

RESOLUTION NO. 12-298

**A RESOLUTION APPROVING AN ECONOMIC INCENTIVE
CONTRACT & LOAN AGREEMENT BETWEEN WILLFIRE
HC, LLC AND THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, the City Council deems it in the public interest to authorize the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") to enter into an Economic Incentive Contract & Loan Agreement (the "Agreement") with WillFire HC, LLC ("WillFire"); and

WHEREAS, Germer Getz, L.L.P has indicated that WillFire has presented an application qualifying as a Section 4A project as set forth in the Executive Summary of the Agreement; and

WHEREAS, the PAEDC has reviewed the WillFire application and accompanying financial statements presented by WillFire and recommends approval thereof; and

WHEREAS, WillFire has proposed to build an 60,000 square foot manufacturing facility for fabrication assembly and testing of the products as well as a service and product training center to be located in the PAEDC Spur 93 Business Park; and

WHEREAS, the PAEDC shall convey up to twelve (12) acres of land within the Business Park at a discount of one-half of the market value of the property as the economic incentive; and

WHEREAS, WillFire agrees to maintain business operations at its facilities in the Business Park for a period of seven (7) years and within which time it shall additionally create

payroll of \$315,000 or more for Port Arthur residents in order to meet its performance to this Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the PAEDC is herein authorized to enter into the Agreement with WillFire HC, LLC, and the President and Secretary of PAEDC are authorized to sign the Agreement in substantially the same form as set forth in **Exhibit "A"** attached hereto.

Section 3. That a copy of this Resolution shall be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this 12th day of June A.D., 2012,
at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor Prince; Mayor Pro Tem Lewis

Councilmembers Scott, Segler, Albright, Asuncion, Williamson, Freeman and Thomas

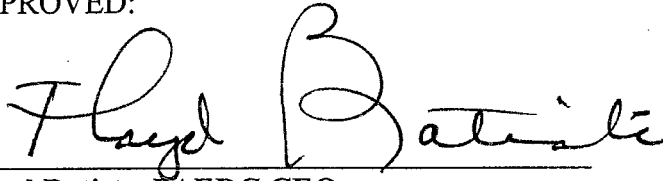
NOES: None.

Deloris Prince
Deloris "Bobbie" Prince, Mayor

ATTEST:

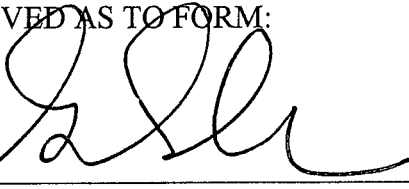
Sherri Bellard
Sherri Bellard, City Secretary

APPROVED:



Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:



Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:

See Confidential Memo

Valecia R. Tizen, City Attorney

APPROVED AS TO THE AVAILABILITY OF FUNDS:

Deborah Echols, Director of Finance

Exhibit "A"

**ECONOMIC INCENTIVE CONTRACT & LOAN AGREEMENT
BETWEEN THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC
DEVELOPMENT CORPORATION**

**&
WILLFIRE HC, LLC**

Executive Summary

WillFire HC, LLC ("Incentive Recipient"), a Delaware limited liability company, operates through various business entities which is a leader in providing fire protection products and services, and Incentive Recipient plans to construct a new manufacturing and service center in Southeast Texas to be located in Port Arthur, Texas. Incentive Recipient has proposed an approximately 60,000 square foot manufacturing facility for fabrication assembly and testing of the products of Incentive Recipient as well as for a service and product training center (the "Project") to be located on property within the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") Business Park on Spur 93 in Port Arthur, Texas (the "Business Park"). The PAEDC along with the City of Port Arthur, Texas (the "City") shall assist Incentive Recipient in this business endeavor by providing certain agreements or incentives which, as to the PAEDC, shall include a conditional grant/loan in exchange for certain agreements by Incentive Recipient. Incentive Recipient intends to invest approximately \$7-8 million in land, building and equipment and to initiate its business operations with approximately 41 current employees coming from locations in Southeast Texas and generating a payroll of approximately \$1.8 million. With the growth of business, Incentive Recipient anticipates creating additional full-time permanent jobs and shall use the services of PAEDC to help find qualified applicants as hereinafter described. Incentive Recipient also anticipates upon completion of construction of the Project, it should serve over 200 individuals per year in its facilities for training and business development.

The Economic Incentive Contract & Loan Agreement (the "Agreement") shall be for a period of five (5) years from the date Incentive Recipient initiates its business operations within the Business Park. Incentive Recipient has further agreed to execute the First Source Referral Agreement ("First Source") and to utilize the services of the PAEDC to find qualified applicants for additional employment at the Project. The PAEDC has agreed that as consideration for the promised performance of Incentive Recipient, PAEDC shall convey to Incentive Recipient up to twelve (12) acres of land within the Business Park. PAEDC will provide a discount of one-half of the market value of the property (\$52,500 per acre) as the economic incentive for Incentive Recipient to locate its facilities in Port Arthur and to plan for future business expansion. PAEDC and Incentive Recipient have agreed that the incentive credit shall be for an amount not to exceed \$315,000, representing the discounted property value of \$26,250 times a maximum of twelve (12) acres to be conveyed by PAEDC. As a part of its performance, in addition to constructing the Project, Incentive Recipient shall continuously operate its facilities in the Business Park for a period of not less than seven (7) years from the date it initiates business operations in the Business Park in order to meet its performance pursuant to this Agreement. Additionally, Incentive Recipient agrees to create \$315,000 or more of payroll to Port Arthur residents during the 7-year term of the Agreement with the payroll in accordance with Section 5(c) of the Agreement.

Incentive Recipient shall have the option to cancel all duties and obligations under the Agreement and have the property to be acquired located within the Business Park transferred to it under Special Warranty Deed by paying to the PAEDC the difference between the undiscounted and the discounted purchase price at the time the Agreement is cancelled (the "Buyout Option"). The Buyout Option shall apply even in the event of termination of the Agreement by PAEDC.

Incentive Recipient has agreed to a Performance Milestone Schedule and the providing of status reports as outlined in the Agreement.

**ECONOMIC INCENTIVE & LOAN AGREEMENT BETWEEN
THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND
WILLFIRE HC, LLC ("INCENTIVE RECIPIENT")**

INTRODUCTION.....	1
AGREEMENT TERM.....	1
PARTIES.....	1
PROMISED PERFORMANCE	2
(A) PERFORMANCE BY PAEDC.....	2
(B) PERFORMANCE BY INCENTIVE RECIPIENT.....	2
(C) CREDITS – SUBSTITUTE PERFORMANCE	3
(D) FIRST SOURCE REFERRAL AGREEMENT	4
PERFORMANCE MILESTONE SCHEDULE.....	4
CONDITIONAL OBLIGATIONS AND LIMITED LIABILITY OF PAEDC	5
LIQUIDATED DAMAGES FOR BREACH OF AGREEMENT	6
RECORDS / INSPECTION / PAEDC AUDIT.....	6
HOLD HARMLESS	7
SUBCONTRACTS	8
CONFLICT OF INTEREST / DISCLOSURE OBLIGATION	8
NONDISCRIMINATION / EMPLOYMENT / REPORTING.....	9
LEGAL AUTHORITY	9
NOTICE OF LEGAL OR REGULATORY CLAIMS.....	10
CHANGES AND AMENDMENTS.....	10
DEFAULT / TERMINATION	10
COMPLIANCE AUDITS	11
SUPPLEMENTAL COVENANT.....	12
ENVIRONMENTAL REQUIREMENTS	12
ORAL AND WRITTEN AGREEMENTS / PRIOR AGREEMENTS.....	13
VENUE	13
ADDRESS OF NOTICE AND COMMUNICATIONS	13
CAPTIONS	14
COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS.....	14
CONDITIONS PRECEDENT	14
MISCELLANEOUS.....	14
ATTORNEY APPROVALS	15
AGREEMENT EXECUTION.....	15

Exhibit "A"	Conditional Commercial Promissory Note
Exhibit "B"	Special Warranty Deed
Exhibit "C"	Deed of Trust
Exhibit "D"	Certification Regarding Lobbying
Exhibit "E"	Compliance Statement
Exhibit "F"	First Source Referral Agreement
Exhibit "G"	Incentive Recipient Application to PAEDC

**ECONOMIC INCENTIVE CONTRACT & LOAN AGREEMENT BETWEEN
THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND
WILLFIRE HC, LLC ("INCENTIVE RECIPIENT")**

INTRODUCTION

The Incentive Recipient is a Delaware limited partnership doing business in Port Arthur, Texas. The Incentive Recipient intends to purchase 12 acres of land from the City of Port Arthur Section 4A Economic Development Corporation pursuant to a Purchase Agreement and construct an approximately 60,000 square foot manufacturing facility for fabrication assembly and testing of Incentive Recipient's products as well as for a service and product training center (the "Project") to be located on property within the City of Port Arthur Section 4A Economic Development Corporation's (the "PAEDC") Business Park on Spur 93 in Port Arthur, Texas (the "Business Park"). Current market demands are such that Incentive Recipient plans to initiate the above-referenced business operation.

