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COMMISSIONERS COURT  
COMMUNICATION

REFERENCE NUMBER

PAGE 1 OF 144

DATE: 6/19/2007

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SUBJECT: **APPROVAL OF A TAX ABATEMENT AGREEMENT FOR FIDELITY INVESTMENTS EXPANSION PROJECT IN THE TOWN OF WESTLAKE**

**COMMISSIONERS COURT ACTION REQUESTED:**

It is requested that the Commissioners Court consider action as follows on the request for tax abatement from Fidelity Investments for construction of a new financial service operations building on its campus in Westlake:

1. Approve participation with the Town of Westlake in the abatement of County ad valorem taxes on the eligible real and personal property improvements made by Fidelity (FMR Texas Limited Partnership) for construction of a new facility, for a period of ten (10) years, at a maximum rate of seventy-five (75) percent, as set forth in the attached Agreement.
2. Approve the attached resolution certifying Tarrant County's agreement to participate in the abatement of ad valorem taxes for FMR Texas Limited Partnership and authorize the County Judge, or his designee, to execute the County tax abatement agreement.

**BACKGROUND:**

Fidelity Investments proposes to expand its current Tarrant County financial services operations and build a new 600,000 square foot building on the company's 300-acre campus in Westlake. Fidelity expects to invest over \$100,000,000 in new real and personal property improvements on the site with this expansion. The new facility will be similar in size and quality as the original building constructed in 2000. The existing facility is operating at capacity and this new investment is necessary in order for Fidelity to expand operations in Tarrant County.

Fidelity currently employs a workforce of over 2,800 full-time positions at the Westlake campus. With the addition of a new building, the company projects added employment of over 1,500 new full-time jobs at the campus within the first few years of opening. Annual payroll for the new facility alone is expected to be over \$85 million, with salaries averaging over \$55,000 per year. Additionally, Fidelity will maintain its current employment levels at the existing operations center, which include over \$170 million in annual payroll and average salaries of more than \$66,000. Fidelity provides health care and a host of other benefits to its full- and part-time employees. Fidelity estimates local supply and services spending of around \$2.4 million annually, about equal to that spent at its current facility. As provided in the Abatement Agreement, Fidelity will be required to meet minimum Tarrant County and

SUBMITTED BY:	Administrator's Office	PREPARED BY:	Lisa McMillan
		APPROVED BY:	



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DBE construction and annual supply/services contracting commitments as set forth in the County's Tax Abatement Guidelines.

The Town of Westlake currently has no property tax. However, Westlake has created the reinvestment zone for tax abatement and has approved an agreement to abate local property taxes should the Town enact a property tax at any time during the 10-year abatement term. Additionally, Westlake has agreed to grant Fidelity a 50% rebate of local sales tax on eligible goods and services utilized during construction of the new facility. Fidelity has also been awarded a \$8.5 million grant for the project from the Texas Enterprise Fund.

The attached Tax Abatement Agreement provides for County and Hospital District participation at a maximum of 75% of new value for a period of 10 years. Fidelity will receive a base tax abatement of 50% of new value on real and personal property improvements, subject to various minimum performance requirements as set forth in the Agreement. Fidelity could receive additional percentage ad valorem tax abatement of up to a maximum of 25% in any year in which the company has full-time employment in excess of the required base employment levels or exceeds the required minimum DBE and/or Tarrant County company contracting levels. Should the company not reach its goals in terms of DBE or Tarrant County contracting, the abatement value may be reduced according to the specific deficiencies. The total cumulative percentage of ad valorem tax abatement that may be received in any one year is capped at 75%.

### **FISCAL IMPACT:**

Total new real and personal property value added from Fidelity Investments project is estimated at over \$100,000,000 (\$80,000,000 in real property improvements and \$20,000,000 in personal property improvements). Based on current tax rates, at the maximum tax abatement of 75% for 10 years on real and personal property, Fidelity could receive a total ten year tax abatement of approximately \$1.8 million from the County and \$1.6 million from the Hospital District, for a combined total at just under \$3.5 million. At the same time, both entities are projected to receive new tax revenues on the unabated portion of new value over the 10-year period estimated at approximately \$623,000 for the County and about \$540,000 for the Hospital District. A tax analysis spreadsheet is attached.

## FIDELITY INVESTMENT 2007 TAX ABATEMENT

<b>Based on Maximum 75% Abatement</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Total</b>
<b>Est. New Real Prop. Value</b>	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	800,000,000
<b>Est. New Personal Prop. Value (Depreciated)</b>	18,000,000	16,200,000	14,600,000	13,200,000	11,800,000	10,600,000	9,600,000	8,600,000	7,800,000	7,000,000	117,400,000
<b>Est. Total New Real &amp; Personal Prop. Value</b>	98,000,000	96,200,000	94,600,000	93,200,000	91,800,000	90,600,000	89,600,000	88,600,000	87,800,000	87,000,000	917,400,000
<b>Amount of Value Abated (75%)</b>	73,500,000	72,150,000	70,950,000	69,900,000	68,850,000	67,950,000	67,200,000	66,450,000	65,850,000	65,250,000	688,050,000
<b>Taxable Value</b>	24,500,000	24,050,000	23,650,000	23,300,000	22,950,000	22,650,000	22,400,000	22,150,000	21,950,000	21,750,000	229,350,000
<b>County Taxes Abated</b>	199,553	195,887	192,629	189,779	186,928	184,484	182,448	180,412	178,783	177,154	1,868,056
<b>Hospital District Taxes Abated</b>	173,017	169,839	167,014	164,543	162,071	159,952	158,187	156,421	155,009	153,597	1,619,649
<b>County Tax Revenue</b>	66,518	65,296	64,210	63,260	62,309	61,495	60,816	60,137	59,594	59,051	622,685
<b>Hospital District Tax Revenue</b>	57,672	56,613	55,671	54,848	54,024	53,317	52,729	52,140	51,670	51,199	539,883



**Tarrant County**  
**Application for Tax Abatement/Reinvestment Zone**

*Rec 11/2/09*

**I. APPLICANT INFORMATION**

**Applicant/Property Owner:** FMR Texas Limited Partnership (Fidelity)

**Company/Project Name:** SAME

**Mailing Address:** One Destiny Way, Westlake, TX 76262

**Telephone:** 817-474-8234      **Fax:** 817-474-5005

**Applicant's Representative for contact regarding abatement request:**

**Name and Title:** Fran Eichorst, General Manager & Vice President, Human Resources

**Mailing Address:** One Destiny Way, Westlake, Texas 76262

**Telephone:** 817-474-8234      **Fax:** 817-474-5005      **E-mail:** fran.eichorst@fmr.com

**II. PROPERTY AND PROJECT DESCRIPTION**

**Address and legal description of property to be considered for Tax Abatement/Reinvestment Zone:** See

Attached Exhibit A

**Project Description:**

Based on obtaining this abatement, and reaching acceptable incentive agreements with the State of Texas and the Town of Westlake, Fidelity would commence a major capital build program on its owned Westlake Campus. Current planning envisions a new building of 600,000 square feet, or roughly the same size and quality as the existing structure on the property. Consistent with the in-place campus design, the new building will be architecturally significant, utilize structured parking to minimize encroachment on the land, and be complementary to the natural surroundings and landscape. Fidelity estimates its total capital investment in the expansion will increase its assessed property values in the County by at least \$100 million.

**Description of activities, products, or services produced and/or provided at project location:** Fidelity is a

leading provider of financial services to retail and institution clients. Anticipated activities include customer service, systems development, sales, recordkeeping and administrative.

**Current Assessed Value:** Real Property: \$ 86,985,013      Personal Property: \$ 10,288,021

**Estimated start date of construction/site improvements:** 06/01/2007

**Projected date of occupancy/commencement of operations at project site:** 09/30/2009

Please indicate dates for phases if applicable:

**Location of existing company facilities:** Westlake, Dallas-Fort Worth Metroplex and other Texas locations

**Requested level of Tax Abatement:** 30% of eligible property for 10 years.

**Explain why tax abatement is necessary for the success of this project. Include business pro-formas or other information to substantiate your request.** The existing facility is operating at capacity and new investment is

required for Fidelity to consider expanding within the County. The costs of building the facility described in the

application are enormous. If built, it will require a number of years to bring occupancy to a level that would make the operating cost per employee economically tolerable. This abatement is critical to providing some offset to these operating costs, and would enhance our ability to build the facility.

### III. PROJECTED VALUE OF IMPROVEMENTS

Estimated Value of Real Property Improvements \$ \$80 million (minimum)

Estimated Value of Personal Property Improvements \$ \$20 million (minimum)

Will any infrastructure improvements (roads, drainage, etc.) be requested of Tarrant County for this project?

Yes  No

If yes, describe requested infrastructure improvements: Fidelity expects most of the infrastructure required to build this project is already on the campus. Fidelity believes a number of existing access roads need improvement to allow employees adequate access to the facility. We encourage the County to declare and continue its support and agree to focus on helping advance the relocation of FM 1938 and improvements to the Hwy 114 / 170 interchange.

Detail any direct benefits to Tarrant County as a result of this project (i.e., inventory tax, etc.): Fidelity envisions the two greatest benefits of expansion to Tarrant County will be:

1. Employment opportunities - Fidelity will be creating the potential for Tarrant County residents to compete for positions at Fidelity, and for local businesses, including DBE businesses, to increase their revenue by providing services at the expanded facility.
2. Retail opportunities - Increased campus employment is likely to provide the employment concentration required to spur additional retail growth and opportunities in the area. Retail expansion would also create additional jobs, and enhance the County tax base.

### IV. EMPLOYMENT IMPACT AT PROJECT LOCATION

#### A. NEW EMPLOYMENT

Projected number of new jobs created as a result of the proposed improvements:

Full-time 1,535 Part-Time 0

Provide types of jobs created and average salary levels: Fidelity's job program encompasses positions in operations, customer service, securities servicing, client relationship management, implementation, brokerage support, and technology. The average cash compensation of the 1,535 jobs, once hired, is expected to be \$55,419. Positions created prior to completion of construction would be housed locally in leased space until the new facility is completed.

Start date and annual payroll of new permanent positions (if positions to be phased in, provide figures for each phase year): By the year-end of each year:

2007: 651 positions with an annual payroll of \$34,166,731

2008: 1,217 total positions (566 new in 2008) with an annual payroll of \$65,761,282

2009: 1,535 total positions (318 new in 2009) with an annual payroll of \$85,067,797

Percentage of new jobs to be filled by Tarrant County residents: Approximately 25%

Number of employees transferring from other company locations: Amount unknown

**B. CONSTRUCTION RELATED EMPLOYMENTS**

Projected number of construction related jobs: Unknown at this time

Estimated total construction payroll: \$ Unknown at this time

Commitment as to percentage of construction dollars to be spent with Tarrant County contractors or subcontractors: Approximately 25%

Commitment as to percentage & total dollars of construction contracts to be awarded to DBE: Approximately 15%

**C. CURRENT COMPANY/PROJECT LOCATION EMPLOYMENT**

Current Number of Employees: Full-time 2,862 Part-time 11 Data current for Westlake campus as of 12/31/2006

Average annual payroll: \$ 170,374,678 for an average wage of \$66,539.98

NOTE: The above compensation data is based on year-end 2005 data, the most recent annual data available, and is based on the employment of 2,557 full-time and 11 part-time employees.

Detail on workforce diversity – percentage breakdown of current employees by gender and ethnicity: Details

on workforce diversity are confidential; however, Fidelity is committed to the principle and spirit of equal employment opportunity in all aspects of employment, including, but not limited to recruiting, hiring and promotion.

**D. COMPANY SPONSORED HEALTH CARE BENEFITS ARE AVAILABLE**

Full-time Employees  Part-time Employees  Employee Dependents  Not Available

Average monthly employee cost for health care benefits: Individual: \$      Family: \$     

Fidelity provides a variety of healthcare options in addition to the other benefits listed below. Generally, the firm pays for approximately 80% of healthcare costs. The employee responsibility represents about 20% of the cost of the coverage/plan (family, single, etc.) they choose.

**Other employee benefits provided or offered:**

- ❖ **Medical Coverage:** Fidelity offers medical coverage under several plans. Regardless of which option employees choose, they are covered for a wide range of medical services, including preventive care, hospitalization, doctor visits, surgery, and emergency care.
- ❖ **Dental Coverage:** Fidelity's Dental Plan allows employees to visit any licensed dentist of their choice for a variety of covered services, including preventive, basic, major restorative, and orthodontic treatment. Employees can also take advantage of negotiated rates with select participating dentists in the program.
- ❖ **Profit Sharing:** The Profit Sharing Plan is one of the component plans under the Capital Accumulation Program (CAP), which is designed to help employees achieve financial security for retirement. Fidelity's Profit Sharing Plan includes, but is not limited to, the following features: 401(k) contribution, company-matching contribution, Profit Sharing contribution, Catch-up contribution, Rollover contribution.
- ❖ **Pension Plan:** Fidelity's Pension Plan is designed to provide eligible employees with a base level of income at retirement.
- ❖ **Fitness Reimbursement Program:** Recognizing the importance of fitness and good health, Fidelity provides eligible employees an annual reimbursement for a fitness center membership or a qualified fitness-related expense. Employees may participate in the Fitness Reimbursement Program in addition to receiving any discounts or reimbursements that may be offered by the medical coverage options.

- ❖ **Fidelity's Health Care and Dependent Care Flexible Spending Accounts:** With Fidelity's TaxSaver Accounts, eligible employees may elect to have money deducted from their pay on a pre-tax basis to be used to reimburse themselves for eligible out-of-pocket health care and dependent care expenses. The accounts allow employees to reduce their income taxes for certain eligible expenses such as day care.
- ❖ **Group Long-Term Care Insurance Plan:** Fidelity sponsors a voluntary Group Long-Term Care Insurance Plan for eligible employees. In addition to conventional nursing home coverage, the policy covers certain services received in the employee's home and in other types of care facilities, including patient advocacy.
- ❖ **Disability Coverage:** Employees may receive six paid sick days each year. Fidelity also provides eligible employees with income replacement for short-term and long-term periods of disability. In addition, eligible employees may purchase supplemental long-term disability coverage equal to 15% of their base salary (up to a maximum benefit of \$5000 per month).
- ❖ **Life Insurance Coverage:** Fidelity has life insurance coverage to help eligible employees plan for their survivors' financial security. Fidelity automatically provides eligible employees with Core Life Insurance Coverage which includes Employee Life Insurance, Dependent Life Insurance and Business Travel Accident Insurance. In addition to receiving Core Employee Life Insurance, employees may elect to participate in the Variable Life Insurance Plan. This custom-designed plan features variable basic life coverage, variable supplemental coverage and variable investment options (an investment opportunity through a tax-advantaged investment side funds).
- ❖ **Employee Assistance Program:** This service provides employees and their families with confidential counseling and referral services by licensed clinicians who can assist with a wide range of behavioral health-related issues.
- ❖ **Tuition Reimbursement Program:** Fidelity's commitment to professional development includes a tuition program that reimburses employees for the cost of eligible, work-related tuition charges for part-time study.
- ❖ **Flexible Work Options:** To keep pace with the changing needs of today's workforce and provide alternatives that are mutually beneficial for employees and business units, Fidelity offers flexible work options ranging from compressed work weeks to telecommuting. Business units may authorize certain flexible work options at their discretion.
- ❖ **Consultation and Referral Services:** Through the service of an independent consultant, Fidelity provides employees time-saving resource and referral programs to help them find solutions to many of the challenges working people face, including:
  - Pregnancy
  - Adoption
  - Parenting
  - Child Care
  - Services for Children with Special Needs
  - Emergency Backup Dependent Care
  - School
  - College
  - Mature Transitions
  - Elder Care
  - Pet Care
- ❖ **Concierge Services:** This timesaving program provides a range of complimentary personal services and professional expertise. Concierge representatives can research a variety of employee requests and find service providers to fulfill their needs. From event tickets to party planning and personal shopping, concierge services allow employees to delegate their everyday tasks in order to make their personal and professional time more productive.
- ❖ **Employee Discount Program:** The Employee Discount Program provides employees with access to discounts from well-known companies on a wide variety of products and services. Savings are available on continuous and limited time offers, and can be redeemed online or via in-store coupons.
- ❖ **Backup Child Care:** Fidelity recognizes the predicament working parents may encounter when their regular child care arrangements fall through. Subsidized backup child care services are available to parents when their regular child care provider is unobtainable.
- ❖ **Adoption Assistance Program:** Fidelity understands that the adoption process can be both long and costly. To offset some of the fees, financial assistance is provided for eligible expenses incurred during the course of adoption.
- ❖ **Computer Equipment Purchase Assistance Program:** To allow employees the convenience and advantages of using technology at home, Fidelity's computer assistance plan provides partial reimbursement for a personal computer and related equipment.
- ❖ **Educational Seminars:** A variety of lunchtime seminars are offered throughout the year on topics related to life events. Subjects include time management, balancing home and work, and more.
- ❖ **Mortgage Services Program:** The Mortgage Services Program provides Fidelity employees with the opportunity to discuss mortgage-related questions with companies who offer prequalification information, educate employees about the

mortgage process, and help analyze current living situations to determine mortgage alternatives that best suit their needs.

- ❖ **Automobile and Homeowner's Insurance:** This group insurance program is designed to make protecting an employee's car, home and other personal property more convenient by providing special group rates, easy payment options and extended service hours.
- ❖ **Service Recognition:** This Firm-wide program reflects Fidelity's appreciation for the contributions that individual employees make to the company over time. Beginning with the 5th anniversary and every five years thereafter, employees receive a personalized gift that represents recognition of their commitment and long-time service.
- ❖ **Relocation Assistance:** In recognition of the fact that jobs occasionally relocate, and may require long-distance moves, Fidelity has developed a comprehensive relocation assistance program to help ease employees and their families through the transition period. Eligible employees receive assistance from a third-party corporate relocation consultant who coordinates all aspects of the employee's move and provides personalized service. Benefits eligibility is dependent upon business need, the nature of the position, location, and other relevant business factors.

#### V. LOCAL BUSINESS & DISADVANTAGED BUSINESS ENTERPRISES (DBE) IMPACT

**Estimated amount of annual supply and services expenses:** \$ Fidelity currently estimates 2006 spending of approximately \$2.4 million on supplies and services applicable to this provision. The firm anticipates similar costs for a new facility, once it is built and occupied.

**Detail any supply/services expenses that are sole source:** None that are material

**Percentage of total supplier/services expenses committed to Tarrant County businesses:** Approximately 25%

**Percentage of total supplier and services expenses committed to DBE:** Approximately 15%

#### VI. ENVIRONMENTAL IMPACT OF PROJECT

Indicate if development, construction, equipment, distribution methods, and/or operational processes may impact the environment in the following areas, attach detail if necessary:

Air Quality  Water Quality  Solid Waste Disposal  Storm/Water Runoff

Floodplain/Wetlands  Noise levels  Other (specify)  Fidelity does not anticipate

significant impact in any of the above areas; there are, however, three minor potential impacts:

1. Noise levels may increase somewhat during construction. Construction will occur primarily during the day, so Fidelity employees working in the adjacent facility are likely to be most affected. We anticipate no additional noise beyond what is normally generated in the construction of a low-rise, first-class, office building.
2. A temporary increase in solid waste disposal needs is likely due to construction waste. The contractor will be responsible for proper removal and disposal.
3. Fidelity will seek emissions permits for backup power generation equipment in support of the new facility. As these generators are for backup purposes, emissions (and any noise) would be limited to maintenance testing and during times of power outage.

Provide detail on existing and new fleet vehicles, specifying types of vehicles, quantities and fuel used

(gasoline, diesel, LP gas, CNG, etc.): Fidelity neither has fleet vehicles on the campus, nor intends to add any if a new campus facility is constructed. Fidelity does utilize a small number (2-3) of gas-powered vehicles used for security and facility maintenance.



**VII. ADDITIONAL INFORMATION (TO BE ATTACHED)**

- Letter addressing Economic Qualifications and additional criteria for abatement, Section III (h) and (i) of Tarrant County Tax Abatement Policy (Exhibit B)
- Descriptive list and value of real and personal property improvements (Exhibit C)
- Plat/Map of Project Location (Exhibit D)
- Project Time Schedule (Exhibit E)
- Owner's policy regarding use of disadvantaged Business Enterprises (Exhibit F)
- Owner's policy addressing regional air quality/non-attainment status (use of alternative fuels, employee trip reduction, etc.) and plan for participation in regional Ozone Action Program (Exhibit G)
- Tax Certificate showing property taxes paid for most recent year – Table of 2006 taxes is attached. A certificate of payment will be requested after the taxes are paid at the end of January 2007. (Exhibit H)

**VIII. CERTIFICATION**

Upon receipt of a completed application, Tarrant County may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.\*

I certify the information contained in this application (including all attachments) to be true and correct to the best of my knowledge. I further certify that I have read the "Tarrant County Tax Abatement Policy" and agree to comply with the guidelines and criteria stated therein.

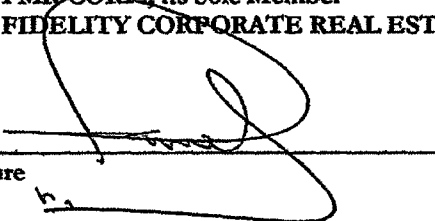
**FMR TEXAS LIMITED PARTNERSHIP, a Massachusetts limited partnership**

By: **FIDELITY REAL ESTATE COMPANY, LLC, its General Partner**

By: **FMR CORP., its Sole Member**

By: **FIDELITY CORPORATE REAL ESTATE, INC., its Authorized Agent**

Signature



Senior Vice President  
Title

Kouros Panahy  
Printed Name

January 12, 2007  
Date

**Return completed application and attachments to:**

**Economic Development Coordinator  
Tarrant County Administrator's Office  
100 E. Weatherford Street, Suite 404  
Fort Worth, Texas 76196-0609**

**You may also forward an electronic copy of the completed report to:**

**[lmcmillan@tarrantcounty.com](mailto:lmcmillan@tarrantcounty.com)**

**Please note that if you do submit this form electronically, you must also submit an original hard copy of the report to the above stated physical address for proper filing and review.**

**For assistance call: (817) 884-2643**

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**\* As per Section IV (f) of the Tarrant County Tax Abatement Policy Guidelines and Criteria, this application must be filed prior to commencement of construction or installation of improvements in order to be eligible for County tax abatement.**

## Exhibit A

GF-Number 98R05941A

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

CF-Number 98R05941A

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

# EXHIBIT A LEGAL DESCRIPTION

GF NO. 527710-E UP/pdm

**BEING** a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

**COMMENCING** at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

**THENCE**, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

**THENCE**, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

**THENCE**, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

**THENCE**, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to



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a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 44 degrees 42 minutes 25 seconds West., a distance of 109.52 feet to 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

**THENCE**, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the **POINT OF BEGINNING** and containing 22.067 acres of land, more or less.

**NOTE:** The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.



## Exhibit B

January 12, 2007

Tarrant County Commissioners  
Tarrant County Administrator's Office  
100 E. Weatherford Street, Suite 404  
Fort Worth, Texas 76196-0609

Dear Commissioners:

Thank you for considering the tax abatement application by Fidelity Investments for potential improvements to the firm's campus in Westlake, Texas.

