Program or any other agency, instrumentality or political subdivision of the State.

Stated below is the enterprise project number assigned to this project designation. Use this number on all correspondence and documentation regarding your Project:

EP914-120213-MC

For information regarding applying for benefits (sales and use tax refund) under this program, contact the Texas Comptroller of Public Accounts (CPA). The CPA contact person is Mike Perez at (512) 463-4172. This Single Enterprise Project designation will be eligible to receive a refund of up to \$2,500 per qualified job.

February 27, 2014

Honorable Judge McDonald and Wolfgang Hackenberg

Page 3

The amount of capital investment will determine the number of jobs for which benefit can be received. The Project will be assessed a refund for jobs created and/or retained for the category of capital investment expended to that date. Once additional capital investment is expended, the Project may be eligible for additional refunds, up to the maximum amount of \$1,250,000.

By statute, the nominating body shall monitor the qualified business to determine whether the Project has followed through on any commitments or goals made by it or on its behalf in the designation application. This evaluation may occur on the date on which a certificate of occupancy is issued or at the completion of the enterprise project designation period. The nominating body shall then submit a report of its findings to the bank and the comptroller.

If you have any questions during the course of the Project, please call Javier Gadney, Program Specialist, Texas Economic Development Bank, at (512) 936-0274 or by e-mail at javier.gadney@governor.state.tx.us.

Sincerely,



Jonathan Taylor
Executive Director

cc: Mike Perez, Emma Fuentes, and Ping Hu - Texas Comptroller of Public Accounts
Sharon Wellhouse- Ryan, LLC

Tab 7

The qualified investment includes these units:

1. n-Propanol manufacturing unit including tankage, investment \$86 million
2. 2-Ethylhexanol manufacturing unit including tankage, investment \$83 million
3. Synthesis gas supply (raw material for above 2 units):
 - a. Option A: build 3rd train to existing 2-train operation to increase capacity, investment \$47million

Revise 3/9/2015

Tab 10

Non-qualified property

The expansion will also require the replacement of the current administration and engineering building with a larger new building, total investment \$6-\$8 million USD.

The old building will be taken out of service.

The following are also non-qualified property due to this equipment being "Affixed to Existing Equipment", total investment \$22.0 million. (see also Tab 4 for elimination of equipment to this project).

Propanol II - \$ 4.0 million

 Cooling Tower

POX Third Train - \$ 11.0 million

 Heat Exchanger

 Pumps

 Columns

 Vessel

2 Ethylhexanol - \$ 7.0 million

 Cooling Tower

 Tanks

Revise 3/9/2015

Tab 13

Average Weekly Wages
in Matagorda County

	Private Ownership	
	All Industries	Manufacturing
4Q_2013	\$ 952	\$ 779
1Q_2014	\$ 1,085	\$ 676
2Q_2014	\$ 981	\$ 856
3Q_2014	\$ 938	\$ 809
Total	\$ 3,956	\$ 3,120

Average	\$ 989.00	\$ 780.00
---------	-----------	-----------

110%	858.00
------	--------

Average Weekly Wages
in Houston-Galveston Region

Manufacturing		
Hourly	Annual	Weekly

\$ 26.13 \$ 54,350 \$ 1,045.19

110%	\$ 1,149.71
------	-------------

Quarterly Employment and Wages (QCEW)

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 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2013	1st Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$1,063
2013	2nd Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$863
2013	3rd Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$820
2013	4th Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$952

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	1st Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$676
2014	2nd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$856
2014	3rd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$809

Quarterly Employment and Wages (QCEW)

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 Year	 Period	 Area	 Ownership	 Division	 Level	 Ind Code	 Industry	 Avg Weekly Wages
2013	1st Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$681
2013	2nd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$772
2013	3rd Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$750
2013	4th Qtr	Matagorda County	Private	31	2	31-33	Manufacturing	\$779

Quarterly Employment and Wages (QCEW)