AGREEMENT TERM

EFFECTIVE DATE

1. This Economic Incentive Contract and Loan Agreement ("Agreement") is entered into with an effective date of _____, 2012 (the "Effective Date"), by and between the PAEDC and Incentive Recipient.

TERMINATION DATE

2. This Agreement expires the earlier of May 31, 2018, or 30 days after Incentive Recipient either performs fully or breaches the Agreement, subject to earlier termination or extension, voluntary or involuntary, as provided herein (the "Termination Date"). The period from the Effective Date of this Agreement through and including the Termination Date of this Agreement as provided in the previous sentence hereof, is sometimes referred to in this Agreement as the "Term" of this Agreement.

PARTIES

3. City of Port Arthur Section 4A Economic Development Corporation ("PAEDC"), located at 4173-39th Street, Port Arthur, Texas, 77642, is a corporation. It is duly authorized to do business in the State of Texas under Chapter 504, Local Government Code (the "Development Corporation Act of 1979" as amended) and duly authorized by Resolution of the City Council of the City of Port Arthur (the "City") to enter into this Agreement. As so authorized and as provided by the PAEDC bylaws, the President and Secretary of the PAEDC Board have the authority to execute this Agreement.

4. WillFire HC, LLC ("Incentive Recipient") is a Delaware limited liability company which has applied for registration as a foreign limited partnership with the Secretary of State of

the State of Texas. Incentive Recipient's corporate address is 204 South Sixth St. Mansfield, TX 76063.

PROMISED PERFORMANCE

5. The parties agree to perform as follows.

(a) PERFORMANCE BY PAEDC

- i. PAEDC shall conditionally grant Incentive Recipient an incentive of \$315,000, subject to the conditions and limitations herein, which Incentive Recipient is not required to repay unless Incentive Recipient breaches this Agreement. If Incentive Recipient breaches this Incentive Agreement or exercises the Buyout Option, then the conditional grant will become a loan as provided in **Exhibit "A"**.
- ii. The conditional grant to Incentive Recipient shall be for the conveyance of up to twelve (12) acres of land in the Business Park as more fully described in the Special Warranty Deed attached hereto as **Exhibit "B"** to this Agreement (the "Property").
- iii. PAEDC shall record the Special Warranty Deed described in **Exhibit "B"** to this Agreement (the "Special Warranty Deed") and the Deed of Trust described in **Exhibit "C"** to this Agreement (the "Deed of Trust") at the Closing pursuant to the Purchase Agreement between the Parties, and such Deed of Trust shall be removed by an appropriate instrument of satisfaction which shall be recorded promptly upon the satisfaction of the obligations of the Incentive Recipient under this Agreement.

PAEDC WILL ONLY PROVIDE AN INCENTIVE AS TO THE PROPERTY IF INCENTIVE RECIPIENT HAS DULY EXECUTED A DEED OF TRUST AND/OR OTHER APPROPRIATE COLLATERAL SECURITY INTEREST AS TO THE PROPERTY. PAEDC SHALL NOT PROVIDE ADDITIONAL INCENTIVES EVEN THOUGH THERE ARE DEMONSTRATED INCREASES IN THE VALUE OF THE PROPERTY DUE TO IMPROVEMENTS PLACED THEREON BY INCENTIVE RECIPIENT. HOWEVER, INCENTIVE RECIPIENT SHALL RECEIVE PROCEEDS, LESS THE AMOUNTS DUE UNDER THE NOTE (INCLUDING COST OF COLLECTION), GENERATED FROM THE SALE OF ANY COLLATERAL OR PROPERTY HELD FOR PERFORMANCE OF THE OBLIGATIONS UNDER THE CONDITIONAL GRANT. THE DUTIES AND OBLIGATIONS OF THIS AGREEMENT ARE PAEDC'S ONLY OBLIGATIONS TO INCENTIVE RECIPIENT.

(b) PERFORMANCE BY INCENTIVE RECIPIENT

- (1) Incentive Recipient, subject to the terms and conditions of the Purchase Agreement, shall close on the purchase of up to twelve (12) acres of land in the

Business Park for the development of the Project no later than the deadline as shown in the Performance Milestone Schedule in this Agreement.

- (2) Incentive Recipient shall begin construction on an approximate 60,000 square foot office/manufacturing facility on the Project no later than the deadline as specified in the Performance Milestone Schedule in this Agreement.
- (3) Incentive Recipient shall have received its certificate of occupancy and shall occupy its Project on the Property within eighteen (18) months from the close of the Purchase Agreement or at such other time thereafter as may be reasonably agreed upon between PAEDC and Incentive Recipient.
- (4) Incentive Recipient shall continually conduct business operations during normal business hours for a period that is the lesser of (i) seven (7) years from the date of its receipt of certificate of occupancy for the Project on the Property or (ii) the Termination Date.
- (5) Incentive Recipient will be required to meet the conditions and agreements set forth in the First Source Referral Agreement attached hereto as **Exhibit "F"** and made a part hereof for all purposes.
- (6) If the conditional grant provided by PAEDC to Incentive Recipient is to be secured by an interest in real property, Incentive Recipient shall execute the Deed of Trust contained in **Exhibit "C"**.
- (7) On demand by PAEDC and in response to Incentive Recipient's failure to achieve a performance milestone, Incentive Recipient shall provide PAEDC with reasonable assurances, proposed by Incentive Recipient and reasonably acceptable to PAEDC, that it has both the intention and the capabilities to perform fully its contractual obligations.

(C) CREDITS – SUBSTITUTE PERFORMANCE

Incentive Recipient may earn credits according to the following terms, to satisfy its performance of this Agreement or either reduce the duration of this Agreement or reduce the amount of liquidated damages in the event Incentive Recipient breaches the Agreement or exercises the Buyout Option.

- (1) Total credits cannot exceed \$315,000.
- (2) Incentive Recipient will forfeit any credits it earned during a period for which a report is scheduled but Incentive Recipient fails to issue the report despite notice of need for such report from PAEDC.
- (3) Once Incentive Recipient has earned credits equal to \$315,000, the conditional grant and all obligations to PAEDC shall terminate.

(4) Incentive Recipient shall always have the option to cancel all duties and obligations under this Agreement and the Note and Deed of Trust, and have the Property properly transferred solely into its name under a Special Warranty Deed, by paying to PAEDC the difference between \$315,000 and any credits generated prior to the date of such payment ("Buyout Option"). This Buyout Option applies even in the event of termination of the Agreement by PAEDC.

(5) Incentive Recipient shall be credited against the \$315,000.00, on a dollar for dollar basis, as duly reported and audited under this Agreement, all payroll for residents of Port Arthur employed at the Project. Additionally, Incentive Recipient shall continually operate on the Property for seven (7) years from the date of certificates of occupancy. If Incentive Recipient has not logged credits equal to the \$315,000 of payroll as committed, but has operated its facilities and paid all property taxes and other City taxes, fees and assessments associated with the Project, Incentive Recipient may (i) cancel its remaining obligations under paragraph 5(c)(4) of this Agreement, (ii) execute and deliver the Promissory Note and Deed of Trust as set forth in this Agreement or (iii) request an extension of the term of this Agreement.

(d) FIRST SOURCE REFERRAL AGREEMENT

PAEDC has adopted policies and procedures to assist Incentive Recipient in locating a qualified workforce within the City. The First Source Referral Agreement is incorporated into this Agreement in **Exhibit "F"** ("First Source"). Incentive Recipient has agreed to the policies and procedures within First Source as a resource and referral for all appropriate new job openings of Incentive Recipient.

PERFORMANCE MILESTONE SCHEDULE

6. Upon failure to achieve a performance milestone and after Incentive Recipient has been given an opportunity of no less than thirty (30) days to cure a default, PAEDC may demand reasonable assurances¹ from Incentive Recipient that it can and will fully perform its contractual obligations. Failure to provide such reasonable assurances following demand of PAEDC is a breach of contract.

7. Incentive Recipient's performance milestones are contained in the following table. Upon receipt of any status report listed below, PAEDC shall, as requested by Incentive Recipient, issue documentation to the Incentive Recipient setting forth the total uncredited/unpaid amount remaining.