Once completed, we expect the new building and related improvements will generate an increase of more than \$100 million in assessed value in Tarrant County real and personal property. If built, this facility will allow the firm to expand its presence beyond the almost 3,000 currently residing on the campus.

If the decision is made to construct the new facility, jobs located in the new facility will generally be new to Tarrant County, rather than a transfer of jobs already located in the County. Please note that if Fidelity does proceed with this project, hiring for new positions may begin prior to completion of the new facility. Consequently, employees hired in the interim may be located temporarily in leased space locally pending the completion of construction. These employees will be hired with the intent that positions will be located on the Westlake Campus once improvements are complete.

As part of the impetus to further invest in the Westlake Campus, Fidelity considers the potential tax abatement as critical to helping offset the costs to develop and operate the facility. The firm's existing facility is currently operating at capacity, and new investment is required for Fidelity to consider expanding within the County.

In obtaining the tax abatement, Fidelity agrees to use Disadvantaged Business Enterprises (DBE) and Tarrant County Businesses. Our Project provides for the utilization of DBEs for a minimum of 15% of the total costs of construction contracts and annual supply and service contracts. The Project further provides for utilization of Tarrant County businesses for a minimum of 25% of the total costs of construction contracts and annual supply and services contracts.

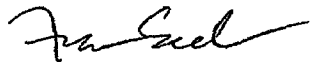
If the abatement is awarded, Fidelity also agrees to hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. For the purposes of this commitment, we understand that qualifying employees are those whose primary address is within Tarrant County, whether through relocation or existing residency.

Our application includes details of the firm's policies related to environmental impacts such as air quality and the minimal impact that we expect that this project will have from a construction and operation perspective.

Fidelity believes it is an "Employer of Choice" in Tarrant County, and a good and supportive member of the community in general. We believe we treat our employees well and provide a significant and highly valuable benefits package (summarized in the application).

Thank you for your consideration of our application. We hope you will provide us with an opportunity to expand our presence in Tarrant County.

Sincerely,



Fran Eichorst  
Vice President and General Manager  
Southwest Regional Center  
Fidelity Investments

## **EXHIBIT C**

### **Descriptive list and value of real and personal property improvements**

Fidelity intends to construct an office facility approximately 600,000 square feet in size on its existing property in Westlake, Texas. The facility will generally be similar to the existing facility located on the Westlake campus. Other improvements on the site will include those normally associated with corporate office campus developments, including, but not limited to, streets, landscaping, lighting, and other similar amenities of a high-quality office environment.

At present, Fidelity does not have a more detailed list and specific valuation of real and personal property improvements; however, as stated elsewhere in this application, Fidelity expects to increase its assessed value for real and personal property by at least \$100 million through the course of this project.

**EXHIBIT D**  
**Map/Plat of Property**



HKS ARCHITECTS

Westlake Campus  
FIDELITY INVESTMENTS

13 DECEMBER 2005







## **EXHIBIT E**

### **Project Timeline:**

Based on obtaining this abatement, and reaching acceptable incentive agreements with the State of Texas and the Town of Westlake, Fidelity submission of permits to allow construction activities to commence on the following schedule:

- Sitework (expected receipt of permit / commencement of work 6/1/07)
- Building Core & Shell (expected receipt of permit / commencement of work 1/1/08)
- Building Interiors (expected receipt of permit / commencement of work 9/1/08)
- Parking Garage (expected of permit receipt / commencement of work 1/1/08)

Construction completion is anticipated by the end of Q3 2009, at which point the building would be ready for occupancy.

## **EXHIBIT F**

### **Fidelity Disadvantaged Business Enterprises Policy**

Fidelity is committed to employing disadvantaged businesses both during the construction and operational phases of the Project. Fidelity will advertise in a newspaper of general circulation in the County of its desire to employ disadvantaged business enterprises and will undertake a good faith effort to utilize disadvantaged business enterprises throughout the construction process and will undertake a good faith effort to utilize disadvantaged business enterprises in annual supply and service contracts.

## **EXHIBIT G**

### **Owner's statement on regional air quality/non-attainment status**

Fidelity will soon launch a Southwest Region-wide website to encourage employees to carpool. This new website will be accessible to all employees through the firm's Southwest Region Intranet, and will reach every employee working in the greater Dallas-Fort Worth Metroplex. "Southwest Connections" will allow an employee in the region to post to a Carpool Connection site their interest in carpooling, enter work information (e.g., location and work hours). Employees can also search for others with similar work hours and commuting patterns to set up a carpool. Carpool Connection will be open to Fidelity employees working at all Southwest Region locations: The Westlake campus; data center in Irving, Investor Centers, and potentially at other locations as growth occurs.

The Carpool Connection project has been in development since May 2006. While technical issues associated with operation and maintenance of the site delayed implementation, we anticipate completion and communication to our employees by the end of Q1 2007.

One of Fidelity's business units, Fidelity Personal Investments, has been operating a version of the system for its 600 employees since its relocation from Cityplace (near downtown Dallas) to Westlake in 2003. This system formed the basis of what is being developed to connect all Region-wide employees.

Fidelity also conducted preliminary conversations in mid-2006 with the Fort Worth Transportation Authority. The Authority operates a van pool program funded by federal grant, with gasoline costs underwritten by vanpool participants. The firm plans to further evaluate the vanpool program after launching its carpool website in the next few months and, if the program appears a good fit, would share information and match employees to vanpools using the carpool website.

Fidelity is not currently a member of either of the regional air-quality coalitions, the North Texas Clean Air Coalition or the Dallas-Fort Worth Clean Cities Technical Coalition. We are on the North Texas Clean Air Coalition mailing list and try to keep informed of their programs and goals. The Clean Cities Technical Coalition is focused on large vehicle, bus, air transport, fueling institutions and is really not a fit with Fidelity's operations.

The firm believes the car-pooling program provides the best current opportunity to help reduce transit-related emissions. As an employer concerned about the communities in which it operates and in which its employees reside, Fidelity continues to look for effective opportunities to improve the region's air quality.

## EXHIBIT H

### FIDELITY INVESTMENTS 2006 Tarrant County Property Taxes

	<i>County</i>	<i>City</i>	<i>School</i>	<i>Other</i>	<i>Total</i>
<b>Real Property:</b>					
Westlake campus	<u>\$562,164</u>	<u>\$0</u>	<u>\$1,398,719</u>	<u>\$0</u>	<u>\$1,960,883</u>
<b>Subtotal Real</b>	<u>\$562,164</u>	<u>\$0</u>	<u>\$1,398,719</u>	<u>\$0</u>	<u>\$1,960,883</u>
<b>Personal Property:</b>					
Westlake campus	\$66,489	\$0	\$165,431	\$0	\$231,920
Southlake IC	<u>\$6,030</u>	<u>\$4,310</u>	<u>\$16,747</u>	<u>\$0</u>	<u>\$27,087</u>
<b>Subtotal Personal</b>	<u>\$72,519</u>	<u>\$4,310</u>	<u>\$182,179</u>	<u>\$0</u>	<u>\$259,008</u>
<b>Grand Total</b>	<u>\$634,683</u>	<u>\$4,310</u>	<u>\$1,580,898</u>	<u>\$0</u>	<u>\$2,219,891</u>



## RESOLUTION

### PARTICIPATION IN TAX ABATEMENT FMR TEXAS LIMITED PARTNERSHIP

**WHEREAS**, FMR Texas Limited Partnership, a Massachusetts limited partnership duly authorized to do business in the State of Texas, acting by and through its officers (hereafter referred to collectively as "Owner"), plans to construct a new operations building on real property it owns, more particularly described in the Abatement Agreement attached hereto and incorporated herein by reference ("Premises"); and

**WHEREAS**, the Premises is located within Tarrant County (the "County"), a political subdivision of the State of Texas, which Premises is located within the Town of Westlake; and

**WHEREAS**, the Premises and all improvements and tangible personal property thereon, whether now existing or hereinafter to be constructed, are subject to ad valorem taxation by the Town of Westlake and the County; and

**WHEREAS**, the Premises and all improvements thereon are located in Town of Westlake Tax Abatement Reinvestment Zone No. 2, a reinvestment zone for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code, as amended (the "Code"); and

**WHEREAS**, the Board of Alderman of the Town of Westlake has approved an Economic Development and Tax Abatement agreement as to the Premises and certain improvements thereon; and

**WHEREAS**, the Tax Abatement Agreement (the "Agreement") between Tarrant County and Owner, attached hereto, calls for the construction of a new 600,000 square foot building for its financial services operations with an estimated total cost upon completion of more than \$80,000,000 to be completed by March 31, 2010; and

**WHEREAS**, the Agreement with the Owner is conditioned upon specific investment criteria, continued operation of the facility, the creation and retention of new jobs, and meeting specific Tarrant County and DBE contracting requirements; and

**WHEREAS**, the Commissioners Court has been requested by the Owner to take the steps required pursuant to the Code to permit tax abatement with respect to that portion of the Premises and the improvements thereon which are subject to the taxing jurisdiction of the County and the Hospital District, and has further requested that the County enter in the Agreement; and

**WHEREAS**, the County has approved the Tarrant County Tax Abatement Policy Statement Guidelines and Criteria for granting tax abatement in reinvestment zones in Tarrant County;

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED** by the Commissioners Court of Tarrant County, Texas:

1. That all recitals set forth in the preamble are hereby found to be true and correct;
2. That the Commissioners Court shall have prudently reviewed each tax abatement agreement approved by a municipality having taxing jurisdiction with respect to property located in the County and within a reinvestment zone designated by such municipality; and according to the adopted guidelines and criteria for tax abatement of the County, shall prudently review and consider each proposed County tax abatement agreement providing participation in tax abatement with a municipality; and shall, solely at its discretion, approve those tax abatement agreements that it finds meet all constitutional and statutory criteria and requirements, and which it finds to be in the best interest of the taxpayers and citizens of the County; and
3. That the Commissioners Court hereby finds that the terms and conditions of the Agreement substantially meet its guidelines and criteria; that the Agreement for the abatement of County and Hospital District Taxes be and is hereby approved; that the County and its Commissioners Court hereby agree to enter into the Agreement as a party thereto; and the County Judge of the County be and is hereby authorized and directed to execute and deliver said Agreement on behalf of the County and its Commissioners Court, substantially in the form attached hereto, and carry out the terms thereof at the appropriate time(s).

**PASSED AND APPROVED, IN OPEN COURT**, this 19<sup>th</sup> day of June, 2007, through Court Order No. \_\_\_\_\_.

\_\_\_\_\_  
B. Glen Whitley, County Judge

\_\_\_\_\_  
Roy C. Brooks  
Commissioner, Precinct 1

\_\_\_\_\_  
Marti VanRavenswaay  
Commissioner, Precinct 2

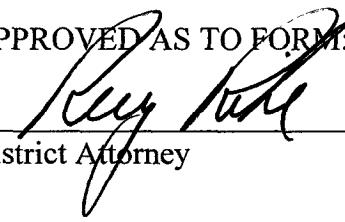
\_\_\_\_\_  
Gary Fickes  
Commissioner, Precinct 3

\_\_\_\_\_  
J.D. Johnson  
Commissioner, Precinct 4

ATTEST:

\_\_\_\_\_  
County Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
District Attorney



sufficiency of which are hereby acknowledged, which consideration includes the attraction of major investment in the Zone, the increased payroll that contributes to the enhancement of the tax base in the County and the economic development and tax abatement incentives set forth herein below, as authorized by Chapter 312 of the Tax Code, to the extent applicable, do hereby contract, covenant and agree as follows:

I.

DEFINITIONS

Whenever used in the Agreement, the following capitalized terms shall have the meanings ascribed to them:

A. "Affiliate" shall mean any entity that owns or controls, is owned or controlled by or is under common ownership or control with, FMR Texas or any entity the ownership of which is substantially the same as the ownership of FMR Corp.

B "Fidelity" shall mean FMR Texas and any Affiliate, individually and collectively, whether one or more, to the extent that such entities now own or hereafter acquire an interest in all or any portion of the Expansion Land, Qualified Facilities or the Expansion Project pursuant to Section VII hereof and each in its capacity as owner of the Qualified Facilities, the Expansion Project, or any portion thereof, as the case may be.

C "Force Majeure" shall mean any contingency or cause beyond the reasonable control of Fidelity, including, without limitation, acts of God, or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of Fidelity), fire, explosions or floods, and strikes.

D. "Expansion Land" shall mean the parcel(s) of land which is more particularly described in Exhibit "C" which is attached hereto and incorporated herein for all purposes.

E. "Expansion Project" shall mean the improvements, related infrastructure and/or modifications approved under the Town of Westlake's Planned Development Regulations and to be constructed on the Expansion Land located in Tarrant County by Fidelity (or Board approved successors or assigns) and includes Qualified Facilities.

F. "Qualified Facilities" shall mean the buildings and other structural components of the corporate facility to be constructed by Fidelity on the Expansion Land located in Tarrant County; a single building which constitutes a part of the Qualified Facilities may be referred to as a "Qualified Facility."



## II.

### FIDELITY'S COVENANTS

A. Fidelity shall construct, install and maintain, or cause to be constructed, installed and maintained, on and within the portion of the Expansion Land in Tarrant County, consistent with the Westlake zoning ordinance and other Westlake ordinances, (i) Qualified Facilities containing a minimum of Six Hundred Thousand (600,000) gross square feet of total structures on the Expansion Land which may be occupied by employees (i.e., excluding parking structures or parking areas within structures), having a minimum Construction Cost (as such term is defined below) upon completion of no less than Eighty Million Dollars (\$80,000,000), and (ii) new business personal property having an initial cost of no less than Twenty Million Dollars (the "**Required Improvements**"). The kind, number and location of the Required Improvements are more particularly described in the Application. As long as the conditions in the first sentence of this Section II.A are satisfied and the Required Improvements are used in substantial compliance with the purposes and the manner described in the Application, variations in the Required Improvements from the description provided in the Application shall not be an Event of Default (as defined herein).

For purposes of this Agreement, "**Construction Costs**" shall mean site development and building costs, including, without limitation, actual construction costs, signage costs, contractor fees, the costs of supplies and materials, engineering fees, architectural fees and other professional costs, and development and permitting fees expended directly in connection with the Expansion Project. Nothing in this Article II, Section A. shall be deemed to establish or affect the taxable appraised value of the Expansion Land, Expansion Project or Qualified Facilities. FMR Texas understands and agrees that the real property and the Required Improvements on the Expansion Land shall be eligible for and subject to tax abatement under this Agreement only to the extent set forth in Article IV., Section B of this Agreement.

B. Fidelity covenants to substantially complete all of the Required Improvements on or before March 31, 2010 (the "**Completion Date**"). In the event that performance by Fidelity of any of its obligations under the terms of this Agreement or the Application shall be interrupted or delayed by a Force Majeure event, Fidelity shall have such additional time as is reasonably necessary after such occurrence abates or the effects thereof have dissipated to complete performance and, provided that Fidelity is diligently and faithfully pursuing the completion of performance, in the event of such occurrence, Fidelity's failure to complete all of the Required Improvements on or before March 31, 2010, shall not be an Event of Default hereunder.

C. Fidelity covenants that the Required Improvements shall be completed and the Qualified Facilities shall be used in accordance with the description of the Expansion Project set forth in the Application.

D. Fidelity covenants that throughout the Term (as defined herein) of the Abatement (as defined herein), the Qualified Facilities shall be operated and maintained as an office development which use is consistent with the Westlake zoning ordinance and other Westlake ordinances for the general purposes of encouraging development or redevelopment of the Zone.

E. Failure by Fidelity to meet any of the commitments set forth in the Application concerning the employment of Tarrant County residents and the use of Tarrant County businesses and DBE's (as defined herein) regarding the supply and service expenses for the Project, shall not constitute an "Event of Default," as that term is defined in Article VI hereof, but will result in the reduction or loss of the Abatement (as defined herein) for each year in which such commitments are not satisfied.

### III.

#### GENERAL PROVISIONS

A. The County has adopted guidelines and criteria governing tax abatement agreements for the County and may enter into this Agreement containing the terms set forth herein.

B. Procedures followed by the County generally conform to the requirements of the Tax Code, and have been and will be undertaken in coordination with Fidelity.

C. The Qualified Facilities are not an improvement project financed by tax increment bonds.

D. Neither the Land nor any of the Qualified Facilities covered by this Agreement are owned or leased by any member of the Court or any member of the governing body of any taxing units joining in or adopting this Agreement.

E. All or any portion of the Land and/or Project may be eligible for complete or partial exemption from ad valorem taxes, as a result of existing law or future legislation. This Agreement shall not be construed as evidence that such exemptions do not apply to the Land and/or Project.

### IV.

#### ABATEMENT TERMS AND CONDITIONS

A. Subject to compliance with the terms and conditions of this Agreement, the County hereby grants real and personal property tax abatement (individually, an "Abatement," and collectively, the "Abatements"), as it relates to Tarrant County and Tarrant County Hospital District ad valorem taxes, to Fidelity relative to the Expansion Project and the Qualified Facilities.

B. The amount of the Abatement shall be based on a percentage of the increase in the aggregate appraised value (as established by the Tarrant Appraisal District) for the Expansion Project and Qualified Facilities over the value located on the Expansion Land on January 1, 2007, the year in which this Agreement is executed. The Abatement percentage in each year during the term of the abatement may range up to a maximum of seventy-five percent (75%) of the increase in value resulting from construction of the Qualified Facilities and installation of other Required Improvements, and shall be calculated as set forth below:

1. **Base Abatement.** Subject to reduction in accordance with the following terms of this Agreement, a "Base Abatement" value of fifty percent (50%) will be granted if Fidelity meets the minimum performance requirements as follows:

- a) The construction and installation of the Required Improvements with a minimum Construction Cost of \$80,000,000, to be substantially completed/installed by the Completion Date;
- b) The employment of at least 1,100 full-time jobs at the Expansion Project by the end of the first year of the Abatement Term and through the remaining term of the abatement;
- c) In addition to the employment requirements in Section IV.B.1.(b), throughout the Abatement Term, Fidelity shall also maintain employment of at least 1,500 full-time jobs at the initial Westlake campus facilities that were subject to the 1999 Tax Abatement Agreement between Tarrant County and FMR Texas;
- d) The employment during each calendar year of the Abatement Term of Tarrant County residents for a minimum of twenty-five percent (25%) of all full-time jobs at the Expansion Project;
- e) The expenditure with Tarrant County Contractors (as such term is defined below) by the Completion Date of twenty-five percent (25%) of all Construction Costs (excluding, however, in this case, developer fees, contractor fees, development and permitting fees, and any other cost or expense other than actual construction costs, signage costs, the costs of supplies and materials, engineering fees, architectural fees, and other similar professional fees) for the Required Improvements and any other improvements constructed on the Expansion Land. As used herein, the term "**Tarrant County Contractors**" shall mean any corporation, partnership, limited liability company or sole proprietorship maintaining an addressed office within Tarrant County from which it conducts all or a substantial part of its business operations;
- f) The expenditure with DBE Contractors (as such term is defined below) by the Completion Date of fifteen percent (15%) of all Construction Costs (excluding, however, in this case, developer fees, contractor fees, development and permitting fees, and any other cost or expense other than actual construction costs, signage costs, the costs of supplies and materials, engineering fees, architectural fees, and other similar professional fees) for the Required Improvements and any other improvements constructed on the Expansion Land. As used herein, the term "**DBE Contractors**" shall mean contractors who are DBE's, and the term "**DBE**" shall mean:
  - i. a corporation formed for the purpose of making a profit and at least 51 percent of all classes of the shares of stock or other equitable securities of which are owned by one or more persons who are socially or economically disadvantaged because of their identification as members of certain groups that have been subject to racial or ethnic prejudice or cultural bias without regard to their qualities as individuals or capabilities as a business, and whose ability to compete in the free enterprise system is impaired due to diminished opportunities to obtain capital and credit as compared to others in the same line of business who are not socially disadvantaged. "DBE" includes the State of Texas definition of historically underutilized businesses (HUBs) as defined in Section 2161.001 of the Texas Government Code, and as it may be updated.

- ii. a sole proprietorship formed for the purpose of making a profit that is owned, operated, and controlled exclusively by one or more persons described in Section B.1.f.i. above.
- iii. a partnership that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by Section B.1.f.i. above, and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs.

Dollars spent with DBE Contractors may also count as dollars spent with Tarrant County Contractors for the purposes of Section B.1.e) above if the DBE Contractor is also a Tarrant County Contractor as defined above.

g) The expenditure of Supply and Service Expenses (as such term is defined below) of at least (i) fifteen percent (15%) with DBE Contractors, and (ii) twenty-five percent (25%) with Tarrant County Contractors of the total cost of all Supply and Service Expenses per calendar year commencing with the Completion Date and continuing until the expiration of the Abatement Term. As used herein, the term "Supply and Service Expenses" shall mean those customary supplies and services purchased by or on behalf of Fidelity for the operation and maintenance of the Expansion Project, the Required Improvements and the other improvements constructed on the Expansion Land including, without limitation, office supplies, production equipment and supplies, landscaping services, janitorial services and maintenance services. For purposes of computing the annual Tarrant County Contractors and DBE Contractors percentage of Supply and Service Expenses, those annual supplies and services that are sole source items, or the purchase of which is based on a company wide purchase agreement that is not specific to or controlled by the local division of the company located on the Expansion Land, may not be included in computing the total costs of Supply and Service Expenses.

Upon Fidelity's written request, the County will advise Fidelity as to whether any given entity is a Tarrant County Contractor or a DBE Contractor for purposes of this Article IV., Section B.1.

Failure of Fidelity to comply with the employment requirements of Article IV, Section B.1.b),c) or d) above will result in the reduction of the Abatement to zero percent (0%) for the year immediately following any year in which these requirements are not met. Notwithstanding anything to the contrary contained herein, the determination of Fidelity's compliance with the various employment requirements of this Agreement shall be based on Fidelity's employment data for December 31 (or another date requested by Fidelity and reasonably acceptable to the County) of the applicable calendar year, the determination of compliance with the construction expenditure requirements for the Required Improvements shall be based on spending during the period of time prior to and including the Completion Date of the Required Improvements, and the determination of compliance with the Supply and Service Expenses requirement shall be based on spending for the entire calendar year.