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Year	Period	Area	Ownership	Division	Level	Ind Code	Industry	Avg Weekly Wages
2014	1st Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$1,085
2014	2nd Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$981
2014	3rd Qtr	Matagorda County	Private	00	0	10	Total, All Industries	\$938

**2013 Manufacturing Wages by Council of Government Region
Wages for All Occupations**

COG	Wages	
	Hourly	Annual
Texas	\$23.73	\$49,363
<u>1. Panhandle Regional Planning Commission</u>	\$20.43	\$42,499
<u>2. South Plains Association of Governments</u>	\$16.53	\$34,380
<u>3. NORTEX Regional Planning Commission</u>	\$19.15	\$39,838
<u>4. North Central Texas Council of Governments</u>	\$25.00	\$51,997
<u>5. Ark-Tex Council of Governments</u>	\$17.45	\$36,298
<u>6. East Texas Council of Governments</u>	\$19.50	\$40,565
<u>7. West Central Texas Council of Governments</u>	\$18.64	\$38,779
<u>8. Rio Grande Council of Governments</u>	\$16.27	\$33,848
<u>9. Permian Basin Regional Planning Commission</u>	\$22.89	\$47,604
<u>10. Concho Valley Council of Governments</u>	\$17.20	\$35,777
<u>11. Heart of Texas Council of Governments</u>	\$19.44	\$40,444
<u>12. Capital Area Council of Governments</u>	\$27.31	\$56,805
<u>13. Brazos Valley Council of Governments</u>	\$17.20	\$35,770
<u>14. Deep East Texas Council of Governments</u>	\$16.48	\$34,287
<u>15. South East Texas Regional Planning Commission</u>	\$29.09	\$60,501
<u>16. Houston-Galveston Area Council</u>	\$26.13	\$54,350
<u>17. Golden Crescent Regional Planning Commission</u>	\$22.23	\$46,242
<u>18. Alamo Area Council of Governments</u>	\$18.91	\$39,329
<u>19. South Texas Development Council</u>	\$13.94	\$28,990
<u>20. Coastal Bend Council of Governments</u>	\$23.78	\$49,454
<u>21. Lower Rio Grande Valley Development Council</u>	\$15.82	\$32,907
<u>22. Texoma Council of Governments</u>	\$20.93	\$43,529
<u>23. Central Texas Council of Governments</u>	\$17.33	\$36,042
<u>24. Middle Rio Grande Development Council</u>	\$19.07	\$39,666

Source: Texas Occupational Employment and Wages

Data published: July 2014

Data published annually, next update will be July 31, 2015

Note: Data is not supported by the Bureau of Labor Statistics (BLS).

Wage data is produced from Texas OES data, and is not to be compared to BLS estimates.

Data intended for TAC 313 purposes only.

Schedule A1: Total Investment for Economic Impact (through the Qualifying Time Period)

Applicant Name: **OXEA CORPORATION**
 BAY CITY INDEPENDENT SCHOOL DISTRICT

PROPERTY INVESTMENT AMOUNTS

(Estimated investment in each year. Do not put cumulative totals.)

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Column A	Column B	Column C	Column D	Column E
			New investment (original cost) in tangible personal property placed in service during this year that will become Qualified Property	New investment made during this year in buildings or permanent nonremovable components of buildings that will become Qualified Property	Other new investment made during this year that will not become Qualified Property [SEE NOTE]	Other new investment made during this year that may become Qualified Property [SEE NOTE]	Total Investment (Sum of Columns A+B+C+D)
Investment made before filing complete application with district	-	2015	Not eligible to become Qualified Property				\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -
			\$ 71,700,000	\$ 4,500,000	\$ 7,000,000	\$ -	\$ 83,200,000
Investment made after filing complete application with district, but before final board approval of application	QTP1	2016	\$ 133,700,000	\$ 6,100,000	\$ 22,000,000	\$ -	\$ 161,800,000
			Complete tax years of qualifying time period	QTP2	2017	\$ -	\$ -
Total Investment through Qualifying Time Period [ENTER this row in Schedule A2]			\$ 205,400,000	\$ 10,600,000	\$ 29,000,000	\$ -	\$ 245,000,000
Total Qualified Investment (sum of green cells)			\$ 216,000,000	Enter amounts from TOTAL row above in Schedule A2			

*** Project to be completed by 1Q 2017

For All Columns: List amount invested each year, not cumulative totals.