PERFORMANCE MILESTONE SCHEDULE

	<u>Deadline</u>	<u>Milestone</u>
(a)	As set forth in Purchase Agreement	Close on the purchase of up to twelve (12) acres of land in the Spur 93 Port Arthur Business Park.

¹ Examples of reasonable assurances are copies of pending contracts and customer commitment letters and/or payment of an agreed amount showing commitment to contractual obligations.

(b)	December 31, 2012	Begin Construction on an approximately 60,000 sq. ft. office / manufacturing facility in the Spur 93 Port Arthur Business Park.
(c)	July 1, 2013	Issue a <i>Status report</i> on construction progress from November 2012 to June 30, 2013 to PAEDC Deputy Director
(d)	December 31, 2013	Complete construction on the office / manufacturing facility in the Spur 93 Port Arthur Business Park and initiate business operations. Any additional hiring by Incentive Recipient will be under the PAEDC First Source of Referral Agreement.
(e)	Seven (7) years of Continuous Business Operations	WillFire will maintain its business present in the Spur 93 Business Park for no less than seven (7) years after certificate of occupancy is granted or until performance is otherwise satisfied as set forth herein.
(f)	Semiannually by each January and July 31 from the certificate of occupancy	WillFire will provide PAEDC Operational reports every six months during the seven (7) year or until performance is otherwise satisfied or the Agreement terminated as set forth herein
(g)	Annually	WillFire will provide PAEDC a copy of its annual property tax statement to be provided upon payment through the Jefferson County Tax Office.
(h)	December 31, 2020 or sooner	WillFire has met all the above milestones , and the Agreement shall be closed, and any collateral not previously released shall be released pursuant to the terms of this Agreement.

PAEDC'S CONDITIONAL OBLIGATIONS AND LIMITED LIABILITY

8. PAEDC has promised to execute and to record the Special Warranty Deed described in Exhibit "B" to this Agreement and pursuant to the Purchase Agreement. PAEDC has not undertaken any obligation to provide title insurance for the Property nor has ordered or undertaken to secure a commitment of title insurance for the Property. Incentive Recipient may, at its sole cost and expense, secure such title information and title insurance as it deems necessary for its purposes as to the Property. If, upon securing a commitment for title insurance or Incentive Recipient notifies PAEDC of any issue with the condition of title to the Property that may limit access or use of the Property or limit the ability of Incentive Recipient to construct and operate its proposed facilities on the Property, Incentive Recipient shall notify PAEDC within ten (10) days of receipt of the title commitment and describe the curative steps that are deemed necessary to eliminate title defects or exceptions. PAEDC will use its best efforts to cure title defects or eliminate title encumbrances to enable Incentive Recipient to make full utilization of the Property pursuant to the Purchase Agreement.

9. PAEDC has not secured a ground survey for the Property, but has provided boundary information to Incentive Recipient which shall be utilized to describe the Property in the Special Warranty Deed. Incentive Recipient may, pursuant to the Purchase Agreement, undertake a ground survey of the Property, and if such is undertaken, Incentive Recipient shall provide PAEDC with the ground survey, and after approval, PAEDC agrees that all references within this Agreement and all exhibits hereto shall include as the description of the Property in the ground survey as provided by Incentive Recipient to PAEDC. If the ground survey reveals any material deviations from the boundary information, then PAEDC shall correct such deviations by conveying additional property to Incentive Recipient up to but not to exceed the twelve (12) acres of land promised as an incentive to Incentive Recipient.

10. Incentive Recipient shall not use the Property for any purpose(s) other than that specifically disclosed herein and as further disclosed within its Application made by or on behalf of Incentive Recipient, which is incorporated herein for all purposes.

11. Incentive Recipient may not assign any of its rights under this Agreement without the prior written consent of the PAEDC and the City, except for Permitted Affiliates as defined herein, nor may Incentive Recipient make any subordinate deed of trust or collateral security agreements as to the Property without the prior written consent of PAEDC which consent shall not unreasonably be withheld, delayed or conditioned.

LIQUIDATED DAMAGES FOR BREACH OF AGREEMENT

12. In the event Incentive Recipient fails to perform its obligations under this Agreement, following notice thereof from PAEDC and following a thirty (30) day opportunity to cure the default, the PAEDC grant, minus any credits earned, will automatically convert to a loan (liquidated damages), effective on the day of breach, as agreed by Incentive Recipient in the executed Conditional Commercial Promissory Note contained in Exhibit "A." Further, the PAEDC shall be entitled to recover its reasonable and customary attorney's fees and court costs incurred in collection of said obligation and such remedies as are provided at law or in equity.

13. It is expressly understood and agreed by the parties that the exercise of any right or remedy shall not preclude the exercise of any other right or remedy under this Agreement or under any provision of law, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy hereunder shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

RECORDS / INSPECTION / PAEDC AUDIT

14. Incentive Recipient acknowledges that while it does not have an affirmative obligation to create additional payroll for the hiring of Port Arthur residents, as employment at the Project in the Business Park expands, Incentive Recipient shall utilize the First Source Referral Agreement to locate qualified employment applicants for its business requirements.

15. Incentive Recipient shall maintain employment records as necessary to allow the PAEDC to audit and verify proper utilization of First Source and to verify any and all other covenants, representations and warranties contained herein and in Incentive Recipient's Application.

16. Upon ten-day (10-day) advance notice, Incentive Recipient shall give the PAEDC, or any of its duly authorized representatives, access to and right to examine all books, accounts, records, reports, files and other papers, things or property directly related to this Agreement and belonging to or in use by Incentive Recipient. Such rights to access shall continue as long as the records related to this Agreement are retained by Incentive Recipient. Incentive Recipient agrees to maintain such records in an accessible location. All information obtained by the PAEDC, or

its duly authorized representatives, shall be regarded as the confidential business information of Incentive Recipient and the PAEDC shall take reasonable measures to protect such information from disclosure to third parties; however, PAEDC is subject to the requirements of the Texas Open Meetings Act and Open Records Act (Tex. Gov. Code, 551 & 552). Incentive Recipient agrees that disclosures to the public required by the Texas Open Meetings Act, Texas Open Records Act, or any other legal requirement will not expose PAEDC (or any party acting by, through or under PAEDC) to any claim, liability or action by Incentive Recipient (or any party working by, through or under).

17. All records pertinent to this Agreement shall be retained by Incentive Recipient at least three years following the date of termination of this Agreement, whether said termination is a result of default or whether said termination is a result of final submission of a close out report by Incentive Recipient detailing its compliance with its obligations provided herein. Further, in the event any litigation, claim or audit arising out of or related to this Agreement is instituted before the expiration of the three (3) year period and extends beyond the three year period, the records will be maintained until all litigation, claims or audit findings involving this Agreement and the records made the basis of same have been resolved.

18. Incentive Recipient shall provide PAEDC with all reports necessary for PAEDC compliance with the Chapters 501, 504, Texas Local Government Code, as amended.

19. It is expressly understood and agreed by the parties hereto that if Incentive Recipient fails to submit to PAEDC in a timely and satisfactory manner any report required by this Agreement, PAEDC may, at its sole discretion, demand assurances that Incentive Recipient can and will fully perform its contractual obligations. If Incentive Recipient fails to provide adequate assurances then Incentive Recipient is in breach, and any monies advanced by PAEDC automatically become a loan pursuant to Exhibit "A".

20. The PAEDC reserves the right, from time to time, to carry out field inspections/audits to ensure compliance with the requirements of this Agreement. After completion of any such audit, the PAEDC may provide Incentive Recipient with a written report of the audit findings. If the audit report details deficiencies in its performance under the terms and conditions of this Agreement, the PAEDC may establish requirements for the timely correction of any such deficiencies by Incentive Recipient.

HOLD HARMLESS

21. INCENTIVE RECIPIENT AGREES TO HOLD HARMLESS THE PAEDC AND THE CITY OF PORT ARTHUR FROM ANY AND ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF ANY KIND OR CHARACTER WHICH MAY BE ASSERTED BY ANY THIRD PARTY OCCURRING, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, THE PROJECT MADE THE BASIS OF THIS AGREEMENT, AND THE UTILIZATION OF GRANT FUNDS PROVIDED BY THIS AGREEMENT, PROVIDED THAT SUCH CLAIM, DEMAND OR CAUSE OF ACTION DOES NOT ARISE FROM ANY FRAUD OR MISCONDUCT ON THE PART OF THE PAEDC OR THE CITY OF PORT ARTHUR, OR ANY AGENT, EMPLOYEE OR REPRESENTATIVE OF EITHER.