**2. Reduction in Abatement Percentage.** The expenditure with Tarrant County and DBE Contractors of less than the required amounts of Construction Costs and annual Supply and Service Expenses as set for in Article IV.B.1., will result in the reduction of the Base Abatement percentage based upon the following:

a) If the expenditure with DBE Contractors is below fifteen percent (15%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, but equal to or greater than five percent (5%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by five (5) percentage points for the full term of the Abatement (e.g., 50% Base Abatement minus 5% reduction equals a reduced Base Abatement of 45%). If the expenditure with DBE Contractors is below five percent (5%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by ten (10) percentage points for the full term of the Abatement (e.g., 50% Base Abatement minus 10% reduction equals a reduced Base Abatement of 40%).

b) If the expenditure with DBE Contractors for Supply and Service Expenses in any calendar year is below fifteen percent (15%) of the total annual Supply and Service Expenses, then the Base Abatement will be reduced by a separate five (5) percentage points for the year immediately following any year in which these requirements are not met.

c) If the expenditure with Tarrant County Contractors is below twenty-five percent (25%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, but equal to or greater than fifteen percent (15%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by a separate five (5) percentage points for the full term of the Abatement. If the expenditure with Tarrant County Contractors is below fifteen percent (15%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by ten (10) percentage points for the full term of the Abatement.

d) If the expenditure with Tarrant County Contractors for Supply and Service Expenses in any calendar year is below twenty-five percent (25%) of the total annual Supply and Service Expenses, then the Base Abatement will be reduced by a separate five (5) percentage points for the year immediately following any year in which these requirements are not met.

**3. Additional Abatement Percentage.** In any year that Fidelity receives an Abatement percentage of more than zero percent (0%) under Article IV., Sections B.1 and B.2., Fidelity may receive up to an additional twenty-five percentage points (25%) of Abatement, based upon the following criteria, each of which is independent of the other in the determination of additional abatement percentage.

a) For full-time employment levels above 1,200 jobs, Fidelity will receive an additional 2% abatement for each 50 jobs added up to a maximum of 20% additional abatement.

Examples:

- Annual employment of 1,305 full time jobs = 105 additional jobs = 4% additional abatement
  - Annual employment of 1,555 full-time jobs = 355 additional jobs = 14% additional abatement
  - Annual employment of 1,701 full-time jobs = 501 additional jobs = 20% additional abatement
- b) For full-time employment of Tarrant County residents for more than 45% of all full-time jobs at project site, Fidelity will receive another additional 5% abatement.
- c) For use of DBE Contractors for 25% or more of total construction contracting costs, Fidelity will receive an additional 5% abatement for the life of the abatement.
- d) For use of either Tarrant County Contractors or DBE Contractors for more than 25% of total annual Supply and Service Expenses, Fidelity will receive an additional 5% abatement for that year.

The total cumulative percentage of ad valorem tax abatement that may be received in any one year, pursuant to this agreement, shall not exceed seventy-five percent (75%) of the increased value.

C. The term of the Abatement (the "Abatement Term") shall begin on January 1 of the year following the year in which the Required Improvements are substantially completed (the "Beginning Date") and, unless sooner terminated as herein provided, shall end on the December 31<sup>st</sup> immediately preceding the tenth (10<sup>th</sup>) anniversary of the Beginning Date.

D. Fidelity shall have the right to protest, contest or litigate: (a) any assessment of the value of the Project by any appraisal district which appraises real or personal property on all or any part of the Project; and (b) any tax imposed on the Project by any taxing authority. The tax abatements provided for herein shall be applied to the amount of taxes finally determined to be due as a result of any such protest, contest or litigation.

V.

RECORDS, AUDITS AND EVALUATION OF PROJECT

A. Subject to applicable law governing financial disclosure by Fidelity, the County shall have the right to review and audit the Expansion Project to determine compliance with this Agreement. The County shall annually (or such other times deemed appropriate by the County) evaluate the Expansion Project to insure compliance with this Agreement. On or before April 30th of every year during an Abatement Term, Fidelity shall provide the County with information and documentation, as reasonably requested by the County, detailing Fidelity's material compliance with each applicable term of this Agreement. Failure to provide such information timely shall be considered an Event of Default hereunder. The information shall include, but not be limited to, the following:

- (1) The total number of employees employed at the Expansion Project, the sum of all employee salaries and the number of employees who reside in Tarrant County;
- (2) The gross dollars spent on supplier and professional service contracts, with detail sufficient to demonstrate the amounts by contract awarded and performed by Tarrant County businesses and DBE's; and
- (3) If the dollars or percentages do not equal the requirements of this Agreement, Fidelity shall explain the reason for the failure to meet the requirements and state a recommended course of rectification.

B. The County shall make a decision and rule on the eligibility of the Expansion Project for Abatement for that year, based on the information furnished for that year, on or before August 1 of the taxable year and shall notify Fidelity in writing as set forth in Article VII hereof.

C. As a part of the audit process, during normal business hours throughout each Abatement Term, providing at least five (5) business days' prior written notice is given to Fidelity, the County shall have access to the Expansion Project by County employees for the purpose of inspecting the Expansion Project to ensure that the Qualified Facilities have been completed and maintained in accordance with the specifications and conditions of this Agreement; provided, however, that Fidelity shall have the right to accompany County employees on any such inspection and that each such inspection shall be conducted in a manner which does not breach Fidelity's security procedures and which is least disruptive of Fidelity's employees and business operations.

## VI.

### BREACH AND REMEDY

A. The occurrence of the following conditions shall constitute an event of default ("Event of Default") hereunder: (i) the Required Improvements are not completed in accordance with this Agreement; (ii) Fidelity allows its unabated ad valorem real property taxes with respect to the Land or Qualified Facilities, or its unabated ad valorem taxes with respect to tangible personal property located on the Land or within the Qualified Facilities, to become delinquent by failing to timely pay or by failing to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem real property or tangible personal property taxes; or (iii) subject to the terms and provisions contained in Article II, Paragraphs A. and E. hereof, Fidelity fails to comply with any of the remaining material terms or conditions of this Agreement, and any such failure (hereinafter, a "breach") specified in either clause (i), (ii) or (iii), above, remains uncured for ninety (90) days following Fidelity's receipt of written notice (the "Breach Notice") from the County, delivered in accordance with Section VIII hereof, of the event and nature of such breach; provided, however, that if such breach is not reasonably susceptible of cure within such ninety (90) day period and Fidelity has commenced and is continuing to pursue the cure of such breach, then after first advising the Court of such cure efforts, Fidelity shall automatically receive an additional ninety (90) day period within which to cure such breach. The Court may authorize additional time to cure any such breach, but is not obligated to grant such additional time. Notwithstanding anything expressed or implied herein to the contrary, no Event of Default shall exist if the failure of Fidelity to fully perform its

obligations hereunder is the result of a Force Majeure event. Further the time for cure of a breach by Fidelity shall be extended by the reasonable time Fidelity is delayed by a Force Majeure event.

B. Upon the occurrence and during the continuation of any uncured Event of Default, the County shall have the right, as the sole and exclusive remedy of the County (the County hereby waiving all other remedies), to suspend the Abatements pursuant to a notice (the "Suspension Notice") delivered in accordance with Section VIII hereof, and thereafter to receive from Fidelity, as liquidated damages, a sum equal to (i) the amount of all ad valorem taxes which were assessed against the Qualified Facilities and which would have been paid to the County by Fidelity but for this Agreement, for each year in which the Event of Default occurred and was continuing, without the benefit of abatement (after taking into account any applicable exemptions), and (ii) interest thereon charged at the rate of four and one-half percent (4.50%) per year and calculated for the period commencing on the date such taxes would have been delinquent and continuing through the date of payment of such liquidated damages. The parties acknowledge that actual damages in the event of default and termination would be speculative and difficult to determine, and agree that the calculation of liquidated damages shall not include any penalties or late charges. Such amount shall be a debt to the County and shall be due, owing and paid to the County within sixty (60) days of the receipt by Fidelity of the Suspension Notice, subject to any and all lawful offsets, settlements, deductions, or credits to which Fidelity may be entitled. If the County delivers a Suspension Notice pursuant to this Section VI, then Fidelity shall thereafter have no right to receive the Abatements unless and until Fidelity has cured the breach or breaches specified in the Breach Notice.

C. Notwithstanding the foregoing paragraph, if the County and Fidelity mutually determine that the development or use of the Land or Qualified Facilities as contemplated herein is no longer appropriate or that a higher or better use is preferable, the parties may terminate this Agreement by a writing signed by both parties, all Abatement Terms then in effect shall expire as of the effective date of the termination, there shall be no recapture of amounts previously abated, and neither party shall have any further rights or obligations hereunder.

## VII.

### EFFECT OF SALE, ASSIGNMENT OR TRANSFER OF PROPERTY

The Abatements shall vest in Fidelity and, except as provided below, may be assigned to a new owner of all or a portion of the Land or Qualified Facilities, only upon the Court's reasonable approval, based upon the ability of the new owner to assume all of the obligations of Fidelity under this Agreement, and in the Application, for the balance of each Abatement Term of this Agreement; provided further, that the assignee does actually assume all obligations of Fidelity hereunder. Fidelity shall notify the County pursuant to Section VIII of any proposed assignment requiring the Court's approval at least fifteen (15) days prior to the proposed effective date of such assignment. Except as provided below, any attempted assignment without the prior approval of the Court shall be grounds for the termination of this Agreement (upon ten (10) days' written notice from the County to Fidelity) as to the portion of the Land or Qualified Facilities assigned, conveyed, transferred or sold and the proportionate amount of the Abatement hereunder. Notwithstanding the foregoing, Fidelity shall have the right, without the County's consent, to transfer, convey or lease all or any portion of the Land, the Expansion Project or the Qualified Facilities to one or more Affiliates and, in connection therewith, to assign to such Affiliates all or any portion of Fidelity's rights and obligations under this



Agreement, provided that each assignee assumes the applicable terms and conditions of this Agreement. Any Affiliate or other party to whom any transfer, conveyance, lease or assignment is made in accordance with this Section VII shall be included within the definition of "Fidelity" for purposes of this Agreement. The County agrees that upon transfer, conveyance, lease or assignment made in accordance with this Section VII, the assignee or transferee, rather than Fidelity, shall receive the benefits of the Abatements attributable to the portion of the Land or Qualified Facilities transferred or conveyed to such assignee or transferee, provided that the terms and conditions of this Agreement and the Abatements have been complied with.

## VIII.

### NOTICE

Any notice, demand, or other communication required to be given or to be served upon any party hereunder, shall be void and of no effect unless given in accordance with the provisions of this Section. All notices shall be in writing and shall be delivered personally or sent by overnight courier service, by certified or registered mail, postage pre-paid, or by facsimile transmission and shall be deemed received, in the case of personal delivery, when delivered, in the case of overnight courier service, on the next business day after delivery to such service, in the case of mailing, on the third day after mailing (or, if such day is a day on which deliveries of mail are not made, on the next succeeding day on which deliveries of mail are made) and, in the case of facsimile transmission, upon transmittal. All notices, demands and other communications shall be given to the parties hereto at the following addresses:

COMPANY: Fran Eichorst, General Manager  
Fidelity Investments Southwest Region  
One Destiny Way  
Westlake, Texas 76262

With copies to: FMR Corp.  
82 Devonshire Street  
Mail Zone F7D  
Boston, Massachusetts 02109  
Attn: Real Estate Counsel

COUNTY: B. Glen Whitley  
County Judge  
Tarrant County  
100 E. Weatherford  
Fort Worth, Texas 76196

IX.

COURT AUTHORIZATION

This Agreement was authorized by the Tarrant County Commissioners Court at its meeting on the \_\_\_ day of \_\_\_\_\_, 2007, by the Commissioners Court approving Court Order No. \_\_\_\_\_ authorizing the County Judge to execute this Agreement on behalf of the County.

X.

SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word of this Agreement is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word. In the event that (i) any Abatement Term with respect to any property is longer than allowed by law, or (ii) the Abatements apply to a broader classification of property than is allowed by law, then the Abatements shall be valid with respect to the classification of property abated hereunder, and the portion of each Abatement Term, that is allowed by law.

XI.

ESTOPPEL CERTIFICATE

Any party hereby may request an estoppel certificate from another party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to Fidelity and any third party lender identified by Fidelity, if applicable, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels and remaining terms of the Abatements in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

XII.

FIDELITY STANDING

Fidelity, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying orders, resolutions, or Court actions authorizing same and Fidelity shall be entitled to intervene in said litigation.

XIII.

APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XIV.

RECORDATION OF AGREEMENT

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

XV.

AMENDMENT

This Agreement may be modified by the parties hereto to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Title 3, Chapter 312 of the Code.

XVI.

FURTHER ASSURANCES

The County agrees to take any and all action reasonably necessary or appropriate to fulfill the terms of this Agreement.

XVII.

ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties regarding the subject matter contained herein, supersedes any prior understanding or written or oral tax abatement agreements or representations between the parties regarding the matters contained herein, and can be modified only by a written instrument subscribed to by both parties. This Agreement may be executed in multiple counterparts, each of which shall be considered an original for all purposes.

XVIII.

SUCCESSORS AND ASSIGNS

Subject to the provisions of Section VII hereof, this Agreement shall be binding on, and shall inure to the benefit of, the legal representatives, successors and assigns of the County and Fidelity.

[SIGNATURE PAGES FOLLOW]

EXECUTED to be effective as of the Effective Date.

ATTEST:

TARRANT COUNTY, TEXAS

Christa Nymga  
Deputy C. Clerk

By: D. Alan Whitley  
Name: D. Alan Whitley  
Title: County Judge

APPROVED AS TO FORM AND LEGALITY:

[Signature]  
District Attorney

FMR TEXAS LIMITED PARTNERSHIP, a  
Massachusetts limited partnership

By: Fidelity Real Estate Company, LLC  
Its General Partner

By: FMR Corp.  
Its Sole Member

By: Fidelity Corporate Real Estate,  
Inc., Its Duly Authorized  
Agent

By: \_\_\_\_\_  
Name: Kourosh Pahany  
Title: Senior Vice President

STATE OF TEXAS           §  
                                  §  
COUNTY OF TARRANT   §

BEFORE ME, the undersigned authority, on this day personally appeared B. Glen Whitley, County Judge of Tarrant County, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Tarrant County, that he was duly authorized to perform the same by appropriate order of the Commissioners Court of Tarrant County and that he executed the same as the act of the said County for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Notary Public in and for the State of Texas

\_\_\_\_\_  
Notary's Printed Name

My Commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ §  
                                  §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 2007, by Kourosh Panahy, the Senior Vice President of Fidelity Corporate Real Estate, Inc., the Duly Authorized Agent of FMR Corp., the Sole Member of Fidelity Real Estate Company, LLC, the General Partner of FMR Texas Limited Partnership, a Massachusetts limited partnership, on behalf of said limited partnership.

\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_

\_\_\_\_\_  
Notary's Printed Name

My Commission expires: \_\_\_\_\_



## **TARRANT COUNTY**

### **TAX ABATEMENT POLICY GUIDELINES AND CRITERIA**

#### **I. GENERAL PURPOSE AND OBJECTIVES**

As authorized under Chapter 312 of the Texas Tax Code, Tarrant County has established this policy so as to work in concert with other taxing authorities as part of an overall publicly supported incentive program designed to create job opportunities that bring new economic advantages or strengthen the current economic base of our community.

It is the intent of the Commissioners Court to consider approval or denial of any request for tax abatement for projects in unincorporated Tarrant County or participation in any tax abatement agreement agreed to and adopted by an incorporated city, which meets the minimum eligibility criteria as set forth in this policy, following the filing of a formal application for tax abatement from the County. As prescribed by Section 312.206 of the Tax Code, the Commissioners Court may approve participation with a municipality in a tax abatement agreement no later than the 90th day after the date the municipal agreement is executed. Further it is the intent of Tarrant County that the County will not approve nor join an abatement agreement that provides one Tarrant County city a competitive advantage over another Tarrant County city seeking the same project or encourages an applicant to move from one Tarrant County city to another, unless such agreement is agreeable to both such incorporated cities and both parties have indicated their approval in writing to Tarrant County.

In the case where the property is located within a municipality's extraterritorial jurisdiction, the municipality shall be the initiating taxing entity unless expressly deferred to the County. For those areas within Tarrant County that are not located within the boundaries of an incorporated municipality and a municipality has deferred to the County or in unincorporated areas not located in a municipality's extraterritorial jurisdiction, the guidelines and criteria contained in this policy will be applied by the Commissioners Court when considering the establishment of a reinvestment zone and the adoption of an abatement agreement.

#### **II. DEFINITIONS**

- (a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real and/or personal property in a reinvestment zone designated for economic development purposes.

- (b) **"Eligible Jurisdiction"** means Tarrant County and any municipality, school district, college district, or other entity, which is located in Tarrant County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone.
- (c) **"Agreement"** means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purposes of tax abatement.
- (d) **"Base Year Value"** means the assessed value of the applicant's real and personal property located in a designated reinvestment zone on January 1 of the year of the execution of the agreement, plus the agreed upon value of real and personal property improvements made after January 1, but before the execution of the agreement.
- (e) **"Economic Life"** means the number of years a property improvement is expected to be in service in a facility.
- (f) **"Deferred Maintenance"** means improvements necessary for continued operations which do not improve productivity or alter the process technology.
- (g) **"Disadvantaged Business Enterprise (DBE)"** means:
  - (1) a corporation formed for the purpose of making a profit and at least 51 percent of all classes of the shares of stock or other equitable securities of which are owned by one or more persons who are socially or economically disadvantaged because of their identification as members of certain groups that have been subject to racial or ethnic prejudice or cultural bias without regard to their qualities as individuals or capabilities as a business, and whose ability to compete in the free enterprise system is impaired due to diminished opportunities to obtain capital and credit as compared to others in the same line of business who are not socially disadvantaged. "DBE" includes the State of Texas definition of historically underutilized businesses (HUBs) as defined in Texas Government Code 407.101 and as it may be updated.
  - (2) a sole proprietorship formed for the purpose of making a profit that is owned, operated, and controlled exclusively by one or more persons described in paragraph (1);
  - (3) a partnership that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by paragraph (1), and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs.

- (h) **"Expansion"** means the addition of buildings, structures, fixed machinery and equipment, and fixed personal property for the purposes of increasing production capacity.
- (i) **"Facility"** means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) **"Fixed Machinery and Equipment and/or Personal Property"** means tangible machinery, equipment, or personal property that is securely placed or fastened and stationary within a building or structure, or which is movable but remains at and is used solely at the project site.
- (k) **"Manufacturing Facility"** means buildings and structures, including fixed machinery and equipment, and fixed personal property, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (l) **"Modernization"** means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facility. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery and equipment, and fixed personal property. It shall not be for the purpose of reconditioning, refurbishing, repairing, or completion of deferred maintenance.
- (m) **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (n) **"Other Basic Industry"** means buildings and structures including fixed machinery and equipment, and fixed personal property not elsewhere described, used or to be used for the production of products or services which primarily serve a market outside Tarrant County [or the Fort Worth Consolidated Metropolitan Statistical Area] and result in the creation of new permanent jobs and bring new wealth in to Tarrant County.
- (o) **"Regional Distribution Center Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator.
- (p) **"Non-Manufacturing Facilities"** means buildings and structures, used to service and/or house individuals on a permanent or temporary basis.
- (q) **"Regional Service Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used to service goods.



- (r) **“Reinvestment Zone”** is an area designated as such for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code.
- (s) **“Regional Entertainment Facility”** means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of the users reside at least 100 miles from its location in the County.
- (t) **“Regional Retail Facility”** means buildings and structures including fixed machinery and equipment used or to be used to provide retail services from which a large portion of the revenues generated by the activity at the facility are derived from users outside the County.
- (u) **“Research Facility”** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.

### **III. ABATEMENT AUTHORIZED**

- (a) **Authorized Facility.** A facility may be eligible for abatement if it is a Manufacturing Facility, a Research Facility, a Regional Distribution Center Facility, A Regional Service Facility, a Regional Entertainment Facility, Regional Retail Facility, a Non-Manufacturing Facility, or Other Basic Industry as defined. The economic life of a facility and any improvements must exceed the life of the abatement agreement.
- (b) **Creation of New Value.** Abatement may be only granted for the additional value of eligible property improvements made subsequent to and listed in an abatement agreement between the County and the property owner and lessee, subject to such limitations as Commissioners Court may require.
- (c) **New and Existing Facilities.** Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) **Eligible Property.** Abatement may be extended to the value above the Base Year Value of buildings, structures, fixed machinery and equipment, fixed personal property, and site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility.
- (e) **Ineligible Property.** The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; private aircraft; deferred maintenance investments; property to be rented or leased except as provided in Section 3 (f); also, any property included in the calculation of base year value as defined.

- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement the agreement shall be executed with the lessor and the lessee.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the execution of the agreement. The value of the abatement will be determined based on the merits of the project, including, but not limited to, total capital investment value and added employment. Up to one hundred percent of the value of new eligible properties may be abated for a total term of abatement not to exceed ten years. However, a project must provide an extraordinary economic benefit to the County to be considered for a one hundred percent abatement.
- (h) **Economic Qualification.** In order to be eligible for designation as a County reinvestment zone and/or receive County tax abatement, the planned improvement:
- (1) for new businesses, must be reasonably expected to produce a minimum added value of Five Million Dollars (\$5,000,000) in real and personal property to Tarrant County and create and sustain a minimum of 25 new full-time jobs.
  - (2) for expansions or modernizations of existing businesses, must be reasonably expected to produce a minimum added value of Three Million Dollars (\$3,000,000) in real and personal property improvements to Tarrant County, and sustain existing employment levels.
  - (3) must not be expected to solely or primarily have the effect of transferring employment from one part of Tarrant County to another without a majority vote of approval from the Commissioners Court.
  - (4) must be necessary for expansion and/or modernization because the capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.
  - (5) the above investment and employment minimums may be waived at the discretion of the Commissioners Court for projects located in Federal or State designated Enterprise Zones.
- (i) **Additional Criteria For Abatement.** To be eligible for abatement, the project must be expected to meet the specific goals and requirements as noted below. If a company is unable to meet the minimum requirements of this section, a variance must be requested with a detailed explanation as to the circumstances that preclude the company from meeting the minimum requirements.
- (1) **Use of DBE and Tarrant County Businesses.** The project must provide for the utilization of Disadvantaged Business Enterprises for a minimum of 15% of the total costs for construction contracts and annual supply and service contracts.

Additionally, the project must provide for the utilization of Tarrant County businesses for a minimum of 25% of the total costs for construction contracts and annual supply and services contracts.

- (2) **Tarrant County Employment.** The company must hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. Residents, for the purpose of this policy, are those employees who reside in Tarrant County, whether through relocation or existing residency.
  - (3) **Environmental Impacts.** Environmental impact information must be provided, noting any anticipated impacts of the project on the environment, including, but not limited to, water quality, storm water and runoff, floodplain and wetlands, solid waste disposal, noise levels, and air quality. Additionally, the company must provide a written company policy on air quality mitigation, the company's plan for participation in the region's Ozone Action Program, and a report of employer assistance in encouraging alternative commute programs and employee trip reductions. For companies new to the region, the above policies and plan must be completed and presented within the first year of the abatement.
  - (4) **Employee Benefits.** The company must offer a health benefit plan to its full-time employees at a rate that is reasonable to the majority of its employees and which allows access to the plan by the employees' dependents. For additional consideration, the company may provide information on other employee benefits provided, such as retirement/pension programs and subsidies for education, job-training, transportation assistance and child/elderly care.
- (j) **Taxability.** From the execution of the abatement to the end of the agreement period taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section III (e) shall be fully taxable;
  - (2) The base year value of existing eligible property shall be fully taxable, as well as the value of any existing personal property currently on the tax rolls in Tarrant County that is either moved to a new abated location or is replaced due to modernization or expansion.
  - (3) The additional value of new eligible property shall be taxable in the manner and for the period provided for in the abatement agreement, subject to the terms described in Section III (g); and
  - (4) The additional value of new eligible property shall be fully taxable at the end of the abatement period.