Column A: This represents the total dollar amount of planned investment in tangible personal property. Only include estimates of investment for "replacement" property if the property is specifically described in the application. Only tangible personal property that is specifically described in the application can become qualified property.

Column B: The total dollar amount of planned investment each year in buildings or nonremovable component of buildings.

Column C: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that will not become qualified property include investment meeting the definition of 313.021(1) but not creating a new property—described in SECTION 13, question #5 of the application.

Column D: Dollar value of other investment that may affect economic impact and total value. Examples of other investment that may result in qualified property are land or professional services.

Total Investment: Add together each cell in a column and enter the sum in the blue total investment row. Enter the data from this row into the first row in Schedule A2.

Qualified Investment: For the green qualified investment cell, enter the sum of all the green-shaded cells.

Schedule B: Estimated Market And Taxable Value (of Qualified Property Only)

Year	School Year (YYYY-YYYY)	Tax Year (Fill in actual tax year below) YYYY	Qualified Property			Estimated Taxable Value		
			Estimated Market Value of Land	Estimated Total Market Value of new buildings or other new improvements	Estimated Total Market Value of tangible personal property in the new buildings or "in or on the new improvements"	Market Value less any exemptions (such as pollution control) and before limitation	Final taxable value for I&S after all reductions	Final taxable value for M&O after all reductions
0	2015-2016	2015	\$ 1,050,470	\$ -	\$ -	\$ -	\$ 1,050,470	\$ 1,050,470
0	2016-2017	2016	\$ 1,050,470	\$ 2,250,000	\$ 35,850,000	\$ -	\$ 39,150,470	\$ 39,150,470
0	2017-2018	2017	\$ 1,050,470	\$ 5,300,000	\$ 102,700,000	\$ (3,750,000)	\$ 105,300,470	\$ 105,300,470
1	2018-2019	2018	\$ 1,050,470	\$ 10,335,000	\$ 200,265,000	\$ (7,500,000)	\$ 204,150,470	\$ 30,000,000
2	2019-2020	2019	\$ 1,050,470	\$ 10,076,625	\$ 195,258,375	\$ (14,625,000)	\$ 191,760,470	\$ 30,000,000
3	2020-2021	2020	\$ 1,050,470	\$ 9,824,709	\$ 190,376,916	\$ (14,259,375)	\$ 186,992,720	\$ 30,000,000
4	2021-2022	2021	\$ 1,050,470	\$ 9,579,092	\$ 185,617,493	\$ (13,902,891)	\$ 182,344,164	\$ 30,000,000
5	2022-2023	2022	\$ 1,050,470	\$ 9,339,614	\$ 180,977,055	\$ (13,555,318)	\$ 177,811,821	\$ 30,000,000
6	2023-2024	2023	\$ 1,050,470	\$ 9,106,124	\$ 176,452,629	\$ (13,216,435)	\$ 173,392,788	\$ 30,000,000
7	2024-2025	2024	\$ 1,050,470	\$ 8,878,471	\$ 172,041,313	\$ (12,886,025)	\$ 169,084,230	\$ 30,000,000
8	2025-2026	2025	\$ 1,050,470	\$ 8,656,509	\$ 167,740,280	\$ (12,563,874)	\$ 164,883,386	\$ 30,000,000
9	2026-2027	2026	\$ 1,050,470	\$ 8,440,096	\$ 163,546,773	\$ (12,249,777)	\$ 160,787,563	\$ 30,000,000
10	2027-2028	2027	\$ 1,050,470	\$ 8,229,094	\$ 159,458,104	\$ (11,943,533)	\$ 156,794,135	\$ 30,000,000
11	2028-2029	2028	\$ 1,050,470	\$ 8,023,367	\$ 155,471,652	\$ (11,644,944)	\$ 152,900,544	\$ 152,900,544
12	2029-2030	2029	\$ 1,050,470	\$ 7,822,782	\$ 151,584,860	\$ (11,353,821)	\$ 149,104,292	\$ 149,104,292
13	2030-2031	2030	\$ 1,050,470	\$ 7,627,213	\$ 147,795,239	\$ (11,069,975)	\$ 145,402,946	\$ 145,402,946
14	2031-2032	2031	\$ 1,050,470	\$ 7,436,533	\$ 144,100,358	\$ (10,793,226)	\$ 141,794,135	\$ 141,794,135
15	2032-2033	2032	\$ 1,050,470	\$ 7,250,619	\$ 140,497,849	\$ (10,523,395)	\$ 138,275,543	\$ 138,275,543
16	2033-2034	2033	\$ 1,050,470	\$ 7,069,354	\$ 136,985,403	\$ (10,260,310)	\$ 134,844,916	\$ 134,844,916
17	2034-2035	2034	\$ 1,050,470	\$ 6,892,620	\$ 133,560,768	\$ (10,003,803)	\$ 131,500,055	\$ 131,500,055
18	2035-2036	2035	\$ 1,050,470	\$ 6,720,304	\$ 130,221,748	\$ (9,753,707)	\$ 128,238,815	\$ 128,238,815
19	2036-2037	2036	\$ 1,050,470	\$ 6,552,297	\$ 126,966,205	\$ (9,509,865)	\$ 125,059,107	\$ 125,059,107
20	2037-2038	2037	\$ 1,050,470	\$ 6,388,489	\$ 123,792,050	\$ (9,272,118)	\$ 121,958,891	\$ 121,958,891
21	2038-2039	2038	\$ 1,050,470	\$ 6,228,777	\$ 120,697,248	\$ (9,040,315)	\$ 118,936,180	\$ 118,936,180
22	2039-2040	2039	\$ 1,050,470	\$ 6,073,058	\$ 117,679,817	\$ (8,814,307)	\$ 115,989,037	\$ 115,989,037
23	2040-2041	2040	\$ 1,050,470	\$ 5,921,231	\$ 114,737,822	\$ (8,593,950)	\$ 113,115,573	\$ 113,115,573
24	2041-2042	2041	\$ 1,050,470	\$ 5,773,201	\$ 111,869,376	\$ (8,379,101)	\$ 110,313,946	\$ 110,313,946
25	2042-2043	2042	\$ 1,050,470	\$ 5,628,871	\$ 109,072,642	\$ (8,169,623)	\$ 107,582,359	\$ 107,582,359