SUBCONTRACTS

22. Incentive Recipient may not subcontract for performance credits described in this Agreement without obtaining PAEDC's written approval, which may be withheld for any reason. Incentive Recipient shall only subcontract for performance credits described in this Agreement after Incentive Recipient has submitted a Subcontractor Eligibility Request, as specified by PAEDC, for each proposed subcontract, and Incentive Recipient has obtained PAEDC's prior written approval. Incentive Recipient, in subcontracting for any performances described in this Agreement, expressly understands that in entering into such subcontracts, PAEDC is in no way liable to Incentive Recipient's subcontractor(s).

23. In no event shall PAEDC's prior written approval of a subcontractor's eligibility, be construed as relieving Incentive Recipient of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all terms of this Agreement, as if such performances rendered were rendered by Incentive Recipient. PAEDC's approval does not constitute adoption, ratification, or acceptance of Incentive Recipient's or subcontractor's performance hereunder. PAEDC maintains the right to insist upon Incentive Recipient's full compliance with the terms of this Agreement, and by the act of subcontractor approval, PAEDC does not waive any right of action which may exist or which may subsequently accrue to PAEDC under this Agreement.

24. Incentive Recipient, as well as all of its approved subcontractors, shall comply with all applicable federal, state, and local laws, regulations, and ordinances for making procurement under this Agreement.

CONFLICT OF INTEREST / DISCLOSURE OBLIGATION

25. Conflict of Interest: No employee, agent, officer or elected or appointed official of the City of Port Arthur or the PAEDC who has participated in a decision making process related to this Agreement (without recusing him/herself and executing a conflict affidavit) may obtain a personal or financial interest or benefit from an PAEDC assisted activity, or have an interest in any contract, subcontract, or agreement (or proceeds thereof) with respect to an PAEDC assisted activity, during their tenure or for one (1) year thereafter. Insofar as relates to the conduct hereunder of Incentive Recipient, its agents, employees or representatives, Incentive Recipient shall ensure compliance with applicable provisions under Chapters 501, 504, Texas Local Government Code and Chapter 171, Texas Local Government Code.

26. Disclosure: In conjunction with execution of this Agreement, Incentive Recipient has fully disclosed to PAEDC all known and potential owners of interests in Incentive Recipient (whether shareholder, partner, limited partner, manager, member or otherwise). In the event of any change in ownership or control of Incentive Recipient of five percent (5%) or greater, except involving Permitted Affiliates, Incentive Recipient shall notify PAEDC in writing. Further, Incentive Recipient shall be obligated to notify in writing the PAEDC in the event any time prior to, during or one (1) year after the term of this Agreement, any City or PAEDC employee or representative or any third party with a conflict of interest obtains or proposes to obtain a

financial benefit; direct or indirect, from Incentive Recipient. Failure to provide said notice immediately or no later than five (5) business days after receipt of information shall constitute a default herein.

NONDISCRIMINATION / EMPLOYMENT / REPORTING

27. Incentive Recipient shall ensure that no person shall on the grounds of race, color, religion, sex, handicap, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds provided under this Agreement. Additionally, funds shall be used in accordance with the following requirements:

- (a) Opportunities for training and employment arising in connection with the planning and carrying out of any project assisted with PAEDC funds provided under this Agreement be given in Incentive Recipient's discretion, reasonably exercised, to Port Arthur residents; and
- (b) Agreements for work to be performed in connection with the Project shall be awarded in Incentive Recipient's discretion, reasonably exercised, to Port Arthur residents and businesses, including, but not limited to, individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the City.
- (c) If Incentive Recipient advertises for employment then it shall among any other advertising that it chooses to undertake covenants that it will advertise as required in **Exhibit "F"**. Incentive Recipient acknowledges that PAEDC does not intend to restrain any advertising in additional publications or media nor direct any others than that stated.

LEGAL AUTHORITY

28. Incentive Recipient assures and guarantees it possesses legal and/or corporate authority (i) to enter into this Agreement, receive the conditional grant authorized by this Agreement, and (ii) to perform the obligations hereunder. Incentive Recipient has provided, or shall provide, as requested by the PAEDC, such resolutions or other required authorizations necessary to evidence this authority.

29. The person or persons signing and executing this Agreement on behalf of Incentive Recipient, or representing themselves as signing and executing this Agreement on behalf of Incentive Recipient, do hereby warrant and guarantee that he, she, or they have been duly authorized by Incentive Recipient to execute this Agreement on behalf of Incentive Recipient and to validly and legally bind Incentive Recipient to all terms, performances, and provisions herein set forth.

NOTICE OF LEGAL OR REGULATORY CLAIMS

30. Incentive Recipient shall give PAEDC immediate notice in writing of 1) any material legal or regulatory action, including any material proceeding before an administrative agency filed against Incentive Recipient involving the Property; and 2) any material claim against Incentive Recipient, which may impede continued operations at the Property. Except as otherwise directed by PAEDC, Incentive Recipient shall furnish immediately to PAEDC copies of all pertinent documentation of any kind received by Incentive Recipient with respect to such action or claim.

CHANGES AND AMENDMENTS

31. Except as specifically provided otherwise in this Agreement, any alterations, additions, or deletions to the terms of this Agreement shall be by amendment in writing and executed by all parties to this Agreement. Such amendments must be approved by the PAEDC Board of Directors and, by the City Council.

32. It is understood and agreed by the parties hereto that performances under this Agreement must be rendered in accordance with the regulations promulgated under the Development Corporation Act, the assurances and certifications made to PAEDC by Incentive Recipient, and the assurances and certifications made to the City with regard to the operation of the PAEDC's Projects. Based on these considerations, and in order to ensure the legal and effective performance of this Agreement by all parties, it is agreed by the parties hereto that the performances under this Agreement are by the provisions of the PAEDC Program and any amendments thereto and may further be amended in the following manner: PAEDC may from time to time during the period of performance of this Agreement issue policy directives which serve to interpret, or clarify performance requirements under this Agreement. Such policy directives shall be promulgated by the PAEDC Board of Directors in the form of PAEDC issuances, shall be approved by the City Council and shall have the effect of qualifying the terms of this Agreement and shall be binding upon Incentive Recipient, as if written herein, and if approved by the Incentive Recipient. If Incentive Recipient does not approve a policy directive as so submitted, then Incentive Recipient may exercise its rights under paragraph 5(c)(4).

33. Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in Federal, state law or local law are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

DEFAULT / TERMINATION

34. In the event of default of any of the obligations of Incentive Recipient detailed herein or in the event of breach of any of the representations of or warranties of Incentive Recipient either detailed herein or in its application to the PAEDC, and following any notice and opportunity to cure provided for in this Agreement, and only after Incentive Recipient's refusal of the Buyout Option stated in Section 5(c)(4) of this Agreement, the PAEDC may, at its sole option, terminate this Agreement, in whole or in part. In the event of such termination, the

PAEDC may, at its sole option, utilize one or more of the following actions to resolve or otherwise remedy said default:

- (a) Declare the Note executed in conjunction with this Agreement immediately effective. If Incentive Recipient defaults on the note, then the PAEDC may exercise its default remedies provided under collateral documentation executed in conjunction with said Note and this Agreement.
- (b) Exercise any remedies provided herein and/or within the Deed of Trust or any Collateral Security Documents.
- (c) Disallow all or a part of the incentives which are not in compliance with the terms and conditions of this Agreement or in compliance with the representations and warranties contained within this Agreement and Incentive Recipient's application to the PAEDC.
- (d) Withhold and/or disallow further PAEDC incentives to Incentive Recipient.
- (e) Exercise any and all other remedies that may be legally available to the PAEDC, under the laws of the State of Texas and as authorized by the terms and conditions of this Agreement.

35. In addition to the foregoing, the parties agree that this Agreement may be terminated at any time when both parties agree, in writing, to the terms and conditions of any such voluntary termination.

COMPLIANCE AUDITS

36. If directed by PAEDC Board, and in no case more than once per year, Incentive Recipient shall arrange for the performance of a compliance audit, by a certified public accountant, of performances rendered under this Agreement, subject to the following conditions and limitations:

- (a) Incentive Recipient shall have a compliance audit which may be limited to use of funds or discount received from the PAEDC, made for any of its fiscal years included within the Term of this Agreement in which Incentive Recipient receives more than \$50,000 in PAEDC financial assistance provided by PAEDC in the form of grants, contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, or direct appropriations. Said audit must be received and accepted by the Chief Executive Officer of PAEDC and/or the PAEDC Board.
- (b) Unless otherwise specifically authorized by PAEDC in writing, Incentive Recipient shall submit the report of such audit to PAEDC within thirty (30) days after completion of the audit, but no later than one hundred twenty (120) days after the end of each fiscal period included within the Term of this Agreement.