#### **IV. APPLICATION**

- (a) Any present or potential owner of taxable property in Tarrant County may request the creation of a reinvestment zone and/or tax abatement by filing a written request with the County Judge.**
- (b) The application shall consist of a completed application form including, but not limited to: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; a time schedule for undertaking and completing the proposed improvements; employment and contract information; the location of existing company locations in Tarrant County and the surrounding counties and the expected number of transferring employees; details of the environmental impacts of the project, and employee benefit information. In the case of modernization a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant, to be attached to the application.**
- (c) All applications for creation of reinvestment zones or abatements shall incorporate a feasibility study estimating the economic effect of the proposed reinvestment zone and tax abatement on Tarrant County, other eligible participating jurisdictions, and the applicant.**
- (d) Upon receipt of a completed application for creation of a reinvestment zone, the County Judge shall notify in writing and provide a copy of the application to the presiding officer of the governing body of each eligible jurisdiction.**
- (e) Upon receipt of a completed application and/or request to participate with a municipality in an abatement agreement, Tarrant County Administrator's Office must review and provide recommendation to the Commissioners Court within 30 days and before the public hearing.**
- (f) The County shall not establish a reinvestment zone, nor participate in an abatement, if it finds that the application for County reinvestment zone/tax abatement was filed after the commencement of construction, alteration, or installation of improvements related to the proposed modernization, expansion or new facility.**
- (g) Variance. Request for variance from the provisions of this policy must be made in written form to the County Judge and submitted with the application for abatement, provided, however, the total duration of an abatement shall in no instance exceed ten years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Request for variance must**

be approved by a majority vote of the Commissioners Court.

**V. PUBLIC HEARINGS AND APPROVAL**

- (a) For projects in unincorporated Tarrant County, the Commissioners Court may not adopt a resolution designating a County reinvestment zone until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be clearly identified on the Commissioners Court agenda at least 30 days prior to the hearing. The presiding officers of eligible jurisdictions shall be notified in writing at least 15 days prior to the hearing.
- (b) Prior to entering into a tax abatement agreement the Commissioners Court may, at its option, hold a public hearing at which interested persons shall be entitled to speak and present written materials for or against the approval of the tax abatement agreement.
- (c) In order to enter into a tax abatement agreement, the Commissioners Court must find that the terms of the proposed agreement meet these Guidelines and Criteria and that:
  - (1) there will be no substantial adverse affect on the provision of the jurisdiction's service or tax base: and
  - (2) the planned use of the property will not constitute a hazard to public safety, health or morals.
- (d) Any application requesting a variance under Section IV (g) shall be approved by a majority vote of the Commissioners Court. No application which deviates from the requirements of these Guidelines and Criteria shall be approved unless accompanied by a request for variance as provided under Section IV (g).

**VI. AGREEMENT**

- (a) After approval the County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee as required. The Court Order shall include:
  - (1) estimated value of real and personal property to be abated and the base year value;
  - (2) percent of value to be abated each year as provided in Section III (g);
  - (3) the commencement date and the termination date of abatement;
  - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provide in Section IV (b);

- (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections III (a), III (e), III (g) VII, VIII, and IX, or other provisions that may be required for uniformity or by state law, and;
- (6) a statement of the facility owner's policy regarding Disadvantaged Business Enterprises (DBEs), and the estimated dollar amount and percentage of total contracts to be awarded to DBEs for construction, professional services, purchases of equipment and supplies and other services required for the abated improvements;
- (7) amount of investment and average number of jobs involved; and
- (8) an assessment of the environmental impacts of the project, including a statement of the owner's policy addressing regional air quality and information on the use of alternative fuels in fleet vehicles.
- (9) a statement indicating the provision of a health care benefit plan for employees and dependents.

Such agreement shall normally be executed within 60 days after the applicant has forwarded all necessary information and documentation to the County.

- (b) Participation in tax abatement agreements with municipalities requires additional information to be included in the Court Order approving the agreement, as follows:
  - (1) a copy of the agreement between the applicant and municipality shall be attached and made apart of the Court Order for all purposes;
  - (2) authorization for the County Judge to execute a signatory page on behalf of the Commissioners Court which shall be attached and made part of the original agreement.

## **VII. RECAPTURE**

Commissioners Court reserves the right to review compliance for full or partial recapture in the event that the applicant fails to perform in "good faith." If a project is not completed as specified in the tax abatement agreement, the County has the right to cancel the abatement agreement and abated taxes shall become due to the County and other affected taxing units as provided by law. If any of the provisions contained in the tax abatement agreement, i.e., employment, amount of investment, etc., are not met, the County shall have the right to reduce or cancel the abatement agreement. If a project granted a tax abatement ceases to operate or is no longer in conformance with the tax abatement agreement, the agreement shall not be in

effect for the period of time during which the project is not operating or is not in conformance.

#### **VIII. ADMINISTRATION**

- (a) **The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief Appraiser shall notify the affected jurisdictions which levies taxes of the amount of the assessment.**
- (b) **The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.**
- (c) **Upon completion of construction the County and/or the jurisdiction creating the reinvestment zone shall annually (or at such other times as deemed appropriate by the Commissioners Court) evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the contract and agreement to the Commissioners Court and the District Attorney. On or before April 30th of every year during the life of the abatement agreement, the company or individual receiving the abatement shall complete and file a Tax Abatement Evaluation Report, along with other required written documentation, detailing and certifying the abatement recipient's compliance with the terms of the abatement agreement. Failure to provide information requested in the compliance evaluation by the prescribed deadline may result in taxes abated in the prior year being due and payable. The company or individual receiving a tax abatement shall provide information to the County for the evaluation which shall include, but not be limited to, the following:**

  - (1) **the number and dollar amounts of all construction contracts and subcontracts awarded on the project;**
  - (2) **the total number of employees of the company, their gross salaries, and the number of employees residing in Tarrant County and their gross salaries, reported in job classifications appropriate to the employee;**
  - (3) **the gross dollars spent on supplier and professional service contracts, indicating the amounts by contract awarded and performed by Tarrant County business and individuals;**

- (4) the dollar amount of contracts awarded to Disadvantaged Business Enterprises;
- (5) detail of actions taken to mitigate any adverse environmental impacts of the project, if applicable; and
- (6) should the dollars, percentages, or actions not meet the original or modified requirements of the abatement agreement, a statement shall be provided explaining the reason for the failure to meet the requirements and a recommended course of rectification.

#### **IX. ASSIGNMENT**

Tax abatement agreements may be assigned to a new owner or lessee of the facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee are indebted to the County for ad valorem taxes or other obligations.

#### **X. SUNSET PROVISION**

These Guidelines and Criteria are effective on January 1 of the year following the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the guidelines and Criteria will be modified, renewed or eliminated. These Guidelines and Criteria may be amended by Commissioners Court at any time during their effective period.



**TOWN OF WESTLAKE****ORDINANCE NO. 513**

**AN ORDINANCE OF THE TOWN OF WESTLAKE, TEXAS, DESIGNATING THE FOLLOWING DESCRIBED LAND COMMERCIAL/INDUSTRIAL TAX ABATEMENT REINVESTMENT ZONE NO. TWO (2), IN THE TOWN OF WESTLAKE, TARRANT AND DENTON COUNTIES, TEXAS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE.**

**WHEREAS**, the Board of Aldermen ("Board") of the Town of Westlake, Texas ("Town"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone ("Zone") for commercial/industrial tax abatement, as authorized by Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, Subchapter B, Sections 312.201 and 312.202, as amended (the "Code"); and

**WHEREAS**, the Town has elected to become eligible to participate in tax abatement; and

**WHEREAS**, a public hearing at a regularly scheduled meeting before the Board was held at 7:00 p.m. on the 12th day of February, 2007, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper having general circulation in the Town as required by the Code; and

**WHEREAS**, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed reinvestment zone at least seven (7) days before the date of the public hearing; and

**WHEREAS**, the Town at such hearing invited all interested persons, or their representatives, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in this ordinance should be included in such proposed reinvestment zone, and the concept of tax abatement; and

**WHEREAS**, all interested persons spoke and the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the creation of the proposed reinvestment zone and the proponents also submitted evidence as to the proposed improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTLAKE, TEXAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**SECTION 2.** The Town, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence

presented to it:

- (a) That a public hearing on the designation of the reinvestment zone has been properly called, held and conducted and that notices of such hearings have been published as required by law and delivered to all taxing units located within the proposed reinvestment zone;
- (b) That the boundaries of the reinvestment zone should be the area as described in the metes and bounds description attached hereto and identified as Exhibit "A", which are incorporated herein for all purposes and which area is within the taxing jurisdiction of the Town;
- (c) That the creation of the reinvestment zone for commercial/industrial tax abatement, with boundaries as described in Exhibit "A" attached hereto will result in benefits to the Town and to the land included in the Zone and to the Town after the expiration of any Tax Abatement Agreement entered into and the improvements sought within the Zone are feasible and practical;
- (d) That the reinvestment zone as defined in Exhibit "A" attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Code, as amended, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the Town; and
- (e) That the reinvestment zone as defined in Exhibit "A" attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Town of Westlake Tax Abatement Policy, which Policy establishes guidelines and criteria governing tax abatement agreements by the Town and provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

SECTION 3. That pursuant to the Code, the Town hereby creates a reinvestment zone for commercial/industrial tax abatement encompassing only the area described by the metes and bounds in Exhibit "A" attached hereto and such reinvestment zone is hereby designated and shall hereafter be designated as Reinvestment Zone No. Two (2), Town of Westlake, Texas.

SECTION 4. That the Town shall deliver to the Texas Comptroller's Office prior to April 1, 2007, a general description of the reinvestment zone, including its size, the types of property located in it, its duration, and the guidelines and criteria established for the reinvestment zone under Section 312.002 of the Code, including subsequent amendments and modifications of the guidelines or criteria.

SECTION 5. That the Zone shall take effect on the 12th day of February, 2007.

SECTION 6. If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Board hereby determines that it would have adopted this ordinances without the invalid provision.

PASSED AND APPROVED ON THIS 12<sup>TH</sup> DAY OF FEBRUARY 2007

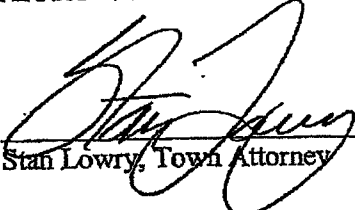
  
\_\_\_\_\_  
Scott Bradley, Mayor

ATTEST:

  
\_\_\_\_\_  
Kim Sutter, TRMC, Town Secretary

  
\_\_\_\_\_  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Stan Lowry, Town Attorney

## Exhibit A

## Parcel 1

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Manucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 94 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

## Exhibit A (Continued)

## Parcel 2

BEING a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

## Exhibit A (Continued)

THENCE, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the POINT OF BEGINNING;

THENCE, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

THENCE, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

THENCE, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-



## Exhibit A (Continued)

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to

**EXHIBIT "C"**

Land

Exhibit A

GF-Number 98R05941A

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

Exhibit A (Continued)

GF-Number 98R05941A

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

# EXHIBIT A LEGAL DESCRIPTION

GF NO. 527710-E UP/pdm

**BEING** a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

**COMMENCING** at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

**THENCE**, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

**THENCE**, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

**THENCE**, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

**THENCE**, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to



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a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 44 degrees 42 minutes 25 seconds West., a distance of 109.52 feet to 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

**THENCE**, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the **POINT OF BEGINNING** and containing 22.067 acres of land, more or less.

**NOTE:** The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

**EXHIBIT "D"**

Application



**Tarrant County**  
**Application for Tax Abatement/Reinvestment Zone**

*Rec 11/12/07*

**I. APPLICANT INFORMATION**

**Applicant/Property Owner:** FMR Texas Limited Partnership (Fidelity)

**Company/Project Name:** SAME

**Mailing Address:** One Destiny Way, Westlake, TX 76262

**Telephone:** 817-474-8234      **Fax:** 817-474-5005

**Applicant's Representative for contact regarding abatement request:**

**Name and Title:** Fran Eichorst, General Manager & Vice President, Human Resources

**Mailing Address:** One Destiny Way, Westlake, Texas 76262

**Telephone:** 817-474-8234      **Fax:** 817-474-5005      **E-mail:** fran.eichorst@fmr.com

**II. PROPERTY AND PROJECT DESCRIPTION**

**Address and legal description of property to be considered for Tax Abatement/Reinvestment Zone:** See

Attached Exhibit A

**Project Description:**

Based on obtaining this abatement, and reaching acceptable incentive agreements with the State of Texas and the Town of Westlake, Fidelity would commence a major capital build program on its owned Westlake Campus. Current planning envisions a new building of 600,000 square feet, or roughly the same size and quality as the existing structure on the property. Consistent with the in-place campus design, the new building will be architecturally significant, utilize structured parking to minimize encroachment on the land, and be complementary to the natural surroundings and landscape. Fidelity estimates its total capital investment in the expansion will increase its assessed property values in the County by at least \$100 million.

**Description of activities, products, or services produced and/or provided at project location:** Fidelity is

leading provider of financial services to retail and institution clients. Anticipated activities include customer service, systems development, sales, recordkeeping and administrative.

**Current Assessed Value: Real Property:** \$ 86,985,013      **Personal Property:** \$ 10,288,021

**Estimated start date of construction/site improvements:** 05/01/2007

**Projected date of occupancy/commencement of operations at project site:** 09/30/2009

Please indicate dates for phases if applicable:

**Location of existing company facilities:** Westlake, Dallas-Fort Worth Metroplex and other Texas locations

**Requested level of Tax Abatement:** 80% of eligible property for 10 years.

**Explain why tax abatement is necessary for the success of this project. Include business pro-formas or other information to substantiate your request.** The existing facility is operating at capacity and new investment is required for Fidelity to consider expanding within the County. The costs of building the facility described in the

application are enormous. If built, it will require a number of years to bring occupancy to a level that would make the operating cost per employee economically tolerable. This abatement is critical to providing some offset to these operating costs, and would enhance our ability to build the facility.

### III. PROJECTED VALUE OF IMPROVEMENTS

Estimated Value of Real Property Improvements \$ \$80 million (minimum)

Estimated Value of Personal Property Improvements \$ \$20 million (minimum)

Will any infrastructure improvements (roads, drainage, etc.) be requested of Tarrant County for this project?

Yes  No

If yes, describe requested infrastructure improvements: Fidelity expects most of the infrastructure required to build this project is already on the campus. Fidelity believes a number of existing access roads need improvement to allow employees adequate access to the facility. We encourage the County to declare and continue its support and agree to focus on helping advance the relocation of FM 1938 and improvements to the Hwy 114 / 170 interchange.

Detail any direct benefits to Tarrant County as a result of this project (i.e., inventory tax, etc.): Fidelity envisions the two greatest benefits of expansion to Tarrant County will be:

1. Employment opportunities - Fidelity will be creating the potential for Tarrant County residents to compete for positions at Fidelity, and for local businesses, including DBE businesses, to increase their revenue by providing services at the expanded facility.
2. Retail opportunities - Increased campus employment is likely to provide the employment concentration required to spur additional retail growth and opportunities in the area. Retail expansion would also create additional jobs, and enhance the County tax base.

### IV. EMPLOYMENT IMPACT AT PROJECT LOCATION

#### A. NEW EMPLOYMENT

Projected number of new jobs created as a result of the proposed improvements:

Full-time 1,535 Part-Time 0

Provide types of jobs created and average salary levels: Fidelity's job program encompasses positions in operations, customer service, securities servicing, client relationship management, implementation, brokerage support, and technology. The average cash compensation of the 1,535 jobs, once hired, is expected to be \$55,419. Positions created prior to completion of construction would be housed locally in leased space until the new facility is completed.

Start date and annual payroll of new permanent positions (if positions to be phased in, provide figures for each phase year): By the year end of each year:

2007: 651 positions with an annual payroll of \$34,166,781

2008: 1,217 total positions (566 new in 2008) with an annual payroll of \$65,761,282

2009: 1,535 total positions (318 new in 2009) with an annual payroll of \$85,067,797

Percentage of new jobs to be filled by Tarrant County residents: Approximately 25%

Number of employees transferring from other company locations: Amount unknown

**B. CONSTRUCTION RELATED EMPLOYMENTS**

Projected number of construction related jobs: Unknown at this time

Estimated total construction payroll: \$ Unknown at this time

Commitment as to percentage of construction dollars to be spent with Tarrant County contractors or subcontractors: Approximately 25%

Commitment as to percentage & total dollars of construction contracts to be awarded to DBE: Approximately 15%

**C. CURRENT COMPANY/PROJECT LOCATION EMPLOYMENT**

Current Number of Employees: Full-time 2,862 Part-time 11 Data current for Westlake campus as of 12/31/2006

Average annual payroll: \$ 170,874,678 for an average wage of \$66,539.98

NOTE: The above compensation data is based on year-end 2005 data, the most recent annual data available, and is based on the employment of 2,557 full-time and 11 part-time employees.

Detail on workforce diversity – percentage breakdown of current employees by gender and ethnicity: Details on workforce diversity are confidential, however, Fidelity is committed to the principle and spirit of equal employment opportunity in all aspects of employment, including but not limited to recruiting, hiring and promotion.

**D. COMPANY SPONSORED HEALTH CARE BENEFITS ARE AVAILABLE**

Full-time Employees  Part-time Employees  Employee Dependents  Not Available

Average monthly employee cost for health care benefits: Individual: \$ 1 Family: \$ 1

Fidelity provides a variety of healthcare options in addition to the other benefits listed below. Generally, the firm pays for approximately 80% of healthcare costs. The employee responsibility represents about 20% of the cost of the coverage/plan (family, single, etc.) they choose.

**Other employee benefits provided or offered:**

- ❖ **Medical Coverage:** Fidelity offers medical coverage under several plans. Regardless of which option employees choose, they are covered for a wide range of medical services, including preventive care, hospitalization, doctor visits, surgery, and emergency care.
- ❖ **Dental Coverage:** Fidelity's Dental Plan allows employees to visit any licensed dentist of their choice for a variety of covered services, including preventive, basic, major restorative, and orthodontic treatment. Employees can also take advantage of negotiated rates with select participating dentists in the program.
- ❖ **Profit Sharing:** The Profit Sharing Plan is one of the component plans under the Capital Accumulation Program (CAP), which is designed to help employees achieve financial security for retirement. Fidelity's Profit Sharing Plan includes, but is not limited to, the following features: 401(k) contribution, company-matching contribution, Profit Sharing contribution, Catch-up contribution, Rollover contribution.
- ❖ **Pension Plan:** Fidelity's Pension Plan is designed to provide eligible employees with a base level of income at retirement.
- ❖ **Fitness Reimbursement Program:** Recognizing the importance of fitness and good health, Fidelity provides eligible employees an annual reimbursement for a fitness center membership or a qualified fitness-related expense. Employees may participate in the Fitness Reimbursement Program in addition to receiving any discounts or reimbursements that may be offered by the medical coverage options.

- ❖ **Fidelity's Health Care and Dependent Care Flexible Spending Accounts:** With Fidelity's TaxSaver Accounts, eligible employees may elect to have money deducted from their pay on a pre-tax basis to be used to reimburse themselves for eligible out-of-pocket health care and dependent care expenses. The accounts allow employees to reduce their income taxes for certain eligible expenses such as day care.
- ❖ **Group Long-Term Care Insurance Plan:** Fidelity sponsors a voluntary Group Long-Term Care Insurance Plan for eligible employees. In addition to conventional nursing home coverage, the policy covers certain services received in the employee's home and in other types of care facilities, including patient advocacy.
- ❖ **Disability Coverage:** Employees may receive six paid sick days each year. Fidelity also provides eligible employees with income replacement for short-term and long-term periods of disability. In addition, eligible employees may purchase supplemental long-term disability coverage equal to 15% of their base salary (up to a maximum benefit of \$5000 per month).
- ❖ **Life Insurance Coverage:** Fidelity has life insurance coverage to help eligible employees plan for their survivors' financial security. Fidelity automatically provides eligible employees with Core Life Insurance Coverage which includes Employee Life Insurance, Dependent Life Insurance and Business Travel Accident Insurance. In addition to receiving Core Employee Life Insurance, employees may elect to participate in the Variable Life Insurance Plan. This custom-designed plan features variable basic life coverage, variable supplemental coverage and variable investment options (an investment opportunity through a tax-advantaged investment side funds).
- ❖ **Employee Assistance Program:** This service provides employees and their families with confidential counseling and referral services by licensed clinicians who can assist with a wide range of behavioral health-related issues.
- ❖ **Tuition Reimbursement Program:** Fidelity's commitment to professional development includes a tuition program that reimburses employees for the cost of eligible, work-related tuition charges for part-time study.
- ❖ **Flexible Work Options:** To keep pace with the changing needs of today's workforce and provide alternatives that are mutually beneficial for employees and business units, Fidelity offers flexible work options ranging from compressed work weeks to telecommuting. Business units may authorize certain flexible work options at their discretion.
- ❖ **Consultation and Referral Services:** Through the service of an independent consultant, Fidelity provides employees time-saving resource and referral programs to help them find solutions to many of the challenges working people face, including:
  - Pregnancy
  - Adoption
  - Parenting
  - Child Care
  - Services for Children with Special Needs
  - Emergency Backup Dependent Care
  - School
  - College
  - Mature Transitions
  - Elder Care
  - Pet Care
- ❖ **Concierge Services:** This timesaving program provides a range of complimentary personal services and professional expertise. Concierge representatives can research a variety of employee requests and find service providers to fulfill their needs. From event tickets to party planning and personal shopping, concierge services allow employees to delegate their everyday tasks in order to make their personal and professional time more productive.
- ❖ **Employee Discount Program:** The Employee Discount Program provides employees with access to discounts from well-known companies on a wide variety of products and services. Savings are available on continuous and limited time offers, and can be redeemed online or via in-store coupons.
- ❖ **Backup Child Care:** Fidelity recognizes the predicament working parents may encounter when their regular child care arrangements fall through. Subsidized backup child care services are available to parents when their regular child care provider is unobtainable.
- ❖ **Adoption Assistance Program:** Fidelity understands that the adoption process can be both long and costly. To offset some of the fees, financial assistance is provided for eligible expenses incurred during the course of adoption.
- ❖ **Computer Equipment Purchase Assistance Program:** To allow employees the convenience and advantages of using technology at home, Fidelity's computer assistance plan provides partial reimbursement for a personal computer and related equipment.
- ❖ **Educational Seminars:** A variety of lunchtime seminars are offered throughout the year on topics related to life events. Subjects include time management, balancing home and work, and more.
- ❖ **Mortgage Services Program:** The Mortgage Services Program provides Fidelity employees with the opportunity to discuss mortgage-related questions with companies who offer prequalification information, educate employees about the

mortgage process, and help analyze current living situations to determine mortgage alternatives that best suit their needs.