Notes: Market value in future years is good faith estimate of future taxable value for the purposes of property taxation. Only include market value for eligible property on this schedule.

Schedule C: Employment Information

OXEA CORPORATION
BAY CITY INDEPENDENT SCHOOL DISTRICT

Form 50-296A
Revised Mar 2015

Applicant Name:
SD Name:

Year	School Year (YYYY-YYYY)	Tax Year (Actual tax year) YYYY	Construction		Non-Qualifying Jobs			Qualifying Jobs	
			Column A Number of Construction FTE's or man-hours (specify)	Column B Average annual wage rates for construction workers	Column C Number of non- qualifying jobs applicant estimates it will create (cumulative)	Column D Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative)	Column E Average annual wage of new qualifying jobs		
-2	2015-2016	2015	330,000 man-hours	\$25/hr	0	8	\$	50,000	
-1	2016-2017	2016	660,000 man-hours	\$25/hr	0	19	\$	50,000	
0	2017-2018	2017		\$	0	19	\$	50,000	
1	2018-2019	2018		\$	0	19	\$	50,000	
2	2019-2020	2019		\$	0	19	\$	50,000	
3	2019-2020	2019		\$	0	19	\$	50,000	
4	2020-2021	2020		\$	0	19	\$	50,000	
5	2021-2022	2021		\$	0	19	\$	50,000	
6	2022-2023	2022		\$	0	19	\$	50,000	
7	2023-2024	2023		\$	0	19	\$	50,000	
8	2024-2025	2024		\$	0	19	\$	50,000	
9	2025-2026	2025		\$	0	19	\$	50,000	
10	2026-2027	2026		\$	0	19	\$	50,000	
11 through 25	2027-2028	2027		\$	0	19	\$	50,000	