37. Incentive Recipient understands and agrees that it shall be liable to reimburse immediately PAEDC for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Agreement.

38. Incentive Recipient shall take all necessary actions to facilitate the performance of any and all such audits, whether annual, mandatory or otherwise requested under this Agreement.

39. Subject to financial privacy requirements of Incentive Recipient and properly designated requests for non-disclosure due to proprietary reasons, all approved audit reports may be made available for public inspection.

SUPPLEMENTAL COVENANT

40. Incentive Recipient and any branch, division or department of Incentive Recipient certifies that they have not and will not knowingly employ an "undocumented worker" which means "an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States."

41. Incentive Recipient acknowledges that it has reviewed Chapter 2264, Texas Government Code and hereby affirmatively agrees by execution of this Agreement to repay the amount of any incentive not later than the 120th day after the date PAEDC notifies Incentive Recipient of a violation.

42. Incentive Recipient acknowledges PAEDC may bring a civil action or cover any amounts owed under this Chapter and further acknowledges that PAEDC may recover court costs and reasonable attorneys' fees incurred in an action brought under §2264.101(a). Incentive Recipient is not liable for a violation of this Chapter by a subsidiary, affiliate or franchisee of the Incentive Recipient or by a person with whom the Incentive Recipient contracts.

ENVIRONMENTAL REQUIREMENTS

43. As the Project will be located on the Property within the Business Park, Incentive Recipient not only agrees to meet the Covenants and Restrictions of the Business Park, but also to operate and maintain the Project in conformance with all local, state and federal regulations and to maintain the Property in a condition that will not be a nuisance either to the PAEDC or other business operations within the Business Park. During the Term of this Agreement, Incentive Recipient also agrees to allow PAEDC or its duly authorized officers, agents, employees, contractors or subcontractors access to the Property and the Project for environmental review and compliance monitoring upon reasonable advance written notice of at least 48 hours with Incentive Recipient allowed to monitor such access and to obtain split samples all subject to PAEDC agreeing to restore the Property to the condition prior to its investigation and to indemnify Incentive Recipient for any damage or harm to the extent caused by or arising from PAEDC or its duly authorized officers, agents, employees, contractors or subcontractors' subject actions upon the Property. Incentive Recipient further agrees that Incentive Recipient shall make all reasonable efforts to assist PAEDC in handling inquiries and complaints from persons and agencies seeking

redress in relation to environmental reviews, audits, notices of violation or other administrative proceedings covered by appropriate permits or certifications as to the Property and/or the Project.

ORAL AND WRITTEN AGREEMENTS / PRIOR AGREEMENTS

44. All oral and written contracts between the parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

45. The documents required below are hereby made a part of this Agreement, and constitute promised performances by Incentive Recipient in accordance with this Agreement:

Required

_____	Exhibit "A"	Conditional Commercial Promissory Note
_____	Exhibit "B"	Special Warranty Deed
_____	Exhibit "C"	Deed of Trust
_____	Exhibit "D"	Certification Regarding Lobbying
_____	Exhibit "E"	Compliance Statement
_____	Exhibit "F"	First Source Referral Agreement
_____	Exhibit "G"	Incentive Recipient Application to PAEDC

VENUE

46. For purposes of litigation that may accrue under this Agreement, venue shall lie in Jefferson County, Texas, where substantially all the performance will occur.

ADDRESS OF NOTICE AND COMMUNICATIONS

City of Port Arthur Section 4A Economic Development Corporation
4173-39th Street
Port Arthur, Texas 77642
ATTN: Floyd Batiste, Chief Executive Officer

John F. Magura, Vice President of Operations - Americas
Tyco Fire Protection Products
1400 Pennbrook
Parkway, Lansdale, PA
Telephone: (215) 412-8140
E-mail: John.Magura@Tycofp.com

With a copy upon the certificate of occupancy to the Property, Attention Plant Manager.

All notice requirements set forth herein shall be made in writing.

CAPTIONS

47. This Agreement has been supplied with captions to serve only as a guide to the contents. The caption does not control the meaning of any paragraph or in any way determine its interpretation or application.

COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

48. Incentive Recipient shall comply with all Federal, State and local laws, statutes, ordinances, resolutions, rules, regulations, orders and decrees of any court or administrative body or tribunal, including those related to the activities and performances of Incentive Recipient under this Agreement. Upon request by PAEDC and by the City, Incentive Recipient shall furnish satisfactory proof of its compliance herewith.

CONDITIONS PRECEDENT

49. This agreement has no legal consequences, and neither party shall rely on the agreement, unless and until

- a. Both the PAEDC Board and the Port Arthur City Council approve the Agreement in its final executed form.
- b. The Purchase Agreement is closed.
- c. _____.
- d. _____.

MISCELLANEOUS

50. Permitted Affiliates. For purposes of this Section, "Permitted Affiliates" shall mean (i) a subsidiary of Buyer, (ii) a corporation or other entity into or with which Buyer has merged or consolidated, or to which substantially all of Buyer's stock or assets are transferred, (iii) any corporation or other entity which controls, is controlled by, or is under common control with Buyer, (iv) a limited liability company in which Buyer is a member, or (v) any corporation or other entity with which Buyer is otherwise affiliated.

51. Force Majeure. No Party shall be liable for any failure to perform its obligations where such failure is as a result of Acts of Nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption or failure of electricity or communication service, and no other Party will have a right to terminate this Agreement in such circumstances.

Any Party asserting Force Majeure as an excuse shall have the burden of proving that reasonable steps were taken (under the circumstances) to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other Party was

timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.

52. PAEDC Approval Pursuant to Covenants and Restrictions. PAEDC shall not unreasonably withhold, delay or condition its approval to any consent or approval it retains the right to grant pursuant to the Covenants and Restrictions of record at the Closing of the Purchase Agreement. Furthermore, PAEDC warrants it has no objection to the conceptual plan, attached and incorporated hereto as Exhibit H, for the Project.

ATTORNEY APPROVALS

APPROVED AS TO FORM:

Guy Goodson, General Counsel for PAEDC

VERIFIED BY
CITY COUNCIL RESOLUTION:

Resolution Number: _____

Valecia R. Tizeno, City Attorney

AGREEMENT EXECUTION

CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION

SIGNED AND AGREED TO on the _____ day of _____, 2012.

By: _____
President

By: _____
Secretary

EDC Representative

EDC Representative

WILLFIRE HC, LLC

SIGNED AND AGREED TO on the ____ day of _____, 2012.

By: _____

Title

Acknowledgment

EXHIBIT "A"

CONDITIONAL COMMERCIAL PROMISSORY NOTE

Port Arthur, Texas

This COMMERCIAL PROMISSORY NOTE becomes effective on the date when **WillFire HC, LLC**, a Delaware limited liability company (hereinafter called "Maker") breaches or exercises the Buyout Option of that certain Economic Incentive Contract and Loan Agreement between the **City of Port Arthur Section 4A Economic Development Corporation** (hereinafter called "Lender") and Maker, dated _____, 2012

Effective Date of Note: The Note shall be dated effective the _____ day of _____, 201____ which is the date upon which Lender provided notification to Maker of its default or exercise of the Buyout Option under the Economic Incentive Contract & Loan Agreement (the "Agreement") by and between Lender and Maker dated _____, 2012 ("Date of Default").

Principal Amount: Principal amount is \$_____, which is \$_____ less the incentive credits earned by Maker according to the Agreement (described hereinabove).

Term of the Loan: From the Date of Default, Maker shall thereafter make equal monthly installments of principal and interest (interest being calculated as hereinafter specified at the rate of 10% per annum) until _____, 20____ (the "Final Payment Date"). Lender shall provide to Maker, a payment amortization schedule for the monthly installments due hereunder. Maker agrees that all principal and interest on this Note shall be due and payable by the Final Payment Date.

FOR VALUE RECEIVED, the undersigned "Maker", promises to pay to Lender, at its office at P.O. Box 1089, Port Arthur, Texas, 77640-1089, or such other place or places as the holder hereof shall from time to time designate in written notice to Maker, the principal amount, in legal and lawful money of the United States of America, together with interest thereon from the date hereof until maturity at the rate of **ten percent (10%)** per annum as detailed herein.

All past due principal and interest shall bear interest from date of maturity until paid at the rate of **fifteen percent (15%)** per annum, or to the maximum extent allowed by law (whichever is greater) as may hereafter be in effect, payable on demand after maturity.

Any notices required or permitted to be given by the holder hereof to Maker pursuant to the provisions of this note shall be in writing and shall be either personally delivered or transmitted by first class United States mail, addressed to Maker at the address designated below for receipt of notice (or at such other address as Maker may, from time to time, designate in writing to the holder hereof for receipt of notices hereunder). Any such notice personally delivered shall be effective as of the date of delivery, and any notice transmitted by mail, in accordance with the foregoing provisions, shall be deemed to have been given to and received by Maker as of the date on which such notice was deposited with the United States Postal Service, properly addressed and with postage prepaid.