- ❖ **Automobile and Homeowner's Insurance:** This group insurance program is designed to make protecting an employee's car, home and other personal property more convenient by providing special group rates, easy payment options and extended service hours.
- ❖ **Service Recognition:** This Firm-wide program reflects Fidelity's appreciation for the contributions that individual employees make to the company over time. Beginning with the 5th anniversary and every five years thereafter, employees receive a personalized gift that represents recognition of their commitment and long-time service.
- ❖ **Relocation Assistance:** In recognition of the fact that jobs occasionally relocate, and may require long-distance moves, Fidelity has developed a comprehensive relocation assistance program to help ease employees and their families through the transition period. Eligible employees receive assistance from a third-party corporate relocation consultant who coordinates all aspects of the employee's move and provides personalized service. Benefits eligibility is dependent upon business need, the nature of the position, location, and other relevant business factors.

#### V. LOCAL BUSINESS & DISADVANTAGED BUSINESS ENTERPRISES (DBE) IMPACT

Estimated amount of annual supply and services expenses: \$ Fidelity currently estimates 2006 spending of approximately \$2.4 million on supplies and services applicable to this provision. The firm anticipates similar costs for a new facility, once it is built and occupied.

Detail any supply/services expenses that are sole source: None that are material.

Percentage of total supplier/services expenses committed to Tarrant County businesses: Approximately 25%

Percentage of total supplier and services expenses committed to DBE: Approximately 15%

#### VI. ENVIRONMENTAL IMPACT OF PROJECT

Indicate if development, construction, equipment, distribution methods, and/or operational processes may impact the environment in the following areas, attach detail if necessary:

Air Quality  Water Quality  Solid Waste Disposal  Storm/Water Runoff

Floodplain/Wetlands  Noise levels  Other (specify)  Fidelity does not anticipate significant impact in any of the above areas, there are, however, three minor potential impacts:

1. Noise levels may increase somewhat during construction. Construction will occur primarily during the day, so Fidelity employees working in the adjacent facility are likely to be most affected. We anticipate no additional noise beyond what is normally generated in the construction of a low-rise first-class office building.
2. A temporary increase in solid waste disposal needs is likely due to construction waste. The contractor will be responsible for proper removal and disposal.
3. Fidelity will seek emissions permits for backup power generation equipment in support of the new facility. As these generators are for backup purposes, emissions (and any noise) would be limited to maintenance testing and during times of power outage.

Provide detail on existing and new fleet vehicles, specifying types of vehicles, quantities and fuel used

(gasoline, diesel, LP gas, CNG, etc.): Fidelity neither has fleet vehicles on the campus, nor intends to add any if a new campus facility is constructed. Fidelity does utilize a small number (2-3) of gas-powered vehicles used for security and facility maintenance.

**VII. ADDITIONAL INFORMATION (TO BE ATTACHED)**

- Letter addressing Economic Qualifications and additional criteria for abatement, Section III (h) and (i) of Tarrant County Tax Abatement Policy (Exhibit B)
- Descriptive list and value of real and personal property improvements (Exhibit C)
- Plat/Map of Project Location (Exhibit D)
- Project Time Schedule (Exhibit E)
- Owner's policy regarding use of disadvantaged Business Enterprises (Exhibit F)
- Owner's policy addressing regional air quality/non-attainment status (use of alternative fuels, employee trip reduction, etc.) and plan for participation in regional Ozone Action Program (Exhibit G)
- Tax Certificate showing property taxes paid for most recent year – Table of 2006 taxes is attached. A certificate of payment will be requested after the taxes are paid at the end of January 2007. (Exhibit H)

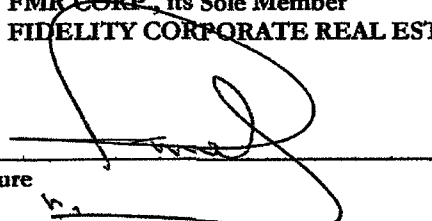
**VIII. CERTIFICATION**

Upon receipt of a completed application, Tarrant County may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.\*

I certify the information contained in this application (including all attachments) to be true and correct to the best of my knowledge. I further certify that I have read the "Tarrant County Tax Abatement Policy" and agree to comply with the guidelines and criteria stated therein.

FMR TEXAS LIMITED PARTNERSHIP, a Massachusetts limited partnership  
By: FIDELITY REAL ESTATE COMPANY, LLC, its General Partner  
By: FMR CORP, its Sole Member  
By: FIDELITY CORPORATE REAL ESTATE, INC., its Authorized Agent

Signature



Senior Vice President  
Title

Kourosh Panahy  
Printed Name

January 12, 2007  
Date



**Return completed application and attachments to:**

**Economic Development Coordinator  
Tarrant County Administrator's Office  
100 E. Weatherford Street, Suite 404  
Fort Worth, Texas 76196-0609**

**You may also forward an electronic copy of the completed report to:**

**[lmcmillan@tarrantcounty.com](mailto:lmcmillan@tarrantcounty.com)**

**Please note that if you do submit this form electronically, you must also submit an original hard copy of the report to the above stated physical address for proper filing and review.**

**For assistance call: (817) 884-2643**

---

**\* As per Section IV (f) of the Tarrant County Tax Abatement Policy Guidelines and Criteria, this application must be filed prior to commencement of construction or installation of improvements in order to be eligible for County tax abatement.**

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**  
**(2 Parcels)**

## Exhibit A

GF-Number 98R05941A

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

# EXHIBIT A LEGAL DESCRIPTION

GF NO. 527710-E UP/pdm

**BEING** a tract of land situated in the C.M. TEROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

**COMMENCING** at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

**THENCE**, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

**THENCE**, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

**THENCE**, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

**THENCE**, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to



a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 44 degrees 42 minutes 25 seconds West., a distance of 109.52 feet to 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

**THENCE**, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the **POINT OF BEGINNING** and containing 22.067 acres of land, more or less.

**NOTE:** The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.



## Exhibit B

January 12, 2007

Tarrant County Commissioners  
Tarrant County Administrator's Office  
100 E. Weatherford Street, Suite 404  
Fort Worth, Texas 76196-0609

Dear Commissioners:

Thank you for considering the tax abatement application by Fidelity Investments for potential improvements to the firm's campus in Westlake, Texas.

Once completed, we expect the new building and related improvements will generate an increase of more than \$100 million in assessed value in Tarrant County real and personal property. If built, this facility will allow the firm to expand its presence beyond the almost 3,000 currently residing on the campus.

If the decision is made to construct the new facility, jobs located in the new facility will generally be new to Tarrant County, rather than a transfer of jobs already located in the County. Please note that if Fidelity does proceed with this project, hiring for new positions may begin prior to completion of the new facility. Consequently, employees hired in the interim may be located temporarily in leased space locally pending the completion of construction. These employees will be hired with the intent that positions will be located on the Westlake Campus once improvements are complete.

As part of the impetus to further invest in the Westlake Campus, Fidelity considers the potential tax abatement as critical to helping offset the costs to develop and operate the facility. The firm's existing facility is currently operating at capacity, and new investment is required for Fidelity to consider expanding within the County.

In obtaining the tax abatement, Fidelity agrees to use Disadvantaged Business Enterprises (DBE) and Tarrant County Businesses. Our Project provides for the utilization of DBEs for a minimum of 15% of the total costs of construction contracts and annual supply and service contracts. The Project further provides for utilization of Tarrant County businesses for a minimum of 25% of the total costs of construction contracts and annual supply and services contracts.

If the abatement is awarded, Fidelity also agrees to hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. For the purposes of this commitment, we understand that qualifying employees are those whose primary address is within Tarrant County, whether through relocation or existing residency.

Our application includes details of the firm's policies related to environmental impacts such as air quality and the minimal impact that we expect that this project will have from a construction and operation perspective.

Fidelity believes it is an "Employer of Choice" in Tarrant County, and a good and supportive member of the community in general. We believe we treat our employees well and provide a significant and highly valuable benefits package (summarized in the application).

## **EXHIBIT C**

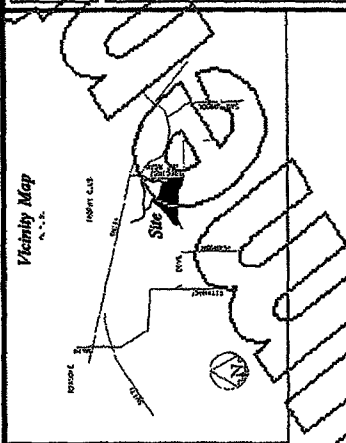
### **Descriptive list and value of real and personal property improvements**

Fidelity intends to construct an office facility approximately 600,000 square feet in size on its existing property in Westlake, Texas. The facility will generally be similar to the existing facility located on the Westlake campus. Other improvements on the site will include those normally associated with corporate office campus developments, including, but not limited to, streets, landscaping, lighting, and other similar amenities of a high-quality office environment.

At present, Fidelity does not have a more detailed list and specific valuation of real and personal property improvements; however, as stated elsewhere in this application, Fidelity expects to increase its assessed value for real and personal property by at least \$100 million through the course of this project.



Westlake Campus  
**FIDELITY INVESTMENTS**



**Chatter - Burgess**  
Contractors & Engineers, Inc.  
1100 N. 10th Street, Suite 200  
Tarrant County, Texas 76062  
Tel: 817-441-1100  
Fax: 817-441-1101  
www.chatter-burgess.com

**Fidelity Investments Addition  
Phase I**

Plat Filed in Geometric A-1, 51 on 12-15-2011, Tarrant County

BEING PART OF THE LAND SHOWN IN THE CHURCH & DWIGHT SURVEY  
PLAT NO. 11-000000, TARRANT COUNTY, TEXAS, IN WHOLE OR IN PART  
AS SHOWN IN PLAT NO. 11-000000, TARRANT COUNTY, TEXAS

11-000000

THIS PLAT IS A PART OF THE CHURCH & DWIGHT SURVEY, PLAT NO. 11-000000, TARRANT COUNTY, TEXAS, AS SHOWN IN PLAT NO. 11-000000, TARRANT COUNTY, TEXAS, IN WHOLE OR IN PART AS SHOWN IN PLAT NO. 11-000000, TARRANT COUNTY, TEXAS.

THE CHURCH & DWIGHT SURVEY, PLAT NO. 11-000000, TARRANT COUNTY, TEXAS, IS A SURVEY OF LAND SHOWN IN THE CHURCH & DWIGHT SURVEY, PLAT NO. 11-000000, TARRANT COUNTY, TEXAS, AS SHOWN IN PLAT NO. 11-000000, TARRANT COUNTY, TEXAS.

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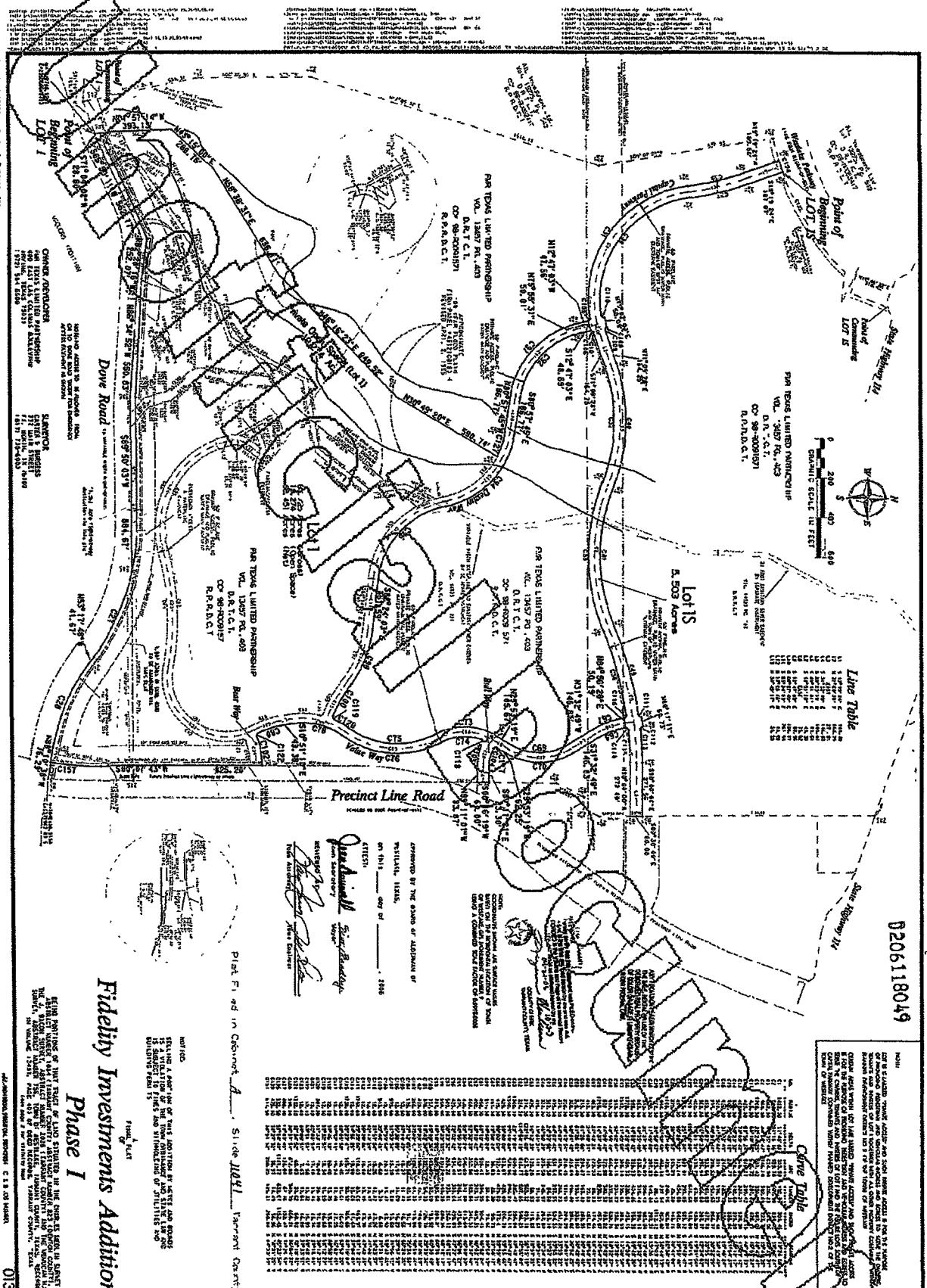
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OWNER INFORMATION  
 FIDELITY INVESTMENTS  
 100 EAST 100TH STREET  
 CLEVELAND, OHIO 44126

OWNER INFORMATION  
 FIDELITY INVESTMENTS  
 100 EAST 100TH STREET  
 CLEVELAND, OHIO 44126

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 CLEVELAND, OHIO 44126

**Fidelity Investments Addition  
 Phase I**

PLAT F1-44 IN COLUMBIA SLIDE 11041, TARRANT COUNTY

PREPARED BY THE OFFICE OF METROPOLITAN  
 PLAT BOOK NO. 11041 OF 11041

NOTED: THIS PLAT IS A PART OF THE FIDELITY INVESTMENTS ADDITION PHASE I, TARRANT COUNTY, TEXAS, AND IS SUBJECT TO THE RECORDS OF THE COUNTY CLERK OF TARRANT COUNTY, TEXAS.

APPROVED BY THE COUNTY CLERK OF TARRANT COUNTY, TEXAS

APPROVED BY THE COUNTY CLERK OF TARRANT COUNTY, TEXAS

APPROVED BY THE COUNTY CLERK OF TARRANT COUNTY, TEXAS

APPROVED BY THE COUNTY CLERK OF TARRANT COUNTY, TEXAS

**Carter - Burgess**  
 Surveyors  
 100 EAST 100TH STREET  
 CLEVELAND, OHIO 44126

PROJECT NO.	REVISION	DATE	DESCRIPTION

DESIGNED BY: [Signature]  
 CHECKED BY: [Signature]  
 APPROVED BY: [Signature]

DATE: [Date]  
 SCALE: [Scale]

## **EXHIBIT E**

### **Project Timeline:**

Based on obtaining this abatement, and reaching acceptable incentive agreements with the State of Texas and the Town of Westlake, Fidelity submission of permits to allow construction activities to commence on the following schedule:

- Sitework (expected receipt of permit / commencement of work 6/1/07)
- Building Core & Shell (expected receipt of permit / commencement of work 1/1/08)
- Building Interiors (expected receipt of permit / commencement of work 9/1/08)
- Parking Garage (expected of permit receipt / commencement of work 1/1/08)

Construction completion is anticipated by the end of Q3 2009, at which point the building would be ready for occupancy.

## **EXHIBIT F**

### **Fidelity Disadvantaged Business Enterprises Policy**

Fidelity is committed to employing disadvantaged businesses both during the construction and operational phases of the Project. Fidelity will advertise in a newspaper of general circulation in the County of its desire to employ disadvantaged business enterprises and will undertake a good faith effort to utilize disadvantaged business enterprises throughout the construction process and will undertake a good faith effort to utilize disadvantaged business enterprises in annual supply and service contracts.



## **EXHIBIT G**

### **Owner's statement on regional air quality/non-attainment status**

Fidelity will soon launch a Southwest Region-wide website to encourage employees to carpool. This new website will be accessible to all employees through the firm's Southwest Region Intranet, and will reach every employee working in the greater Dallas-Fort Worth Metroplex. "Southwest Connections" will allow an employee in the region to post to a Carpool Connection site their interest in carpooling, enter work information (e.g., location and work hours). Employees can also search for others with similar work hours and commuting patterns to set up a carpool. Carpool Connection will be open to Fidelity employees working at all Southwest Region locations: The Westlake campus; data center in Irving, Investor Centers, and potentially at other locations as growth occurs.

The Carpool Connection project has been in development since May 2006. While technical issues associated with operation and maintenance of the site delayed implementation, we anticipate completion and communication to our employees by the end of Q1 2007.

One of Fidelity's business units, Fidelity Personal Investments, has been operating a version of the system for its 600 employees since its relocation from Cityplace (near downtown Dallas) to Westlake in 2003. This system formed the basis of what is being developed to connect all Region-wide employees.

Fidelity also conducted preliminary conversations in mid-2006 with the Fort Worth Transportation Authority. The Authority operates a van pool program funded by federal grant, with gasoline costs underwritten by vanpool participants. The firm plans to further evaluate the vanpool program after launching its carpool website in the next few months and, if the program appears a good fit, would share information and match employees to vanpools using the carpool website.

Fidelity is not currently a member of either of the regional air-quality coalitions, the North Texas Clean Air Coalition or the Dallas-Fort Worth Clean Cities Technical Coalition. We are on the North Texas Clean Air Coalition mailing list and try to keep informed of their programs and goals. The Clean Cities Technical Coalition is focused on large vehicle, bus, air transport, fueling institutions and is really not a fit with Fidelity's operations.

The firm believes the car-pooling program provides the best current opportunity to help reduce transit-related emissions. As an employer concerned about the communities in which it operates and in which its employees reside, Fidelity continues to look for effective opportunities to improve the region's air quality.

## EXHIBIT H

### FIDELITY INVESTMENTS 2006 Tarrant County Property Taxes

	<i>County</i>	<i>City</i>	<i>School</i>	<i>Other</i>	<i>Total</i>
<b>Real Property:</b>					
Westlake campus	<u>\$562,164</u>	<u>\$0</u>	<u>\$1,398,719</u>	<u>\$0</u>	<u>\$1,960,883</u>
<b>Subtotal Real</b>	<u>\$562,164</u>	<u>\$0</u>	<u>\$1,398,719</u>	<u>\$0</u>	<u>\$1,960,883</u>
<b>Personal Property:</b>					
Westlake campus	\$66,489	\$0	\$165,431	\$0	\$231,920
Southlake IC	<u>\$6,030</u>	<u>\$4,310</u>	<u>\$16,747</u>	<u>\$0</u>	<u>\$27,087</u>
<b>Subtotal Personal</b>	<u>\$72,519</u>	<u>\$4,310</u>	<u>\$182,179</u>	<u>\$0</u>	<u>\$259,008</u>
<b>Grand Total</b>	<u>\$634,683</u>	<u>\$4,310</u>	<u>\$1,580,898</u>	<u>\$0</u>	<u>\$2,219,891</u>

## ECONOMIC DEVELOPMENT AGREEMENT

STATE OF TEXAS

§

§

COUNTIES OF DENTON AND TARRANT

§

This Economic Development Agreement ("Agreement"), is made and entered into as of the 23 day of April 2007 (the "Effective Date"), by and between the Town of Westlake, Texas ("Town"), a municipal corporation of Denton and Tarrant Counties, Texas, duly acting herein by and through its Mayor, and FMR Texas Limited Partnership, a Massachusetts limited partnership ("Fidelity Texas").

### WITNESSETH:

WHEREAS, Fidelity has constructed a corporate campus (Phase I) and created jobs within the Town pursuant to that certain Economic Development Agreement approved by the Board of Aldermen of the Town by Resolution 98-05, on August 10, 1998 (the "1998 Agreement"); and

WHEREAS, Fidelity now proposes to undertake an expansion program that will result in significant financial investment and creation of additional jobs within the Town; and

WHEREAS, the Town had adopted an Economic Development Policy ("Economic Development Policy") that includes a Tax Abatement Policy ("Tax Abatement Policy"), by the passage of Resolution No. 06-19 on the 8th day of May, 2006, which is attached hereto as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, the Town is a duly created and validly existing Type A General Law Municipality, created under the laws of the State of Texas, including particularly, but not by way of limitation, Chapter 51, Texas Local Government Code ("LGC").