Each year prior to start
of Value Limitation Period

Value Limitation Period The qualifying time
period could overlap the value limitation
period.

Years Following Value Limitation Period

*** Project to be completed by 1Q 2017

Notes: See TAC 9.1051 for definition of non-qualifying jobs.

Only include jobs on the project site in this school district.

Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)

Yes No

If yes, answer the following two questions:

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

Yes No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

Yes No

Schedule D: Other Incentives (Estimated)

OXEA CORPORATION
BAY CITY INDEPENDENT SCHOOL DISTRICT

Applicant Name:
ISD Name:

State and Local Incentives for which the Applicant Intends to apply (Estimated)

Incentive Description	Taxing Entity (as applicable)	Beginning Year of Benefit	Duration of Benefit	Annual Tax Levy without Incentive	Annual Incentive	Annual Net Tax Levy
Tax Code Chapter 311	County: City: Other: County: Matagorda City: Other: County:	2015	3 YEARS	\$ 365,012.86	50% - ALL YEARS	\$ 333,909.86
Tax Code Chapter 312	County: City: Other: County:					
Local Government Code Chapters 380/381	County: City: Other:					
Freeport Exemptions	Port of Bay City, Conservation & Reclamation District, Coastal Plains Groundwater District, Drainage District #1, Matagorda County Hospital District	Yearly	Yearly	\$ 811,090.58	Varies Yearly	\$ 728,512.17
Non-Annexation Agreements						
Enterprise Zone/Project						
Economic Development Corporation						
Texas Enterprise Fund						
Employee Recruitment						
Skills Development Fund						
Training Facility Space and Equipment						
Infrastructure Incentives						
Permitting Assistance						
Other:						
Other:						
Other:						
Other:						
TOTAL				\$ 1,176,103		\$ 1,062,422

Additional information on incentives for this project:

312 AGREEMENT WILL RESULT IN ESTIMATED TOTAL REDUCTION OF TAXES PAYABLE TO THE LOCAL JURISDICTIONS OF \$97,283 OVER 3 YEARS WITH \$1,044,324 OF ESTIMATED TAXES OVER 3 YEARS IF THE PROJECT WERE NOT ABATED.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here

Print Name (Authorized School District Representative) Title

sign here

Signature (Authorized School District Representative) Date

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here

Wolfgang Hackenberg VP/Treasurer
Print Name (Authorized Company Representative (Applicant)) Title

sign here

Signature (Authorized Company Representative (Applicant)) Date 3/11/2015

GIVEN under my hand and seal of office this, the



(Notary Seal)

11 day of March 2015
Penny L. Greenwood
Notary Public in and for the State of Texas
My Commission expires: 1/3/17

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print here

KEITH A. BROWN

Print Name (Authorized School District Representative)

Superintendent

Title

sign here

[Handwritten Signature]

Signature (Authorized School District Representative)

3-16-15

Date

X X

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print here

Wolfgang Hackenberg

Print Name (Authorized Company Representative (Applicant))

VP/Treasurer

Title

sign here

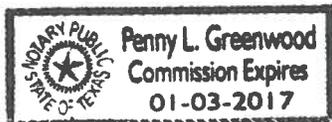
[Handwritten Signature]

Signature (Authorized Company Representative (Applicant))

31 11 2015

Date

GIVEN under my hand and seal of office this, the



(Notary Seal)

11 day of March 2015
Penny L. Greenwood
Notary Public in and for the State of Texas

My Commission expires: 1/3/17

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.