This note is also secured by and entitled to the benefits of all other security agreements, pledges, collateral assignments, deeds of trust, guaranties, mortgages, assignments, and lien instruments, if any, of any kind executed by Maker or by any other party as security for any loans owing by Maker to the Lender. Such lien instruments shall include those executed simultaneously herewith, those heretofore executed, and those hereafter executed.

If any installment or payment of principal or interest of this note is not paid when due or any drawer, acceptor, endorser, guarantor, surety, accommodation party or other person now or hereafter primarily or secondarily liable upon or for payment of all or any part of this note (each hereinafter called an "other liable party") shall die, or become insolvent (however such insolvency may be evidenced); or if any proceeding, procedure or remedy supplementary to or in enforcement of judgment shall be resorted to or commenced against Maker or any other liable party, or with respect to any property of any of them; or if any governmental authority or any court at the instance thereof shall take possession of any substantial part of the property of or assume control over the affairs or operations of, or a receiver shall be appointed for or take possession of the property of, or a writ or order of attachment or garnishment shall be issued or made against any of the property of Maker or any other liable party; or if any indebtedness for which Maker or any other liable party is primarily or secondarily liable shall not be paid when due or shall become due and payable by acceleration of maturity thereof, or if any event or condition shall occur which shall permit the holder of any such indebtedness to declare it due and payable upon the lapse of time, giving of notice or otherwise; or if Maker or any other liable party (if other than a natural person) shall be dissolved, wound up, liquidated or otherwise terminated, or a party to any merger or consolidation without the written consent of Lender; or if Maker or any other liable party shall sell substantially all or an integral portion of its assets without the written consent of Lender; or if Maker or any other liable party fails to furnish financial information requested by Lender; or if Maker or any other liable party furnishes or has furnished any financial or other information or statements which are misleading in any respect; or if a default occurs under any instrument now or hereafter executed in connection with or as security for this note; or any event occurs or condition exists which causes Lender to in good faith deem itself insecure or in good faith believe the prospect of payment or performance by Maker or any other liable party under this note, under any instrument or agreement executed in connection with or as security for this note, or under any other indebtedness of Maker or any other liable party to Lender is impaired; thereupon, at the option of Lender, the principal balance and accrued interest of this note and any and all other indebtedness of Maker to Lender shall become and be due and payable forthwith without demand, notice of default, notice of acceleration, notice of intent to accelerate the maturity hereof, notice of nonpayment, presentment, protest or notice of dishonor, all of which are hereby expressly waived by Maker and each other liable party. Lender may waive any default without waiving any prior or subsequent default.

If this note is not paid at maturity whether by acceleration or otherwise, and is placed in the hands of any attorney for collection, or suit is filed hereon, or proceedings are had in probate, bankruptcy, receivership, reorganization, arrangement or other legal proceedings for collection hereof, Maker and each other liable party agree to pay Lender its collection costs, including court costs and a reasonable amount for attorney's fees.

It is the intention of Maker and Lender to conform strictly to applicable usury laws. Accordingly, if the transaction contemplated hereby would be usurious under applicable law, then, in that event, notwithstanding anything to the contrary herein or in any agreement entered into in connection with or as security for this note, it is agreed as follows: (i) the aggregate of all consideration which constitutes interest under applicable law that is taken, reserved, contracted for, charged or received under this note or under any of the other aforesaid agreements or otherwise in connection with this note shall under no circumstances exceed the maximum amount of interest allowed by applicable law, and any excess shall be credited on this note by the holder hereof (or, if this note shall have been paid in full, refunded to Maker); (ii) in the event that maturity of this note is accelerated by reason of an election by the holder hereof resulting from any default hereunder or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest may never include more than the maximum amount allowed by applicable law, and excess interest, if any, provided for in this note or otherwise shall be canceled automatically as of the date of such acceleration or prepayment and, if theretofore prepaid, shall be credited on this note (or if this note shall have been paid in full, refunded to Maker); and (iii) all calculations of the rate of interest taken, reserved, contracted for, charged or

received under this note or under any of the other aforesaid agreements or otherwise in connection with this note, that are made for the purpose of determining whether such rate exceeds the maximum lawful rate shall be made, to the extent permitted by applicable law, by amortizing, prorating, allocating, and spreading such interest over the entire term of the loan evidenced by this note (including all renewal and extended terms).

Maker may prepay all or any part of the principal of this note before maturity without penalty. No partial prepayment shall reduce, postpone or delay the obligation of Maker to continue paying the installments herein provided on their respective due dates following any such partial prepayment until this note is fully paid.

The Maker shall be directly and primarily liable for the payment of all sums called for hereunder; and, except for notices specifically required to be given by the holder hereof to Maker pursuant to the earlier provisions of this note, Maker and each other liable party hereby expressly waive demand, presentment for payment, notice of nonpayment, protest, notice of protest, notice of intention to accelerate maturity, notice of acceleration of maturity, and all other notice, filing of suit and diligence in collecting this note or enforcing or handling any of the security therefor, and do hereby agree to any substitution, exchange or release, in whole or in part, of any security herefor or the release of any other liable party, and do hereby consent to any and all renewals or extensions from time to time, of this note, or any part hereof, either before or after maturity, all without any notice thereof to any of them and without affecting or releasing the liability of any of them. Each holder hereof, in order to enforce payment of this note by any other liable party, shall be required to first institute suit or exhaust its remedies against Maker and to enforce its rights against any security therefor prior to enforcing payment of this Note by any other liable party.

SIGNED AND AGREED TO on the ____ day of _____, 2012.

WillFire HC, LLC

By: _____

THE STATE OF TEXAS
COUNTY OF JEFFERSON

§
§
§

ACKNOWLEDGMENT

BEFORE ME, THE UNDERSIGNED Notary Public, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of WillFire HC, LLC for the purposes and consideration therein expressed, and the Capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 2012.

Notary Public, State of Texas

MAKERS' ADDRESS FOR RECEIPT OF NOTICE:

Tyco Fire Protection Products
Attn: John F. Magura
1400 Pennbrook
Parkway, Lansdale, PA

With a copy upon certificate of occupancy to the Property, Attention Plant Manager.

EXHIBIT "B"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THE INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

THE STATE OF TEXAS

§

§

COUNTY OF JEFFERSON

§

The City of Port Arthur Section 4A Economic Development Corporation ("Grantor") in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, to Grantor in hand paid by WillFire HC, LLC ("Grantee") the receipt of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, to Grantee, all that certain property situated in the County of Jefferson, State of Texas, described as follows, to-wit:

That tract of land more fully described on Exhibit "A" attached hereto and made a part hereof for all purposes (the "Property").

This conveyance is made subject only to the following:

- (1) all exceptions, reservations and conveyances of minerals and/or royalties, oil and gas and/or mineral leases, affecting the above described property, of record in the Office of the County Clerk of Jefferson County, Texas, to the extent they are still in effect and relate to the above described property;
- (2) taxes on the above described property for 2012 and subsequent years not yet due and payable; and
- (3) [INSERT PERMITTED EXCEPTIONS PER PSA]

TO HAVE AND TO HOLD, the said Property, together with all rights, hereditaments and appurtenances thereto belonging, unto Grantee, its successors, heirs, and assigns forever. And Grantor does hereby bind itself, its successors, heirs, executors, administrators, and personal representatives to WARRANT AND FOREVER DEFEND the title to said Property unto Grantee, its successors, heirs, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise.

When Grantor or Grantee or both of them are more than one (1) person, or when Grantor or Grantee or both of them are a corporation, limited liability company, partnership, trustee,

administrator, executor, or personal representative, this Deed shall read as though pertinent verbs, nouns, and pronouns are changed correspondingly, and pronouns of the masculine gender where used herein shall be construed to include persons of the female sex. When this Deed is executed by or to or by and to a corporation, limited liability company or partnership, references to "heirs, executors, administrators, and personal representatives" shall be appropriately disregarded, and when this Deed is executed by or to or by and to a natural person or persons, references to "successors" shall be appropriately disregarded.

Grantee has joined in this Deed to evidence Grantee's acceptance of this Deed.

EXECUTED this the ____ day of _____, 2012.

GRANTOR:

**City of Port Arthur Section 4A
Economic Development Corporation**

By:

Attest:

THE STATE OF TEXAS §
 §
COUNTY OF JEFFERSON §

This instrument was acknowledged before me on the ____ day of _____, 2012, by _____ and _____ of **City of Port Arthur Section 4A Economic Development Corporation**.