WHEREAS, on the 12th day of February, 2007, the Board of Aldermen of the Town ("Board"), passed Ordinance No. 513, which is attached hereto as Exhibit "B" and incorporated herein for all purposes, establishing Reinvestment Zone No. Two, Town of Westlake, Texas ("Zone"), for commercial-industrial tax abatement as authorized by Chapter 312 of the Texas Tax Code ("Tax Code"); and

WHEREAS, on the 23<sup>rd</sup> day of April 2007, the Board of Aldermen of the Town ("Board"), passed Resolution No. 07-24, which is attached hereto as Exhibit "C" and incorporated herein for all purposes, establishing Neighborhood Empowerment Zone No. One, Town of Westlake, Texas ("Zone"), as authorized by Chapter 378 of the LGC; and

WHEREAS, the Economic Development Policy and Tax Abatement Policy constitute appropriate guidelines and criteria governing economic development agreements to be entered into by the Town as contemplated by Chapters 378 and 380 of the LGC and Chapter 312 of the Tax Code, providing for the availability of economic incentives for both new facilities and structures and for the contemplated expansion or modernization of existing facilities or structures; and

4534890v.5

WHEREAS, Fidelity Texas, as the owner of the Expansion Land (herein defined), intends to develop and construct one (1) or more buildings on the Expansion Land, and the development and construction on the Expansion Land is expected significantly to enhance the economic and employment base of the Town; and

WHEREAS, the Constitution and laws of the State of Texas, including, but not by way of limitation, Chapters 378 and 380 of the LGC, Chapter 312 of the Tax Code and the Texas Constitution authorize the Town to enter into economic development agreements and tax abatement agreements with companies such as Fidelity Texas;

WHEREAS, the Board finds that the improvements proposed for the Expansion Land are feasible and practical and would be of benefit to the Town; and

WHEREAS, the Board finds that the terms of this Agreement, the Expansion Project (herein defined) and the proposed Qualified Facilities (herein defined) meet the applicable guidelines and criteria heretofore adopted by the Board and contained in the Economic Development Policy and Tax Abatement Policy; and

WHEREAS, in order to maintain and enhance the commercial and industrial economic and employment base of the Town and the Counties of Denton and Tarrant, the Board finds that it is in the best interest of the citizens for the Town to enter into this Agreement in accordance with the Economic Development Policy, the Tax Code and the LGC; and

WHEREAS, a copy of this Agreement in proposed form has been furnished by the Town, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units (other than the independent school districts) in which the Expansion Land is located; and

WHEREAS, the Town has begun consideration of a public works project to extend a water supply line for treated water from the existing Upper Trinity Regional Water District facilities located at the intersection of U.S. Highway 377 and Stonecrest approximately 6.5 miles to serve as an additional source of treated water for the Town (the "Water Project");

NOW, THEREFORE, the Town and Fidelity Texas, for good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, which consideration includes the attraction of major investment in the Zone and increased payroll that contributes to the economic development of the Town, the enhancement of the tax base in the Town and Denton and Tarrant Counties and the economic development and tax abatement incentives set forth herein below, as authorized by Chapter 378 and 380 of the LGC and Chapter 312 of the Tax Code, as amended, do hereby contract, covenant and agree as follows:

#### Section 1. Definitions

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

"Affiliate" shall mean any entity that owns or controls, is owned or controlled by or is under common ownership or control with, Fidelity Texas or any entity the ownership of which is substantially the same as the ownership of FMR Corp.

"Board" shall mean the Board of Aldermen of the Town.

"Fidelity" shall mean Fidelity Texas and any Affiliate, individually and collectively, whether one or more, to the extent that such entities now own or hereafter acquire an interest in all or any portion of the Expansion Land, Qualified Facilities or the Expansion Project pursuant to Section 6 hereof and each in its capacity as owner of the Qualified Facilities, the Expansion Project, or any portion thereof, as the case may be.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of Fidelity, including, without limitation, acts of God, or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of Fidelity), fire, explosions or floods, and strikes.

"Expansion Land" shall mean the parcel(s) of land which is more particularly described in Exhibit "D" which is attached hereto and incorporated herein for all purposes.

"Expansion Project" shall mean the improvements, related infrastructure and/or modifications approved under the Town's Planned Development Regulations and to be constructed on the Expansion Land by Fidelity (or by such successors or assigns as are approved by the Board). Expansion Project includes Qualified Facilities.

"Minimum Threshold Eligibility Requirements" shall mean (i) the construction and maintenance of a minimum of six hundred thousand (600,000) gross square feet of total structures on the Expansion Land which may be occupied by employees (i.e., excluding parking structures or parking areas within structures); (ii) the employment of at least one thousand one hundred (1,100) employees located within the Expansion Project; and (iii) the expenditure of no less than \$80,000,000 on the Expansion Project.

"Phase" shall mean each portion of the Expansion Project, as developed in such order and containing such acreage as Fidelity, in its sole discretion, may determine.

"Phase II" shall mean the first building and associated facilities of the Expansion Project to be developed.

"Qualified Facilities" shall mean the buildings and other structural components of the corporate facility to be constructed by Fidelity on the Expansion Land; a single building which constitutes a part of the Qualified Facilities may be referred to as a "Qualified Facility."

## Section 2. General Provisions

- A. The Qualified Facilities are not, and shall not be, an improvement project financed by tax increment bonds.

- B. The Expansion Land is not owned or leased by any member of the Board, any member of the Planning and Zoning Commission of the Town or any member of the governing body of taxing units with jurisdiction over the Expansion Land.
- C. The 1998 Agreement shall remain in full force and effect except that the provisions of Section 8, 10, 13 14 and 17 are hereby terminated with respect to the Expansion Land, with such provisions being hereinafter superseded by this Agreement.
- D. This Agreement is intended to comply with the requirements of the LGC and the Tax Code and is authorized by the Texas Property Redevelopment and Tax Abatement Act of the Texas Tax Code, Chapter 312, by the Economic Development Policy, the Tax Abatement Policy and by the resolution of the Board authorizing execution of this Agreement. The Town represents that it has due authority to enter into this Agreement and to take actions under the laws cited in the preceding sentence.

### Section 3. Term.

This Agreement shall remain in full force and effect between the Town and Fidelity for a maximum term of fifteen (15) years; provided, however, that the shorter time periods specified in Sections 7, 10 and 14 hereof shall control for the purposes specified in such sections. The tax abatements, grants and sales tax rebates and other economic development incentives granted hereby to Fidelity for the Qualified Facilities and Expansion Project shall continue for the duration of the specified term and, once all applicable conditions specified herein have been fulfilled, shall not be lost through Force Majeure events or circumstances beyond the reasonable control of Fidelity, except to the extent otherwise specified in Section 5 hereof.

### Section 4. Records and Inspections

- A. Not later than February 15 of each year during the term of this Agreement, Fidelity shall certify to the Town (i) the number of employees located within the Qualified Facilities as of January 1 of such year, and (ii) if changed from the previous year, the aggregate number of gross square feet of office space contained in the Qualified Facilities as of January 1 of such year, as reasonably calculated by an architect retained by Fidelity.
- B. At all times throughout the term of this Agreement, the employees of the Town shall have reasonable access to the Qualified Facilities, during normal business hours and upon at least five (5) business days' prior written notice to Fidelity, for the purpose of inspecting same to ensure that the Qualified Facilities are maintained in accordance with the specifications and conditions of this Agreement; provided, however, that Fidelity shall have the right to accompany Town employees on any such inspection and that such inspection shall be conducted in a manner which does not breach Fidelity's security procedures and which is least disruptive of Fidelity's employees and business operations.
- C. Fidelity shall also provide Town in a timely manner reasonably satisfactory evidence of all sales taxes paid for which Fidelity seeks a rebate pursuant to Section 14 below.

Section 5. Breach and Remedy.

- A. The occurrence of the following conditions shall constitute an event of default ("Event of Default") hereunder: (i) the Qualified Facilities for which Fidelity has received an abatement hereunder fail to be occupied in accordance with the Minimum Threshold Eligibility Requirements at any time subsequent to March 31, 2010; or (ii) Fidelity fails to comply with any of the material terms or conditions of this Agreement, and any such failure (hereinafter, a "breach") specified in either clause (i) or (ii), above, remains uncured for ninety (90) days following Fidelity's receipt of written notice (the "Breach Notice") from the Town, delivered in accordance with Section 16 hereof, of the event and nature of such breach; provided, however, that if such breach is not reasonably susceptible of cure within such ninety (90) day period and Fidelity has commenced and is continuing to pursue the cure of such breach, then after first advising the Board of such cure efforts, Fidelity shall automatically receive an additional ninety (90) day period within which to cure such breach. The Board may authorize additional time to cure any such breach, but is not obligated to grant such additional time. Notwithstanding anything expressed or implied herein to the contrary, no Event of Default shall exist if the failure of Fidelity to fully perform its obligations hereunder is the result of a Force Majeure event. Further the time for cure of a breach by Fidelity shall be extended by the reasonable time Fidelity is delayed by a Force Majeure event.
- B. Upon the occurrence and during the continuation of any uncured Event of Default, the Town shall have the right, to suspend the tax abatements and grants specified in Sections 10 and 11 hereof, pursuant to a notice (the "Suspension Notice") delivered in accordance with Section 16 hereof, and thereafter to receive from Fidelity, as liquidated damages, a sum equal to (i) the amount of all ad valorem taxes which were assessed against the Qualified Facilities and which would have been paid to the Town by Fidelity but for this Agreement, for each year in which the Event of Default occurred and was continuing, without the benefit of abatement (after taking into account any applicable exemptions), and (ii) interest thereon charged at the rate of four and one-half percent (4.50%) per year and calculated for the period commencing on the date such taxes would have been delinquent and continuing through the date of payment of such liquidated damages. The calculation of liquidated damages shall not include any penalties or late charges. Such liquidated damages shall be due and payable to the Town within thirty (30) days of the receipt by Fidelity of the Suspension Notice. If the Town delivers a Suspension Notice pursuant to this Section 5, then Fidelity shall thereafter have no right to receive the tax abatements and grants specified in Sections 10 and 11 hereof unless and until Fidelity has cured the breach or breaches specified in the Breach Notice.
- C. The remedies of Town provided herein are exclusive; all other remedies of Town including, without limitation, the remedy of specific performance, being hereby waived.

Section 6. Sale, Assignment or Lease of Property.

Fidelity shall have the right, without the Town's consent, to transfer, convey or lease all or any portion of the Expansion Land, the Expansion Project or the Qualified Facilities to one or more Affiliates and, in connection therewith, to assign to such Affiliates all or any portion of

Fidelity's rights and obligations under this Agreement, provided that each assignee assumes the applicable terms and conditions of this Agreement. All other assignments of all or any portion of Fidelity's rights and obligations under this Agreement shall require the prior approval of the Board. Fidelity shall notify the Town pursuant to Section 16 of any proposed assignment requiring the Board's approval at least fifteen (15) days prior to the proposed effective date of such assignment. Any Affiliate or other party to whom any transfer, conveyance, lease or assignment is made with Board approval in accordance with this Section 6 shall be included within the definition of "Fidelity" for purposes of this Agreement.

**Section 7. Reimbursement or Waiver of Fees.**

- A. The Town agrees that Fidelity shall be exempted from capital recovery fees for Phase II, regardless of when imposed, based upon such costs for ten (10) years from the effective date of this Agreement. With the exception of those fees assessed by the Town and payable to the City of Fort Worth under the Town's wholesale water contract with City of Fort Worth ("Fort Worth Impact Fees"), Town agrees to waive all impact fees assessed or assessable against Phase II. No language in this Agreement shall be construed to relieve Fidelity of any obligation for the payment of Fort Worth Impact Fees.
- B. All capital impact fees assessed by Town against Fidelity for all phases of the Expansion Project other than Phase II shall be made in strict compliance with Chapter 395 of the LGC, and Fidelity does not waive, and hereby expressly retains, all rights to challenge any future impact fee assessed by the Town.
- C. Except as provided by Section 15 of this Agreement, if Fidelity is required to advance the costs of Town's share of any oversized facilities for water, drainage or wastewater, Town agrees to repay Fidelity in full for Town's share of such costs within five (5) years of the date the oversized facilities are accepted by Town (such acceptance not to be unreasonably withheld, conditioned or delayed) plus interest on all outstanding amounts at the rate of four and one-half percent (4.50%) per annum.

**Section 8. Permitting Process.**

Town agrees that any permit or application submitted in connection with the Qualified Facilities that requires action by the Town, including, but not limited to, applications for:

- a) zoning;
- b) site plan and plat approval;
- c) building permits;
- d) certificates of occupancy; and
- e) water, sewer and/or drainage improvements or connections

shall be entitled to priority and shall be reviewed and approved as expeditiously as possible.



Section 9. Mutual Assistance

The Town hereby agrees to cooperate with Fidelity in filing, whether solely or in conjunction with other parties, appropriate applications with county, state or federal agencies for grants, loans or other economic, non-economic, and infrastructure cost assistance, to benefit the Expansion Project, if requested by Fidelity.

Section 10. Tax Abatement and Rebate

- A. The parties acknowledge that the Town does not currently levy ad valorem taxes against real or personal property within the Town, and the Town does not anticipate levying such taxes in the foreseeable future. However, as a material inducement to Fidelity to construct the Qualified Facilities, the Town hereby grants a tax abatement of ninety percent (90%) [such that Fidelity shall pay ten percent (10%)] of all real and personal property ad valorem taxes which may hereafter be assessed by the Town and which may be abated under Ch. 312 of the Tax Code on each Qualified Facility constructed within a five-year period commencing with the issuance of a certificate of occupancy for the first building within Phase II of the Expansion Project.
- B. The term of the tax abatement for each building constructed within the period specified in subsection A shall extend for a maximum period of ten (10) years from the date of issuance of the initial certificate of occupancy for such structure.

Section 11. Grants.

Town recognizes that the abatements of future ad valorem taxes, as provided in Section 10, above, constitute a material inducement to Fidelity to construct the Qualified Facilities. If the Town elects to levy ad valorem taxes against real or personal property within the Town and the tax abatement and rebate provisions contained in Section 10 hereof are determined to be unenforceable or unlawful or are rendered unenforceable or unlawful by the passage of any federal or state law, Town shall make, and hereby makes, economic development grants to Fidelity, such grants to equal the amount of the ad valorem taxes that otherwise would have been abated and rebated in accordance with Section 10 hereof and such grants shall remain in effect for the same period tax abatements would have been in effect pursuant to subsection 10.B above.

Section 12. Right of Protest.

- A. Fidelity shall have the right to protest, contest or litigate: (a) any assessment of the value of the Expansion Project by any appraisal district which appraises real or personal property on all or any part of the Expansion Project; and, (b) any tax imposed on the Expansion Project by any taxing authority. The tax abatement (or, if applicable, the grants) provided for herein shall be applied to the amount of taxes finally determined to be due as a result of any such protest, contest or litigation. Notwithstanding the foregoing, absent a casualty to the Qualified Facilities once completed, any protest of ad valorem taxes resulting in an appraised value of less than \$80,000,000 shall constitute a breach of this Agreement.

- B. Except as expressly provided, this Agreement shall not be construed to in any way modify Fidelity's right to protest, contest or litigate any and all capital impact fees, ad valorem taxes or any other taxes, fees or charges which may be levied or assessed by the Town or any other entity on the Expansion Project or Fidelity's operations at the Expansion Project.

Section 13. Annual Application for Tax Exemption

It shall be the responsibility of Fidelity, pursuant to Section 11.43 of the Tax Code, if any, to file an annual exemption application form with the chief appraiser for each appraisal district in which the Expansion Project has situs.

Section 14. Sales Tax Rebate.

- A. Fidelity  
shall receive from the Town a one hundred percent (100%) rebate of the Town's one percent (1%) of the sales and use taxes collected by the State of Texas and received by the Town that were paid by Fidelity or its contractors within the applicable sales tax rebate period for all building materials and business personal property affixed to the Qualified Facilities, specifically excluding, however, sales taxes associated with the purchase of personal property not affixed to the Qualified Facilities. The sales tax rebate period shall be for a period of five (5) years and commence on the execution of this Agreement and shall expire for each building that comprises any portion of the Qualified Facilities on the date that is thirty-six (36) months following the date the Town issues a building permit for the construction of such building.
- B. Fidelity shall use diligent and good faith efforts to manage all construction comprising or related to the Qualified Facilities to maximize to the extent practicable the amount of sales tax collection by the Town by having a point of sale in the Town in accordance with all applicable law.
- C. All rebates referenced herein shall be paid to Fidelity within thirty (30) days of the end of each calendar quarter from the sales taxes received by the Town, and paid by Fidelity, from the State of Texas. The amount to be rebated shall be determined based on the evidence referenced in Section 4(C), above, with the exception that any rebates attributable to any building that comprises any portion of the Qualified Facilities shall not be payable prior to the issuance of a building permit for such portion of the Qualified Facilities.

Section 15. Water Project Contribution

Should the Town elect to proceed with the Water Project and to make an assessment of property owners or to impose development or impact fees to wholly or partially cover the costs of the Water Project, Fidelity agrees to make a monetary contribution to the Town to offset a portion of the funding of the Water Project. Fidelity's contribution shall be based on the method

of assessment or fee imposition adopted by the subsequent Town ordinance adopted to implement the funding obligations of the Water Project. Fidelity's contribution shall be equal to assessments or fees imposed under the ordinance for commensurate land or development activities for which permitting is initiated subsequent to the adoption of such ordinance. Notwithstanding the foregoing, in no event shall Fidelity's contribution exceed \$260,000.00. Fidelity's contribution to the Water Project shall become due and payable within thirty (30) days of the Town delivering to Fidelity a notice that the Town intends to award design and construction contracts for the Water Project within ninety (90) days of such notice. Any funds provided by Fidelity pursuant to this Section 15 shall be immediately refunded to Fidelity if contracts for the construction of the Water Project have not been awarded within six (6) months of the date Fidelity's contribution has been remitted to the Town. Fidelity's obligations to make a contribution toward the Water Project pursuant to this Section 15 shall expire five (5) years from the Effective Date.

Section 16. Notice.

Any notice, demand, or other communication required to be given or to be served upon any party hereunder, shall be void and of no effect unless given in accordance with the provisions of this Section. All notices shall be in writing and shall be delivered personally or sent by overnight courier service, by certified or registered mail, postage pre-paid, or by facsimile transmission and shall be deemed received, in the case of personal delivery, when delivered, in the case of overnight courier service, on the next business day after delivery to such service, in the case of mailing, on the third day after mailing (or, if such day is a day on which deliveries of mail are not made, on the next succeeding day on which deliveries of mail are made) and, in the case of facsimile transmission, upon transmittal. All notices, demands and other communications shall be given to the parties hereto at the following addresses:

Fidelity:

Fran Eichorst, General Manager  
Fidelity Investments Southwest Region  
One Destiny Way  
Westlake, Texas 76262

With Copies to:

FMR Texas Limited Partnership  
c/o Dylan Tonry, Senior Legal Counsel  
Fidelity Investments  
82 Devonshire Street, Mail Zone F7D  
Boston, Massachusetts 02109

Myron Dornic  
Jackson Walker L.L.P.  
901 Main Street, Suite 6000  
Dallas, Texas 75202

Town:

Trent O. Petty  
Town Manager  
Town of Westlake  
3 Village Circle, Suite 207  
Westlake, Texas 76262

With copy to:

L. Stanton Lowry  
Boyle & Lowry L.L.P.  
4201 Wingren, Ste. 108  
Irving, Texas 75062

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

Section 17. Town Authorization

This Agreement was authorized by resolution of the Board that was approved by the affirmative vote of a majority of the Board at its regularly scheduled Board meeting on the \_\_\_ day of \_\_\_\_, 2007, authorizing the Mayor to execute this Agreement on behalf of the Town. Town represents and warrants to Fidelity that Town may lawfully perform its obligations under this Agreement.

Section 18. Fidelity Authorization.

The individual executing this Agreement on behalf of Fidelity represents to the Town that all appropriate and necessary action has been taken to authorize such individual to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement, and that such authorization is valid and effective on the date hereof.

Section 19. Severability

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 20. Estoppel Certificate.

Any party hereto may request an estoppel certificate from another party hereto so long as the certificate is requested in connection with a bona fide business purpose, and each party agrees to promptly execute and deliver any estoppel certificate requested pursuant to this Section. The certificate, which will upon request be addressed to Fidelity, or a lessee, purchaser or assignee of Fidelity, shall include, but not necessarily be limited to, statements (qualified to

the best knowledge of the party providing the estoppel) that this Agreement is in full force and effect without default (or if a default exists, the nature of such default and any curative action which should be undertaken to cure same), the remaining term of this Agreement, and such other matters reasonably requested by the party(ies) to receive the certificate. Any such certificate on behalf of the Town shall be executed by the Mayor of the Town.

Section 21. Applicable Law.

This Agreement shall be construed under the laws and court decisions of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Tarrant County, Texas. This Agreement is performable in Tarrant and Denton Counties, Texas.

Section 22. Recordation of Agreement

A copy of this Agreement in recordable form may be recorded by either party in the Real Property Records of Tarrant and Denton Counties, Texas.

Section 23. Entire Agreement.

This Agreement constitutes the entire agreement between the parties regarding the subject matter contained herein, supersedes any prior understanding or written or oral tax abatement agreements or representations between the parties regarding the matters contained herein, and can be modified only by a written instrument subscribed to by both parties. This Agreement may be executed in multiple counterparts, each of which shall be considered an original for all purposes.

Section 24. Successors and Assigns.

Subject to the provisions of Section 6 hereof, this Agreement shall be binding on, and shall inure to the benefit of, the legal representatives, successors and assigns of the Town and Fidelity.

Section 25. Further Assurances.

Town and Fidelity shall timely take all actions reasonably necessary and/or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out the terms and provisions of this Agreement to allow for the full development of the Expansion Project.

[SIGNATURE PAGES FOLLOW]

EXECUTED to be effective as of the date first set forth above.

TOWN OF WESTLAKE, TEXAS, a municipal corporation

By: Scott Bradley  
Name: Scott Bradley  
Title: Mayor, Town of Westlake



ATTEST:  
By: Kim Sutter  
Kim Sutter, TRMC, Town Secretary

Trent O. Petty  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry  
By: L. Stanton Lowry  
Town Attorney

FMR TEXAS LIMITED PARTNERSHIP, a Massachusetts limited partnership (formerly known as Fidelity Texas Limited Partnership)

By: Fidelity Real Estate Company, LLC  
Its General Partner.

By: FMR Corp.  
Its Sole Member

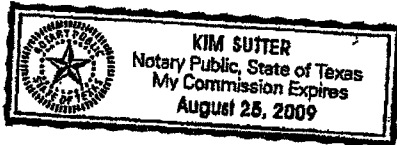
By: Fidelity Corporate Real Estate, Inc., Its Duly Authorized Agent

Kourosh Panahi  
By: Kourosh Panahi  
Name: KOUROSH PANAH  
Title: SENIOR VICE PRESIDENT

THE STATE OF TEXAS §  
§  
COUNTY OF TARRANT §

This instrument was acknowledged before me on April 23, 2007, by Scott Bradley, the Mayor of the Town of Westlake, Texas, a municipal corporation, on behalf of said municipal corporation.

Kim Sutter  
Notary Public in and for the State of Texas



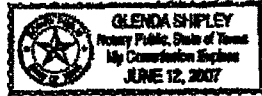
Kim Sutter  
Printed/Typed Name of Notary

My Commission Expires: 8-25-2009

THE STATE OF Texas §  
§  
COUNTY OF Tarrant §

This instrument was acknowledged before me on May 4, 2007, by Kourosch Panahy, the Sr. Vice President of Fidelity Corporate Real Estate, Inc., in its capacity as duly authorized agent of FMR Corp., in its capacity as the sole member of Fidelity Real Estate Company, LLC, in its capacity as the general partner of FMR Texas Limited Partnership, a Massachusetts limited partnership, on behalf of said limited partnership.

Glenda Shipley  
Notary Public in and for the State of Texas



Glenda Shipley  
Printed/Typed Name of Notary

My Commission Expires: 6/12/2007

**EXHIBIT "A"**

**TOWN OF WESTLAKE**

**RESOLUTION NO. 06-19**

**A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS, ADOPTING AN ECONOMIC DEVELOPMENT INCENTIVE POLICY.**

**WHEREAS**, the Town of Westlake, Texas, relies upon the generation of Sales and Use Taxes for basic city operations; and

**WHEREAS**, the Town of Westlake aggressively pursues sales tax producing enterprises that meet the Town's high development standards; and

**WHEREAS**, Chapter 312 of the Texas Tax Code requires that guidelines and criteria be adopted by the Board of Aldermen before entering into any Economic Development Agreement that provides reimbursement of taxes; and

**WHEREAS**, Chapter 380 of the Texas Local Government Code allows the Board of Aldermen to create policies for economic development and any related grants or incentives.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS:**

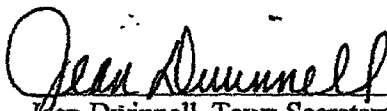
SECTION 1: The above findings are hereby found to be true and correct and are incorporated herein in its entirety.

SECTION 2: The Board of Aldermen of the Town of Westlake, Texas, adopts the attached Exhibit A, Town of Westlake Economic Development Incentive Policy and directs the Town Manager to immediately submit an Economic Development Agreement to the Board of Aldermen consistent with the terms of this policy.

PASSED AND APPROVED ON THIS 8th DAY OF MAY, 2006.

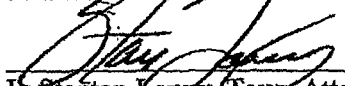
ATTEST:

  
Scott Bradley, Mayor

  
Jean Dwinnell, Town Secretary

  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
L. Stanton Lowry, Town Attorney



## EXHIBIT A

### Town of Westlake Economic Development Incentive Policy

#### Section I. General Purpose and Objectives

The Town of Westlake, Texas, ("Town") is committed to the promotion and retention of high quality development in all parts of the Town as part of an overall effort to improve the quality of life for its residents. Since these objectives can be served, in part, by the expansion of its commercial business, retail, and mixed use base, the Town will, on a case-by-case basis, give consideration to providing tax abatements, economic development grants, loans, and other incentives (collectively referred to as "Incentives") as may be allowed by law as stimulation for selected economic development within the community. It is the policy of the Town that consideration will be provided in accordance with the criteria set forth in this document. Nothing within this policy shall imply or suggest that the Town is under any obligation to provide Incentives to any applicant. All applicants ("Applicants") for any Incentives shall be considered on a case-by-case basis.

#### Section II. Applicability

This Economic Development Incentive Policy (the "Policy") establishes guidelines and criteria for Incentives as allowed for by the provisions of Chapter 312 of the Texas Tax Code, and other economic grants, loans, or incentives as authorized by Chapter 380 of the Texas Local Government Code, the Development Corporation Act, Article 5190.6, Tex. Rev. Civ. Stat., Article III, Section 52-a of the Texas Constitution, and other applicable laws. Any Incentive approved by the Town's Board of Aldermen ("Board of Aldermen") pursuant to the Policy must be memorialized in an agreement to be executed and approved by the Town and applicant (the "Incentive Agreement").

#### Section III. Tax Abatement Criteria

A. Any application for tax abatement shall be reviewed and approved or disapproved by the Board of Aldermen and, if applicable, consider the recommendations of the Westlake Development Corporation and/or the Westlake 4A Corporation. In general, the application will be considered based upon the following:

- The 'value added' to the community by the Applicant's proposed project;
- The likelihood of the development of the proposed project without abatements;
- The comparison of the use of abatements versus the use of other potential incentives.

B. Specific considerations for approving tax abatement applications will be based upon the degree to which the proposed project:

- Furthers the goals and objectives of the Town as expressed in the Town's Comprehensive Plan, Planned Development District Ordinances, and infrastructure plans;
- Impacts the Town's costs and ability to provide municipal services;
- Impacts the local environment, housing market, and available infrastructure;
- Offers potential for long term payback in tax and/or other revenues for the Town's investment;
- Potentially stimulates other desirable economic development within the Town.

C. Term of the Abatement – A tax abatement may be granted for a maximum of ten years. The term of the abatement may be granted for a lesser number of years depending upon the anticipated 'value added' to the Town.

#### Section IV. Value of the Project

The amount of the Incentive will be determined by the Board of Aldermen based upon the merits of the economic development project (the "Project"), including, but not limited to, the factors referenced in paragraph III. B. (above) and the following specific economic considerations:

- total capital investment;
- added employment;
- generation of other tax revenues.

Incentives may be granted only for the additional value of eligible property improvements described in the Project and listed in the executed tax abatement agreement. Target thresholds are established as expected qualifying levels for abatement consideration as indicated in paragraphs A and B as follows:

A. For New Businesses or Development - The Project must be reasonably expected to produce an added value of five million dollars (\$5,000,000) in real and personal property improvements within the Town of Westlake; or to create a minimum of 200 full-time jobs, or to generate annual sales tax revenues to the Town of at least \$100,000.

B. For Expansion or Modernization of Existing Businesses or Development – The Project must be reasonably expected to produce an added value of two million dollars (\$2,000,000) in real and personal property improvements within the Town, or to create a minimum of 100 full time jobs, or to generate additional annual sales tax revenues to the Town of at least \$50,000.

#### Section V. Inspection, Verification and Incentive Modification

The terms of an Incentive Agreement shall include the Town's right to:

(a) require the submission of an annual certification of compliance for the property receiving an Incentive; (b) conduct an on-site inspection of the project in each year during the life of the Incentive to verify compliance with the terms of the Agreement and the Policy; and (c) reduce or eliminate the Incentive if the applicant has failed to comply with the requirements of the Incentive Agreement.

#### **Section VI. Evaluation**

Upon completion of the Project, the Town shall no less than annually evaluate each Project receiving an abatement to insure compliance with the terms of the agreement. Any incidents of non-compliance will be reported to all affected taxing units.

#### **Section VII. Severability and Limitation**

In the event that any section, clause, sentence, paragraph or any part of this Policy shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of the guidelines and criteria in this Policy.

#### **Section VIII. Expiration and Modification**

This Policy is effective upon the date of its adoption and will remain in force for two years, at which time Incentive Agreements created pursuant to its provisions will be reviewed by the Board of Aldermen to determine whether the objectives of the Policy are being achieved. Based upon that review, this Policy may be modified, renewed or eliminated. However, any Incentive Contracts created pursuant to this Policy will remain in effect according to their respective terms without regard to any change to this Policy unless mutually agreed by the parties.

#### **Section IX. Economic Development Grants, Loans, and Other Incentives**

A. Any application for economic development grants, loans, and other incentives shall be reviewed and approved or disapproved by the Board of Aldermen. In the review process, the Board of Aldermen will, if applicable, consider the recommendations of the Westlake Development Corporation and/or the Westlake 4A Corporation. Any such economic development grants, loans, and other incentives may come from any one or combination of the following:

- Grants or loans as authorized by Chapter 380 of the Texas Local Government Code;
- The general Sales and Use taxes of the Town;
- Sales and Use taxes collected pursuant to section 4A and/or 4B of Article 5190.6, Tex. Rev. Civ. Stat.; and/or

- Any other lawful source of revenue of the Town including, but not limited to, bond or other debt financing which further the purpose of economic development.

B. To be eligible to apply and qualify for consideration of any grants, loans, and other incentives under this Section, the applicant must submit documentation, and enter into an Incentive Agreement, which indicates the specific details of the Project and compliance with the Policy.

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**EXHIBIT "B"****TOWN OF WESTLAKE****ORDINANCE NO. 513**

**AN ORDINANCE OF THE TOWN OF WESTLAKE, TEXAS, DESIGNATING THE FOLLOWING DESCRIBED LAND COMMERCIAL/INDUSTRIAL TAX ABATEMENT REINVESTMENT ZONE NO. TWO (2), IN THE TOWN OF WESTLAKE, TARRANT AND DENTON COUNTIES, TEXAS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE.**

**WHEREAS**, the Board of Aldermen ("Board") of the Town of Westlake, Texas ("Town"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone ("Zone") for commercial/industrial tax abatement, as authorized by Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, Subchapter B, Sections 312.201 and 312.202, as amended (the "Code"); and

**WHEREAS**, the Town has elected to become eligible to participate in tax abatement; and

**WHEREAS**, a public hearing at a regularly scheduled meeting before the Board was held at 7:00 p.m. on the 12th day of February, 2007, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper having general circulation in the Town as required by the Code; and

**WHEREAS**, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed reinvestment zone at least seven (7) days before the date of the public hearing; and

**WHEREAS**, the Town at such hearing invited all interested persons, or their representatives, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in this ordinance should be included in such proposed reinvestment zone, and the concept of tax abatement; and

**WHEREAS**, all interested persons spoke and the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the creation of the proposed reinvestment zone and the proponents also submitted evidence as to the proposed improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTLAKE, TEXAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**SECTION 2.** The Town, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence

**TOWN OF WESTLAKE****ORDINANCE NO. 513**

**AN ORDINANCE OF THE TOWN OF WESTLAKE, TEXAS, DESIGNATING THE FOLLOWING DESCRIBED LAND COMMERCIAL/INDUSTRIAL TAX ABATEMENT REINVESTMENT ZONE NO. TWO (2), IN THE TOWN OF WESTLAKE, TARRANT AND DENTON COUNTIES, TEXAS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE.**

WHEREAS, the Board of Aldermen ("Board") of the Town of Westlake, Texas ("Town"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone ("Zone") for commercial/industrial tax abatement, as authorized by Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, Subchapter B, Sections 312.201 and 312.202, as amended (the "Code"); and

WHEREAS, the Town has elected to become eligible to participate in tax abatement; and

WHEREAS, a public hearing at a regularly scheduled meeting before the Board was held at 7:00 p.m. on the 12th day of February, 2007, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper having general circulation in the Town as required by the Code; and

WHEREAS, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed reinvestment zone at least seven (7) days before the date of the public hearing; and

WHEREAS, the Town at such hearing invited all interested persons, or their representatives, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in this ordinance should be included in such proposed reinvestment zone, and the concept of tax abatement; and

WHEREAS, all interested persons spoke and the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the creation of the proposed reinvestment zone and the proponents also submitted evidence as to the proposed improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTLAKE, TEXAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**SECTION 2.** The Town, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence

presented to it:

- (a) That a public hearing on the designation of the reinvestment zone has been properly called, held and conducted and that notices of such hearings have been published as required by law and delivered to all taxing units located within the proposed reinvestment zone;
- (b) That the boundaries of the reinvestment zone should be the area as described in the metes and bounds description attached hereto and identified as Exhibit "A", which are incorporated herein for all purposes and which area is within the taxing jurisdiction of the Town;
- (c) That the creation of the reinvestment zone for commercial/industrial tax abatement, with boundaries as described in Exhibit "A" attached hereto will result in benefits to the Town and to the land included in the Zone and to the Town after the expiration of any Tax Abatement Agreement entered into and the improvements sought within the Zone are feasible and practical;
- (d) That the reinvestment zone as defined in Exhibit "A" attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Code, as amended, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the Town; and
- (e) That the reinvestment zone as defined in Exhibit "A" attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Town of Westlake Tax Abatement Policy, which Policy establishes guidelines and criteria governing tax abatement agreements by the Town and provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

SECTION 3. That pursuant to the Code, the Town hereby creates a reinvestment zone for commercial/industrial tax abatement encompassing only the area described by the metes and bounds in Exhibit "A" attached hereto and such reinvestment zone is hereby designated and shall hereafter be designated as Reinvestment Zone No. Two (2), Town of Westlake, Texas.

SECTION 4. That the Town shall deliver to the Texas Comptroller's Office prior to April 1, 2007, a general description of the reinvestment zone, including its size, the types of property located in it, its duration, and the guidelines and criteria established for the reinvestment zone under Section 312.002 of the Code, including subsequent amendments and modifications of the guidelines or criteria.

SECTION 5. That the Zone shall take effect on the 12th day of February, 2007.

SECTION 6. If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Board hereby determines that it would have adopted this ordinances without the invalid provision.

PASSED AND APPROVED ON THIS 12<sup>TH</sup> DAY OF FEBRUARY 2007

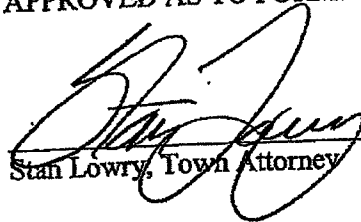
  
\_\_\_\_\_  
Scott Bradley, Mayor

ATTEST:

  
\_\_\_\_\_  
Kim Sutter, TRMC, Town Secretary

  
\_\_\_\_\_  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Stan Lowry, Town Attorney



**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**  
(2 Parcels)

## Exhibit A

## Parcel 1

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 64 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

## Exhibit A (Continued)

## Parcel 2

BEING a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

## Exhibit A (Continued)

THENCE, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the POINT OF BEGINNING;

THENCE, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

THENCE, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

THENCE, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

## Exhibit A (Continued)

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to

## EXHIBIT "C"

## TOWN OF WESTLAKE

## RESOLUTION NO. 07-24

**A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS, APPROVING AN ECONOMIC DEVELOPMENT AGREEMENT WITH FIDELITY TEXAS LIMITED PARTNERSHIP FOR PHASE II OF THE FIDELITY CAMPUS PURSUANT TO THE TOWN OF WESTLAKE ECONOMIC DEVELOPMENT POLICY AND TAX ABATEMENT POLICY; ESTABLISHING NEIGHBORHOOD EMPOWERMENT ZONE NO. 1 PURSUANT TO CHAPTER 378 OF THE TEXAS LOCAL GOVERNMENT CODE; AND DECLARING AN EFFECTIVE DATE.**

**WHEREAS,** The Board of Aldermen adopted Ordinance No. 304 designating a commercial/industrial tax abatement reinvestment zone and adopting an Economic Development Incentive Policy for the 309 acres comprising the Fidelity campus on August 3<sup>rd</sup>, 1998; and

**WHEREAS,** The Board of Aldermen adopted Resolution 98-05 on August 10<sup>th</sup>, 1998 approving an Economic Development Agreement with Fidelity; and

**WHEREAS,** The Fidelity project has become a positive economic and community presence in the Town of Westlake; and

**WHEREAS,** Fidelity now seeks to expand the campus to provide buildings originally contemplated for Phase II which will add 600,000 sq. ft. of new construction and 2,500 new jobs to the Fidelity campus; and

**WHEREAS,** Fidelity has requested similar concessions of the Town of Westlake including an abatement of ad valorem taxes and a reimbursement of certain sales taxes generated by construction of Phase II.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS:**

**SECTION 1:** That the Economic Development Agreement by and between the Town of Westlake, Texas, and Fidelity Texas Limited Partnership attached hereto as Exhibit "1" and incorporated herein for all purposes is hereby approved.

**SECTION 2:** That Neighborhood Empowerment Zone No. 1 covering the property that is subject to the Economic Development Agreement is hereby established.

**SECTION 2:** That this Resolution shall become effective upon its passage and the approval of the preliminary plat and site plan amendment by the Planning and Zoning Commission and the Board of Aldermen and subsequent submittal of all required documents and fees to the Town.



PASSED AND APPROVED BY THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS, ON THIS 23<sup>RD</sup> DAY OF APRIL, 2007.

  
\_\_\_\_\_  
Scott Bradley, Mayor

ATTEST:

  
\_\_\_\_\_  
Kim Sutter, TRMC, Town Secretary

  
\_\_\_\_\_  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
L. Stanton Lowry, Town Attorney

## Exhibit D

## Parcel 1

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Namette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit D (continued)

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;  
 N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;  
 S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;  
 S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit D (continued)

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

## Exhibit D (continued)

## Parcel 2

BEING a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

## Exhibit D (continued)

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the POINT OF BEGINNING;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

## Exhibit D (continued)

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to

## Exhibit D (continued)

a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

THENCE, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE, South 44 degrees 42 minutes 25 seconds West., a distance of 109.52 feet to 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

THENCE, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the POINT OF BEGINNING and containing 22.067 acres of land, more or less.



100791



## RESOLUTION

### PARTICIPATION IN TAX ABATEMENT FMR TEXAS LIMITED PARTNERSHIP

**WHEREAS**, FMR Texas Limited Partnership, a Massachusetts limited partnership duly authorized to do business in the State of Texas, acting by and through its officers (hereafter referred to collectively as "Owner"), plans to construct a new operations building on real property it owns, more particularly described in the Abatement Agreement attached hereto and incorporated herein by reference ("Premises"); and

**WHEREAS**, the Premises is located within Tarrant County (the "County"), a political subdivision of the State of Texas, which Premises is located within the Town of Westlake; and

**WHEREAS**, the Premises and all improvements and tangible personal property thereon, whether now existing or hereinafter to be constructed, are subject to ad valorem taxation by the Town of Westlake and the County; and

**WHEREAS**, the Premises and all improvements thereon are located in Town of Westlake Tax Abatement Reinvestment Zone No. 2, a reinvestment zone for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code, as amended (the "Code"); and

**WHEREAS**, the Board of Alderman of the Town of Westlake has approved an Economic Development and Tax Abatement agreement as to the Premises and certain improvements thereon; and

**WHEREAS**, the Tax Abatement Agreement (the "Agreement") between Tarrant County and Owner, attached hereto, calls for the construction of a new 600,000 square foot building for its financial services operations with an estimated total cost upon completion of more than \$80,000,000 to be completed by March 31, 2010; and

**WHEREAS**, the Agreement with the Owner is conditioned upon specific investment criteria, continued operation of the facility, the creation and retention of new jobs, and meeting specific Tarrant County and DBE contracting requirements; and


**WHEREAS**, the Commissioners Court has been requested by the Owner to take the steps required pursuant to the Code to permit tax abatement with respect to that portion of the Premises and the improvements thereon which are subject to the taxing jurisdiction of the County and the Hospital District, and has further requested that the County enter in the Agreement; and

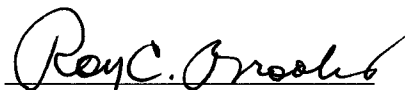
**WHEREAS**, the County has approved the Tarrant County Tax Abatement Policy Statement Guidelines and Criteria for granting tax abatement in reinvestment zones in Tarrant County;

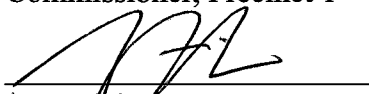
**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED** by the Commissioners Court of Tarrant County, Texas:


1. That all recitals set forth in the preamble are hereby found to be true and correct;
2. That the Commissioners Court shall have prudently reviewed each tax abatement agreement approved by a municipality having taxing jurisdiction with respect to property located in the County and within a reinvestment zone designated by such municipality; and according to the adopted guidelines and criteria for tax abatement of the County, shall prudently review and consider each proposed County tax abatement agreement providing participation in tax abatement with a municipality; and shall, solely at its discretion, approve those tax abatement agreements that it finds meet all constitutional and statutory criteria and requirements, and which it finds to be in the best interest of the taxpayers and citizens of the County; and
3. That the Commissioners Court hereby finds that the terms and conditions of the Agreement substantially meet its guidelines and criteria; that the Agreement for the abatement of County and Hospital District Taxes be and is hereby approved; that the County and its Commissioners Court hereby agree to enter into the Agreement as a party thereto; and the County Judge of the County be and is hereby authorized and directed to execute and deliver said Agreement on behalf of the County and its Commissioners Court, substantially in the form attached hereto, and carry out the terms thereof at the appropriate time(s).

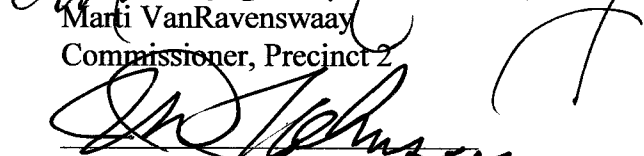
**PASSED AND APPROVED, IN OPEN COURT**, this 19<sup>th</sup> day of June, 2007, through Court Order No. 100791.

  
B. Glen Whitley, County Judge

  
Roy C. Brooks  
Commissioner, Precinct 1

  
Gary Fickes  
Commissioner, Precinct 3

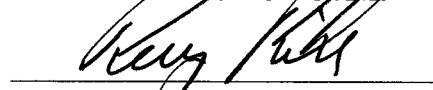
  
Marti VanRavenswaay  
Commissioner, Precinct 2

  
J.D. Johnson  
Commissioner, Precinct 4

ATTEST:

  
County Clerk

APPROVED AS TO FORM:

  
District Attorney

100791

STATE OF TEXAS § TAX ABATEMENT AGREEMENT BETWEEN TARRANT COUNTY, TEXAS AND FMR TEXAS LIMITED PARTNERSHIP, A MASSACHUSETTS LIMITED PARTNERSHIP  
COUNTY OF TARRANT § PARTNERSHIP, A MASSACHUSETTS LIMITED PARTNERSHIP

This Tax Abatement Agreement (this "Agreement") is entered into as of the 19<sup>th</sup> day of June, 2007 (the "Effective Date") by and between **Tarrant County, Texas** (the "County"), duly acting herein by and through its County Judge, and **FMR Texas Limited Partnership**, a Massachusetts limited partnership ("**FMR Texas**"), duly acting by and through its authorized officers.

**WHEREAS**, the Commissioners Court of Tarrant County, Texas ("Court") has adopted the Tarrant County Tax Abatement Policy, Guidelines and Criteria (the "Policy Statement"), attached hereto and incorporated herein as Exhibit "A"; and

**WHEREAS**, the Policy Statement constitutes appropriate "guidelines and criteria" governing tax abatement agreements to be entered into by the County as contemplated by Chapter 312 of the Texas Tax Code, as amended (the "Code"); and

**WHEREAS**, on the 12th day of February, 2007, the Board of Aldermen (the "Board") of the Town of Westlake ("Westlake") adopted Ordinance No. 513 establishing Town of Westlake Tax Abatement Reinvestment Zone No. Two (the "Zone"), a copy of which is attached hereto and incorporated herein for all purposes as Exhibit "B"; and

**WHEREAS**, FMR Texas, as the owner of the Expansion Land (herein defined), which Land is located completely within the Zone and is subject to ad valorem taxation by the County, intends to develop and construct one or more buildings on the Expansion Land, and the development and construction on the Expansion Land is expected to significantly enhance the economic and employment base of the Town of Westlake and Tarrant County; and

**WHEREAS**, on the 23rd day of April, 2007, the Board approved the execution of an Economic Development Agreement between FMR Texas and Westlake, a copy of which is attached hereto and incorporated herein for all purposes as Exhibit "E";

**WHEREAS**, FMR Texas has submitted to the County an application for tax abatement with various attachments concerning the contemplated use of the Expansion Land (the "Application"), a copy of which is attached hereto and incorporated herein for all purposes as Exhibit "D"; and

**WHEREAS**, the contemplated use of the Land, the Qualified Facilities (as defined herein), and the other terms hereof are consistent with encouraging development of the Zone in accordance with the purposes for its creation and comply with the Policy Statement and similar guidelines and criteria adopted by the County and all applicable law; and

**WHEREAS**, the County is authorized to enter into and execute this Agreement pursuant to Chapter 312 of the Tax Code; and

**NOW, THEREFORE**, the County and FMR Texas, for and in consideration of the premises and the promises contained herein, and other good and valuable consideration, the receipt and

sufficiency of which are hereby acknowledged, which consideration includes the attraction of major investment in the Zone, the increased payroll that contributes to the enhancement of the tax base in the County and the economic development and tax abatement incentives set forth herein below, as authorized by Chapter 312 of the Tax Code, to the extent applicable, do hereby contract, covenant and agree as follows:

I.