Notary Public, State of Texas

Accepted by GRANTEE:

WillFire HC, LLC

By: _____

Attest:

THE STATE OF TEXAS

§

§

COUNTY OF JEFFERSON

§

This instrument was acknowledged before me on the ____ day of _____,
2012, by _____ and _____ of **WillFire HC,**
LLC.

Notary Public, State of Texas

GRANTEE'S MAILING ADDRESS:
WillFire HC, LLC

EXHIBIT "C"

DEED OF TRUST

Date: _____, 2012

Grantor: WillFire HC, LLC

Grantors' Mailing Address
(including county): 1400 Pennbrook
Parkway, Lansdale, PA
Telephone: (215) 412-8140
(_____ County)

Trustee: GUY N. GOODSON

Trustee's Mailing Address: Germer Gertz, L.L.P.
P.O. Box 4915
Beaumont, Texas 77704
(Jefferson County)

Beneficiary: City of Port Arthur Section 4A Economic
Development Corporation (the "PAEDC")

Beneficiary's Mailing Address
(including county): 4173 39th Street
Port Arthur, Texas 77642
(Jefferson County)

Note

Date: _____, 2012

Amount: \$315,000 less incentive credits earned by Grantor
according to that certain Economic Incentive Contract and
Loan Agreement between Grantor and Beneficiary.

Maker: _____

Payee: PAEDC (Beneficiary)

Final Maturity Date: December 31, 2020

Property: See Attachment for legal description.
Physical address is _____, _____, Texas _____.

The Property covered by this Instrument includes the Land and the following items, whether now owned or hereafter acquired, all of which, including replacements and additions thereto, shall be deemed to be and remain part of the Property covered by this Deed of Trust,

and all rights, hereditaments and appurtenances pertaining thereto, all of which are referred to as the "Property":

- (a) Any and all buildings, improvements, and tenements now or hereafter attached to or placed, erected, constructed, or developed on the Land;
- (b) all fixtures, now or hereafter attached to Land or Improvements, that are necessary or useful for the complete and comfortable use and occupancy of the Land and Improvements;
- (c) all water and water rights, timber, crops, and mineral interest pertaining to the Land;
- (d) all building materials and fixtures now or hereafter delivered to or installed in or on the Land or the Improvements;
- (e) all plans and specifications for the Improvements;
- (f) all Grantor's rights (but not Grantor's obligations) under any contracts tied to the Land or the Improvements that cannot be transferred elsewhere for Grantor's use;
- (g) all Grantor's rights (but not Grantor's obligations) under any documents, contract rights, accounts, commitments, construction contracts (and all payment and performance bonds, statutory or otherwise, issued by any surety in connection with any such construction contracts, and the proceeds of such bonds), architectural contracts and engineering contracts arising from or by virtue of any transactions tied to the Land or the Improvements that cannot be transferred elsewhere for Grantor's use;
- (h) all permits, licenses, franchises, certificates, and other rights and privileges now owned or held or hereafter obtained in connection with the Land and the Improvements;
- (i) all development rights, utility commitments, water and wastewater taps, capital improvement project contracts, utility construction agreements with any governmental authority, including municipal utility districts, or with any utility companies (and all refunds and reimbursements thereunder) tied to the Land or the Improvements;
- (j) all proceeds, to the extent necessary to satisfy amounts owed to Beneficiary, arising from or by virtue of the sale, lease or other disposition of the Land or the Improvements;
- (k) all proceeds (including premium refunds), to the extent necessary to satisfy amounts owed to Beneficiary, of each policy of insurance relating to the Land and the Improvements;
- (l) all proceeds, to the extent necessary to satisfy amounts owed to Beneficiary, from the taking of any of the Land or the Improvements or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof, including change of grade of streets, curb cuts or other rights of access, for any public or quasi-public use under any law;
- (m) all right, title, and interest of Grantor in and to all streets, roads, public places, easements, and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Land;

- (n) all of the Leases, rents, royalties, bonuses, issues, profits, revenues, or other benefits of the Land or the Improvements, including without limitation cash or securities deposited pursuant to leases to secure performance by the tenants of their obligations thereunder (subject to the Assignment of Rents made in Article V below); and
- (o) other interest of every kind and character that Grantor now has or at any time hereafter acquires in and to the Land and the Improvements, including rights of ingress and egress and all reversionary rights or interests of Grantor with respect to such property and all of Grantor's rights (but not Grantor's obligations) under any covenants, conditions, and restrictions for the Land, as the same may be amended from time to time, including Grantor's rights, title, and interests thereunder as declarant or developer, if applicable.

Prior Lien(s) (including recording information): None

Other Exceptions to Conveyance and Warranty:

This conveyance is made expressly SUBJECT TO any and all restrictions, covenants, conditions, easements, right-of-ways, and mineral and/or royalty reservations of record, if any, affecting this Property.

For value received and to secure payment of the Note, Grantor conveys the property to Trustee in trust. Grantor warrants and agrees to defend the title to the property. If Grantor performs all the covenants and pays the notes according to their terms, this deed of trust shall have no further effect, and Beneficiary shall immediately release it at Grantor's expense.

Grantor's Obligations

Grantor agrees to:

1. keep the property in good repair and condition;
2. pay all taxes and assessments on the property when due and, by January 31 of the year immediately following, furnishing Beneficiary copies of tax receipts showing that all such taxes and assessments have been paid;
3. preserve the lien's priority as it is established in this deed of trust;
4. maintain, in a form acceptable to Beneficiary, an insurance policy that
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. contains an 80% coinsurance clause;
 - c. provides fire and extended coverage, including windstorm coverage;
 - d. protects Beneficiary with a standard mortgage clause;
 - e. provides flood insurance at any time the property is in a flood hazard area; and
 - f. contains such other coverage as Beneficiary may reasonably require;
5. comply at all times with the requirements of the 80% coinsurance clause;
6. deliver the insurance policy or certificates thereof to Beneficiary and deliver renewals to Beneficiary within twenty days before expiration;

7. keep any buildings occupied as required by the insurance policy; and
8. if this is not a first lien, pay all lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.

Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee;
2. If the proceeds of the Note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid;
3. Beneficiary shall apply any proceeds received under the insurance policy to repair or replace damaged or destroyed improvements covered by the policy, unless Grantor is in default of the Note or Deed of Trust in which case insurance proceeds may be applied to reduce Grantor's obligation under the Note or Deed of Trust;
4. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the Note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the dates of payments at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this deed of trust.
5. If Grantor defaults on the Note or fails to perform any of Grantor's obligations or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by written agreement, then Beneficiary may:
 - a. Declare the unpaid principal balance and earned interest on the note immediately due;
 - b. Request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale, as provided by the Texas Property Code as then amended; and
 - c. Purchase the property at any foreclosure sale by offering the highest bid and such purchase shall fully and completely satisfy the Note.

Trustee's Duties

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. Either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
2. Sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor subject to prior liens and other exceptions to conveyance and warranty; and
3. From the proceeds of the sale, pay in this order:
 - a. Expenses of foreclosure;
 - b. To Beneficiary, the full amount of principle, interest, attorney's fees, and other charges due and unpaid;

- c. Any amount required by law to be paid before payment to Grantor; and
- d. To Grantor, any balance.

General Provisions

1. If any of the property is reconveyed under this deed of trust, Grantor shall immediately surrender possession to the Beneficiary. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the Beneficiary, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the property will be presumed to be true.
3. Proceeding under this deed of trust, filing suit or pursuing any other remedy will not constitute an election of remedies.
4. This lien shall remain superior to liens later created even if the time of payment of all or part of the note is extended or part of the property is released.
5. If any portion of the Note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.
6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment.
8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.
9. When the context requires, singular nouns and pronouns include the plural.
10. The term Note includes all sums secured by this deed of trust.
11. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.
12. If Grantor and Maker are not the same person, the term Grantor shall include Maker.
13. If all or any part of the Property is sold, conveyed, leased (except to Permitted Affiliates) for a period longer than three (3) years, leased with the option to purchase, or otherwise sold (including contract for deed), without the prior written consent of Beneficiary, then Beneficiary may at its option declare the

outstanding balance of the Note(s), plus accrued interest to be immediately due and payable. The creation of a subordinate lien, any sale thereunder, any deed under threat or order of condemnation, any conveyance solely between Makers, the passage of title by reason of the death of a Maker or by operation of law shall not be construed as a sale or conveyance of the Property.

14. THIS DEED OF TRUST IS GRANTED IN CONJUNCTION WITH THAT CERTAIN ECONOMIC INCENTIVE CONTRACT AND LOAN AGREEMENT OF EVEN DATE HEREWITH.

SIGNED AND AGREED TO on the ____ day of _____, 2012.

_____,
a _____

By: _____
Signature

Its: _____
Title

THE STATE OF TEXAS
COUNTY OF JEFFERSON

§
§
§

ACKNOWLEDGEMENT

BEFORE ME, THE UNDERSIGNED Notary Public, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of _____, a _____, for the purposes and consideration therein expressed, and the Capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 2012.

Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Guy N. Goodson
Germer Gertz, L.L.P.
P.O. Box 4915
Beaumont, Texas 77704

Attachment to Deed of Trust

Legal Property Description

EXHIBIT "D"

CERTIFICATION REGARDING LOBBYING

For Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his knowledge and belief, that:

1. No funds have been paid or will be paid, by or on behalf of the undersigned, to any person for wrongfully influencing or wrongfully attempting to influence an officer or employee of any agency, a member of the City or of the PAEDC in connection with the awarding of any contract, the making of any grant, the making of any loan, the entering into of any cooperative agreement, or modification of any contract, grant, loan, or cooperative agreement.
2. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements), and that all Subs shall certify and disclose accordingly.

This certification is material representation of fact which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction.

By: _____
Signature

Its: _____
Title

EXHIBIT "E"

COMPLIANCE STATEMENT

_____ hereby certifies that it has fully
complied with Local Government Code §176.006, effective June 18, 2005, which
mandates the disclosure requirements for persons who contract or seek to
contract with a local governmental entity.

_____,
a _____

By: _____
Signature

Its: _____
Title

EXHIBIT "F"

**CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION**

FIRST SOURCE REFERRAL AGREEMENT

Resolution Number: _____

Project Name: WillFire HC, LLC

Project Address: _____

Project Contact Person: John F. Magura, Vice President of Operations - Americas

Project Contact Person Phone Number: (215) 412-8140

This First Source Referral Agreement (the "Agreement"), for recruitment, referral, and placement of City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC"), hereinafter, and WillFire HC, LLC (the "EMPLOYER"). Under this Agreement, the EMPLOYER will use PAEDC as its first source for recruitment, referral, and placement of new hires or employees for the new jobs created by their project and will hire the number of Port Arthur residents specified for new jobs created by the Project in that certain Economic Incentive Contract & Loan Agreement (the "Incentive Agreement") between PAEDC and the EMPLOYER.

I. GENERAL TERMS

A. The EMPLOYER will use PAEDC as its first source for the recruitment, referral and placement of employees.

B. PAEDC participation in this Agreement will be carried out by the Chief Executive Officer of the Port Arthur Economic Development Board, which is responsible for referral and placement of employees, designated by PAEDC.

C. PAEDC will provide recruitment, referral and placement services to the EMPLOYER subject to the limitations set out in this Agreement.

D. This Agreement shall take effect when signed by the parties below and shall be fully effective for the duration of the incentive contract and any extensions or modifications to the contract.

E. PAEDC and the EMPLOYER agree that for purposes of this Agreement, new hires and jobs created include all EMPLOYER'S job openings and vacancies in the Port Arthur Area created as a result of internal promotions, terminations, and expansions of the EMPLOYER'S workforce, as a result of this project.

II. RECRUITMENT

A. The EMPLOYER will complete the attached Employment Plan, which will indicate the number of new jobs projected, salary range, and hiring dates. The EMPLOYER will notify PAEDC of its specific need for new employees as soon as that need is identified.

B. Notification of specific needs, as set forth in Section II.A. must be given to PAEDC at least five (5) business days (Monday - Friday) before using any other referral source, and shall include, at a minimum, the number of employees needed by job title, qualification, hiring date, rate of pay, hours of work, duration of employment, and work to be performed.

C. Job openings to be filled by internal promotion from the EMPLOYER'S current workforce need not be referred to PAEDC for placement and referral.

D. The EMPLOYER will submit to PAEDC, prior to starting work on the project, the names, and social security numbers of all current employees, including apprentices, trainees, and laid-off workers who will be employed on the project.

III. REFERRAL

PAEDC will screen and refer applicants according to the qualifications supplied by the EMPLOYER.

IV. PLACEMENT

A. PAEDC will notify the EMPLOYER, prior to the anticipated hiring dates, of the number of applicants PAEDC will refer. PAEDC will make every reasonable effort to refer at least two qualified applicants for each job opening.

B. The EMPLOYER will make all decisions on hiring new employees but will in good faith use reasonable efforts to select its new hires or employees from among the qualified persons referred by PAEDC.

C. In the event PAEDC is unable to refer the qualified personnel requested, within five (5) business days (Monday - Friday) from the date of notification, the EMPLOYER will be free to directly fill remaining positions for which no qualified applicants have been referred. Notwithstanding, the EMPLOYER will still be required to hire Port Arthur residents in the percentage specified for new jobs created by the Project in that certain Economic Incentive Contract & Loan Agreement (the "Incentive Agreement") between PAEDC and the EMPLOYER.

D. After the EMPLOYER has selected its employees, PAEDC will not be responsible for the employees' actions and the EMPLOYER hereby releases PAEDC, from any liability for employees' actions.

V. TRAINING

PAEDC and the EMPLOYER may agree to develop skills training and on-the-job training programs; the training specifications and cost for such training will be mutually agreed upon by the EMPLOYER and PAEDC and set forth in a separate Training Agreement.

VI. CONTROLLING REGULATIONS AND LAWS

A. To the extent this Agreement is in conflict with any labor laws or governmental regulations, the laws or regulations shall prevail.

B. PAEDC will make every effort to work within the terms of all collective bargaining agreements to which the EMPLOYER is a party.

C. The EMPLOYER will provide PAEDC with written documentation that the EMPLOYER has provided the representative of any involved collective bargaining unit with a copy of this Agreement and has requested comments or objections. If the representative has any comments or objections, the EMPLOYER will promptly provide them to PAEDC.

VII. EXEMPTIONS

A. Employment openings the contractor will fill with individuals already employed by the company.

B. Job openings to be filled by laid-off workers according to formally established recall procedures and rosters.

C. Suppliers located outside of the Port Arthur Area and who will perform no work in the Port Arthur Area.

VIII. AGREEMENT MODIFICATIONS, RENEWAL, MONITORING, AND PENALTIES

A. If, during the term of this Agreement, the EMPLOYER should transfer possession of all or a portion of its business concerns affected by this Agreement to any other

party by lease, sale, assignment, merger, or otherwise, the EMPLOYER as a condition of transfer shall:

1. Notify the party taking possession of the existence of the EMPLOYER'S Agreement.

2. Notify the party taking possession that full compliance with this Agreement is required in order to avoid termination of the project.

3. EMPLOYER shall, additionally, advise PAEDC within seven (7) business/calendar days of the transfer. This advice will include the name of the party taking possession and the name and telephone of that party's representative.

B. PAEDC shall monitor EMPLOYER'S performance under this Agreement. The EMPLOYER will cooperate in PAEDC' monitoring effort and will submit a Contract Compliance Form to PAEDC quarterly.

C. To assist PAEDC in the conduct of the monitoring review, the EMPLOYER will make available payroll and employment records for the review period indicated.

D. If additional information is needed during the review, the EMPLOYER will provide the requested information to PAEDC.

E. With the EMPLOYER submission of the final request for closure of Agreement from the Board, the EMPLOYER shall:

1. Document in a report to the Compliance Officer compliance with the hiring requirements specified in the Incentive Agreement to be Port Arthur residents; or
2. Submit a request to the Compliance Officer for a waiver of compliance with the hiring requirement at the project to be Port Arthur residents and include the following documentations:

- a. Material supporting a good faith effort to comply;
- b. Referrals provided by PAEDC and other referral sources; and
- c. Advertisement of job openings listed with PAEDC and other referral sources.

F. Willful breach of the First Source Referral Agreement by the EMPLOYER, or failure to submit the Compliance Report may be enforced by the Compliance Officer through notification and possible termination of the Incentive Agreement.

G. The EMPLOYER and PAEDC, or such other agent as PAEDC may designate, may mutually agree to modify this Agreement.

H. The project may be terminated because of the EMPLOYER'S noncompliance with the provisions of this Agreement.

**CITY OF PORT ARTHUR SECTION
4A ECONOMIC DEVELOPMENT CORPORATION**

SIGNED AND AGREED TO on the ____ day of _____, 2012.

By: _____ By: _____
Roosevelt Petry, Jr., President Pat Holmes, Secretary

EDC Representative EDC Representative

WILLFIRE HC, LLC

SIGNED AND AGREED TO on the ____ day of _____, 2012.

By: _____

Acknowledgment