DEFINITIONS

Whenever used in the Agreement, the following capitalized terms shall have the meanings ascribed to them:

A. "Affiliate" shall mean any entity that owns or controls, is owned or controlled by or is under common ownership or control with, FMR Texas or any entity the ownership of which is substantially the same as the ownership of FMR Corp.

B "Fidelity" shall mean FMR Texas and any Affiliate, individually and collectively, whether one or more, to the extent that such entities now own or hereafter acquire an interest in all or any portion of the Expansion Land, Qualified Facilities or the Expansion Project pursuant to Section VII hereof and each in its capacity as owner of the Qualified Facilities, the Expansion Project, or any portion thereof, as the case may be.

C "Force Majeure" shall mean any contingency or cause beyond the reasonable control of Fidelity, including, without limitation, acts of God, or the public enemy, war, riot, civil commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of Fidelity), fire, explosions or floods, and strikes.

D. "Expansion Land" shall mean the parcel(s) of land which is more particularly described in Exhibit "C" which is attached hereto and incorporated herein for all purposes.

E. "Expansion Project" shall mean the improvements, related infrastructure and/or modifications approved under the Town of Westlake's Planned Development Regulations and to be constructed on the Expansion Land located in Tarrant County by Fidelity (or Board approved successors or assigns) and includes Qualified Facilities.

F. "Qualified Facilities" shall mean the buildings and other structural components of the corporate facility to be constructed by Fidelity on the Expansion Land located in Tarrant County; a single building which constitutes a part of the Qualified Facilities may be referred to as a "Qualified Facility."

## II.

### FIDELITY'S COVENANTS

A. Fidelity shall construct, install and maintain, or cause to be constructed, installed and maintained, on and within the portion of the Expansion Land in Tarrant County, consistent with the Westlake zoning ordinance and other Westlake ordinances, (i) Qualified Facilities containing a minimum of Six Hundred Thousand (600,000) gross square feet of total structures on the Expansion Land which may be occupied by employees (i.e., excluding parking structures or parking areas within structures), having a minimum Construction Cost (as such term is defined below) upon completion of no less than Eighty Million Dollars (\$80,000,000), and (ii) new business personal property having an initial cost of no less than Twenty Million Dollars (the "**Required Improvements**"). The kind, number and location of the Required Improvements are more particularly described in the Application. As long as the conditions in the first sentence of this Section II.A are satisfied and the Required Improvements are used in substantial compliance with the purposes and the manner described in the Application, variations in the Required Improvements from the description provided in the Application shall not be an Event of Default (as defined herein).

For purposes of this Agreement, "**Construction Costs**" shall mean site development and building costs, including, without limitation, actual construction costs, signage costs, contractor fees, the costs of supplies and materials, engineering fees, architectural fees and other professional costs, and development and permitting fees expended directly in connection with the Expansion Project. Nothing in this Article II, Section A. shall be deemed to establish or affect the taxable appraised value of the Expansion Land, Expansion Project or Qualified Facilities. FMR Texas understands and agrees that the real property and the Required Improvements on the Expansion Land shall be eligible for and subject to tax abatement under this Agreement only to the extent set forth in Article IV., Section B of this Agreement.

B. Fidelity covenants to substantially complete all of the Required Improvements on or before March 31, 2010 (the "**Completion Date**"). In the event that performance by Fidelity of any of its obligations under the terms of this Agreement or the Application shall be interrupted or delayed by a Force Majeure event, Fidelity shall have such additional time as is reasonably necessary after such occurrence abates or the effects thereof have dissipated to complete performance and, provided that Fidelity is diligently and faithfully pursuing the completion of performance, in the event of such occurrence, Fidelity's failure to complete all of the Required Improvements on or before March 31, 2010, shall not be an Event of Default hereunder.

C. Fidelity covenants that the Required Improvements shall be completed and the Qualified Facilities shall be used in accordance with the description of the Expansion Project set forth in the Application.

D. Fidelity covenants that throughout the Term (as defined herein) of the Abatement (as defined herein), the Qualified Facilities shall be operated and maintained as an office development which use is consistent with the Westlake zoning ordinance and other Westlake ordinances for the general purposes of encouraging development or redevelopment of the Zone.

E. Failure by Fidelity to meet any of the commitments set forth in the Application concerning the employment of Tarrant County residents and the use of Tarrant County businesses and DBE's (as defined herein) regarding the supply and service expenses for the Project, shall not constitute an "Event of Default," as that term is defined in Article VI hereof, but will result in the reduction or loss of the Abatement (as defined herein) for each year in which such commitments are not satisfied.

### III.

#### GENERAL PROVISIONS

A. The County has adopted guidelines and criteria governing tax abatement agreements for the County and may enter into this Agreement containing the terms set forth herein.

B. Procedures followed by the County generally conform to the requirements of the Tax Code, and have been and will be undertaken in coordination with Fidelity.

C. The Qualified Facilities are not an improvement project financed by tax increment bonds.

D. Neither the Land nor any of the Qualified Facilities covered by this Agreement are owned or leased by any member of the Court or any member of the governing body of any taxing units joining in or adopting this Agreement.

E. All or any portion of the Land and/or Project may be eligible for complete or partial exemption from ad valorem taxes, as a result of existing law or future legislation. This Agreement shall not be construed as evidence that such exemptions do not apply to the Land and/or Project.

### IV.

#### ABATEMENT TERMS AND CONDITIONS

A. Subject to compliance with the terms and conditions of this Agreement, the County hereby grants real and personal property tax abatement (individually, an "**Abatement**," and collectively, the "**Abatements**"), as it relates to Tarrant County and Tarrant County Hospital District ad valorem taxes, to Fidelity relative to the Expansion Project and the Qualified Facilities.

B. The amount of the Abatement shall be based on a percentage of the increase in the aggregate appraised value (as established by the Tarrant Appraisal District) for the Expansion Project and Qualified Facilities over the value located on the Expansion Land on January 1, 2007, the year in which this Agreement is executed. The Abatement percentage in each year during the term of the abatement may range up to a maximum of seventy-five percent (75%) of the increase in value resulting from construction of the Qualified Facilities and installation of other Required Improvements, and shall be calculated as set forth below:

1. **Base Abatement.** Subject to reduction in accordance with the following terms of this Agreement, a "**Base Abatement**" value of fifty percent (50%) will be granted if Fidelity meets the minimum performance requirements as follows:

- a) The construction and installation of the Required Improvements with a minimum Construction Cost of \$80,000,000, to be substantially completed/installed by the Completion Date;
- b) The employment of at least 1,100 full-time jobs at the Expansion Project by the end of the first year of the Abatement Term and through the remaining term of the abatement;
- c) In addition to the employment requirements in Section IV.B.1.(b), throughout the Abatement Term, Fidelity shall also maintain employment of at least 1,500 full-time jobs at the initial Westlake campus facilities that were subject to the 1999 Tax Abatement Agreement between Tarrant County and FMR Texas;
- d) The employment during each calendar year of the Abatement Term of Tarrant County residents for a minimum of twenty-five percent (25%) of all full-time jobs at the Expansion Project;
- e) The expenditure with Tarrant County Contractors (as such term is defined below) by the Completion Date of twenty-five percent (25%) of all Construction Costs (excluding, however, in this case, developer fees, contractor fees, development and permitting fees, and any other cost or expense other than actual construction costs, signage costs, the costs of supplies and materials, engineering fees, architectural fees, and other similar professional fees) for the Required Improvements and any other improvements constructed on the Expansion Land. As used herein, the term "**Tarrant County Contractors**" shall mean any corporation, partnership, limited liability company or sole proprietorship maintaining an addressed office within Tarrant County from which it conducts all or a substantial part of its business operations;
- f) The expenditure with DBE Contractors (as such term is defined below) by the Completion Date of fifteen percent (15%) of all Construction Costs (excluding, however, in this case, developer fees, contractor fees, development and permitting fees, and any other cost or expense other than actual construction costs, signage costs, the costs of supplies and materials, engineering fees, architectural fees, and other similar professional fees) for the Required Improvements and any other improvements constructed on the Expansion Land. As used herein, the term "**DBE Contractors**" shall mean contractors who are DBE's, and the term "**DBE**" shall mean:
  - i. a corporation formed for the purpose of making a profit and at least 51 percent of all classes of the shares of stock or other equitable securities of which are owned by one or more persons who are socially or economically disadvantaged because of their identification as members of certain groups that have been subject to racial or ethnic prejudice or cultural bias without regard to their qualities as individuals or capabilities as a business, and whose ability to compete in the free enterprise system is impaired due to diminished opportunities to obtain capital and credit as compared to others in the same line of business who are not socially disadvantaged. "DBE" includes the State of Texas definition of historically underutilized businesses (HUBs) as defined in Section 2161.001 of the Texas Government Code, and as it may be updated.

- ii. a sole proprietorship formed for the purpose of making a profit that is owned, operated, and controlled exclusively by one or more persons described in Section B.1.f).i. above.
- iii. a partnership that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by Section B.1.f).i. above, and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs.

Dollars spent with DBE Contractors may also count as dollars spent with Tarrant County Contractors for the purposes of Section B.1.e) above if the DBE Contractor is also a Tarrant County Contractor as defined above.

g) The expenditure of Supply and Service Expenses (as such term is defined below) of at least (i) fifteen percent (15%) with DBE Contractors, and (ii) twenty-five percent (25%) with Tarrant County Contractors of the total cost of all Supply and Service Expenses per calendar year commencing with the Completion Date and continuing until the expiration of the Abatement Term. As used herein, the term "**Supply and Service Expenses**" shall mean those customary supplies and services purchased by or on behalf of Fidelity for the operation and maintenance of the Expansion Project, the Required Improvements and the other improvements constructed on the Expansion Land including, without limitation, office supplies, production equipment and supplies, landscaping services, janitorial services and maintenance services. For purposes of computing the annual Tarrant County Contractors and DBE Contractors percentage of Supply and Service Expenses, those annual supplies and services that are sole source items, or the purchase of which is based on a company wide purchase agreement that is not specific to or controlled by the local division of the company located on the Expansion Land, may not be included in computing the total costs of Supply and Service Expenses.

Upon Fidelity's written request, the County will advise Fidelity as to whether any given entity is a Tarrant County Contractor or a DBE Contractor for purposes of this Article IV., Section B.1.

Failure of Fidelity to comply with the employment requirements of Article IV, Section B.1.b),c) or d) above will result in the reduction of the Abatement to zero percent (0%) for the year immediately following any year in which these requirements are not met. Notwithstanding anything to the contrary contained herein, the determination of Fidelity's compliance with the various employment requirements of this Agreement shall be based on Fidelity's employment data for December 31 (or another date requested by Fidelity and reasonably acceptable to the County) of the applicable calendar year, the determination of compliance with the construction expenditure requirements for the Required Improvements shall be based on spending during the period of time prior to and including the Completion Date of the Required Improvements, and the determination of compliance with the Supply and Service Expenses requirement shall be based on spending for the entire calendar year.



**2. Reduction in Abatement Percentage.** The expenditure with Tarrant County and DBE Contractors of less than the required amounts of Construction Costs and annual Supply and Service Expenses as set for in Article IV.B.1., will result in the reduction of the Base Abatement percentage based upon the following:

- a) If the expenditure with DBE Contractors is below fifteen percent (15%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, but equal to or greater than five percent (5%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by five (5) percentage points for the full term of the Abatement (e.g., 50% Base Abatement minus 5% reduction equals a reduced Base Abatement of 45%). If the expenditure with DBE Contractors is below five percent (5%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by ten (10) percentage points for the full term of the Abatement (e.g., 50% Base Abatement minus 10% reduction equals a reduced Base Abatement of 40%).
- b) If the expenditure with DBE Contractors for Supply and Service Expenses in any calendar year is below fifteen percent (15%) of the total annual Supply and Service Expenses, then the Base Abatement will be reduced by a separate five (5) percentage points for the year immediately following any year in which these requirements are not met.
- c) If the expenditure with Tarrant County Contractors is below twenty-five percent (25%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, but equal to or greater than fifteen percent (15%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by a separate five (5) percentage points for the full term of the Abatement. If the expenditure with Tarrant County Contractors is below fifteen percent (15%) of all Construction Costs for the Required Improvements and any other improvements constructed on the Premises, then the Base Abatement will be reduced by ten (10) percentage points for the full term of the Abatement.
- d) If the expenditure with Tarrant County Contractors for Supply and Service Expenses in any calendar year is below twenty-five percent (25%) of the total annual Supply and Service Expenses, then the Base Abatement will be reduced by a separate five (5) percentage points for the year immediately following any year in which these requirements are not met.

**3. Additional Abatement Percentage.** In any year that Fidelity receives an Abatement percentage of more than zero percent (0%) under Article IV., Sections B.1 and B.2., Fidelity may receive up to an additional twenty-five percentage points (25%) of Abatement, based upon the following criteria, each of which is independent of the other in the determination of additional abatement percentage.

- a) For full-time employment levels above 1,200 jobs, Fidelity will receive an additional 2% abatement for each 50 jobs added up to a maximum of 20% additional abatement.

Examples:

- Annual employment of 1,305 full time jobs = 105 additional jobs = 4% additional abatement
  - Annual employment of 1,555 full-time jobs = 355 additional jobs = 14% additional abatement
  - Annual employment of 1,701 full-time jobs = 501 additional jobs = 20% additional abatement
- b) For full-time employment of Tarrant County residents for more than 45% of all full-time jobs at project site, Fidelity will receive another additional 5% abatement.
- c) For use of DBE Contractors for 25% or more of total construction contracting costs, Fidelity will receive an additional 5% abatement for the life of the abatement.
- d) For use of either Tarrant County Contractors or DBE Contractors for more than 25% of total annual Supply and Service Expenses, Fidelity will receive an additional 5% abatement for that year.

The total cumulative percentage of ad valorem tax abatement that may be received in any one year, pursuant to this agreement, shall not exceed seventy-five percent (75%) of the increased value.

C. The term of the Abatement (the "Abatement Term") shall begin on January 1 of the year following the year in which the Required Improvements are substantially completed (the "Beginning Date") and, unless sooner terminated as herein provided, shall end on the December 31<sup>st</sup> immediately preceding the tenth (10<sup>th</sup>) anniversary of the Beginning Date.

D. Fidelity shall have the right to protest, contest or litigate: (a) any assessment of the value of the Project by any appraisal district which appraises real or personal property on all or any part of the Project; and (b) any tax imposed on the Project by any taxing authority. The tax abatements provided for herein shall be applied to the amount of taxes finally determined to be due as a result of any such protest, contest or litigation.

V.

RECORDS, AUDITS AND EVALUATION OF PROJECT

A. Subject to applicable law governing financial disclosure by Fidelity, the County shall have the right to review and audit the Expansion Project to determine compliance with this Agreement. The County shall annually (or such other times deemed appropriate by the County) evaluate the Expansion Project to insure compliance with this Agreement. On or before April 30th of every year during an Abatement Term, Fidelity shall provide the County with information and documentation, as reasonably requested by the County, detailing Fidelity's material compliance with each applicable term of this Agreement. Failure to provide such information timely shall be considered an Event of Default hereunder. The information shall include, but not be limited to, the following:

- (1) The total number of employees employed at the Expansion Project, the sum of all employee salaries and the number of employees who reside in Tarrant County;
- (2) The gross dollars spent on supplier and professional service contracts, with detail sufficient to demonstrate the amounts by contract awarded and performed by Tarrant County businesses and DBE's; and
- (3) If the dollars or percentages do not equal the requirements of this Agreement, Fidelity shall explain the reason for the failure to meet the requirements and state a recommended course of rectification.

B. The County shall make a decision and rule on the eligibility of the Expansion Project for Abatement for that year, based on the information furnished for that year, on or before August 1 of the taxable year and shall notify Fidelity in writing as set forth in Article VII hereof.

C. As a part of the audit process, during normal business hours throughout each Abatement Term, providing at least five (5) business days' prior written notice is given to Fidelity, the County shall have access to the Expansion Project by County employees for the purpose of inspecting the Expansion Project to ensure that the Qualified Facilities have been completed and maintained in accordance with the specifications and conditions of this Agreement; provided, however, that Fidelity shall have the right to accompany County employees on any such inspection and that each such inspection shall be conducted in a manner which does not breach Fidelity's security procedures and which is least disruptive of Fidelity's employees and business operations.

## VI.

### BREACH AND REMEDY

A. The occurrence of the following conditions shall constitute an event of default ("Event of Default") hereunder: (i) the Required Improvements are not completed in accordance with this Agreement; (ii) Fidelity allows its unabated ad valorem real property taxes with respect to the Land or Qualified Facilities, or its unabated ad valorem taxes with respect to tangible personal property located on the Land or within the Qualified Facilities, to become delinquent by failing to timely pay or by failing to timely and properly follow the legal procedures for protest and/or contest of any such ad valorem real property or tangible personal property taxes; or (iii) subject to the terms and provisions contained in Article II, Paragraphs A. and E. hereof, Fidelity fails to comply with any of the remaining material terms or conditions of this Agreement, and any such failure (hereinafter, a "breach") specified in either clause (i), (ii) or (iii), above, remains uncured for ninety (90) days following Fidelity's receipt of written notice (the "Breach Notice") from the County, delivered in accordance with Section VIII hereof, of the event and nature of such breach; provided, however, that if such breach is not reasonably susceptible of cure within such ninety (90) day period and Fidelity has commenced and is continuing to pursue the cure of such breach, then after first advising the Court of such cure efforts, Fidelity shall automatically receive an additional ninety (90) day period within which to cure such breach. The Court may authorize additional time to cure any such breach, but is not obligated to grant such additional time. Notwithstanding anything expressed or implied herein to the contrary, no Event of Default shall exist if the failure of Fidelity to fully perform its

obligations hereunder is the result of a Force Majeure event. Further the time for cure of a breach by Fidelity shall be extended by the reasonable time Fidelity is delayed by a Force Majeure event.

B. Upon the occurrence and during the continuation of any uncured Event of Default, the County shall have the right, as the sole and exclusive remedy of the County (the County hereby waiving all other remedies), to suspend the Abatements pursuant to a notice (the "Suspension Notice") delivered in accordance with Section VIII hereof, and thereafter to receive from Fidelity, as liquidated damages, a sum equal to (i) the amount of all ad valorem taxes which were assessed against the Qualified Facilities and which would have been paid to the County by Fidelity but for this Agreement, for each year in which the Event of Default occurred and was continuing, without the benefit of abatement (after taking into account any applicable exemptions), and (ii) interest thereon charged at the rate of four and one-half percent (4.50%) per year and calculated for the period commencing on the date such taxes would have been delinquent and continuing through the date of payment of such liquidated damages. The parties acknowledge that actual damages in the event of default and termination would be speculative and difficult to determine, and agree that the calculation of liquidated damages shall not include any penalties or late charges. Such amount shall be a debt to the County and shall be due, owing and paid to the County within sixty (60) days of the receipt by Fidelity of the Suspension Notice, subject to any and all lawful offsets, settlements, deductions, or credits to which Fidelity may be entitled. If the County delivers a Suspension Notice pursuant to this Section VI, then Fidelity shall thereafter have no right to receive the Abatements unless and until Fidelity has cured the breach or breaches specified in the Breach Notice.

C. Notwithstanding the foregoing paragraph, if the County and Fidelity mutually determine that the development or use of the Land or Qualified Facilities as contemplated herein is no longer appropriate or that a higher or better use is preferable, the parties may terminate this Agreement by a writing signed by both parties, all Abatement Terms then in effect shall expire as of the effective date of the termination, there shall be no recapture of amounts previously abated, and neither party shall have any further rights or obligations hereunder.

## VII.

### EFFECT OF SALE, ASSIGNMENT OR TRANSFER OF PROPERTY

The Abatements shall vest in Fidelity and, except as provided below, may be assigned to a new owner of all or a portion of the Land or Qualified Facilities, only upon the Court's reasonable approval, based upon the ability of the new owner to assume all of the obligations of Fidelity under this Agreement, and in the Application, for the balance of each Abatement Term of this Agreement; provided further, that the assignee does actually assume all obligations of Fidelity hereunder. Fidelity shall notify the County pursuant to Section VIII of any proposed assignment requiring the Court's approval at least fifteen (15) days prior to the proposed effective date of such assignment. Except as provided below, any attempted assignment without the prior approval of the Court shall be grounds for the termination of this Agreement (upon ten (10) days' written notice from the County to Fidelity) as to the portion of the Land or Qualified Facilities assigned, conveyed, transferred or sold and the proportionate amount of the Abatement hereunder. Notwithstanding the foregoing, Fidelity shall have the right, without the County's consent, to transfer, convey or lease all or any portion of the Land, the Expansion Project or the Qualified Facilities to one or more Affiliates and, in connection therewith, to assign to such Affiliates all or any portion of Fidelity's rights and obligations under this

Agreement, provided that each assignee assumes the applicable terms and conditions of this Agreement. Any Affiliate or other party to whom any transfer, conveyance, lease or assignment is made in accordance with this Section VII shall be included within the definition of "Fidelity" for purposes of this Agreement. The County agrees that upon transfer, conveyance, lease or assignment made in accordance with this Section VII, the assignee or transferee, rather than Fidelity, shall receive the benefits of the Abatements attributable to the portion of the Land or Qualified Facilities transferred or conveyed to such assignee or transferee, provided that the terms and conditions of this Agreement and the Abatements have been complied with.

### VIII.

### NOTICE

Any notice, demand, or other communication required to be given or to be served upon any party hereunder, shall be void and of no effect unless given in accordance with the provisions of this Section. All notices shall be in writing and shall be delivered personally or sent by overnight courier service, by certified or registered mail, postage pre-paid, or by facsimile transmission and shall be deemed received, in the case of personal delivery, when delivered, in the case of overnight courier service, on the next business day after delivery to such service, in the case of mailing, on the third day after mailing (or, if such day is a day on which deliveries of mail are not made, on the next succeeding day on which deliveries of mail are made) and, in the case of facsimile transmission, upon transmittal. All notices, demands and other communications shall be given to the parties hereto at the following addresses:

COMPANY: Fran Eichorst, General Manager  
Fidelity Investments Southwest Region  
One Destiny Way  
Westlake, Texas 76262

With copies to: FMR Corp.  
82 Devonshire Street  
Mail Zone F7D  
Boston, Massachusetts 02109  
Attn: Real Estate Counsel

COUNTY: B. Glen Whitley  
County Judge  
Tarrant County  
100 E. Weatherford  
Fort Worth, Texas 76196

IX.

COURT AUTHORIZATION

This Agreement was authorized by the Tarrant County Commissioners Court at its meeting on the 19th day of June, 2007, by the Commissioners Court approving Court Order No. 100791 authorizing the County Judge to execute this Agreement on behalf of the County.

X.

SEVERABILITY

In the event any section, subsection, paragraph, sentence, phrase or word of this Agreement is held invalid, illegal or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word. In the event that (i) any Abatement Term with respect to any property is longer than allowed by law, or (ii) the Abatements apply to a broader classification of property than is allowed by law, then the Abatements shall be valid with respect to the classification of property abated hereunder, and the portion of each Abatement Term, that is allowed by law.

XI.

ESTOPPEL CERTIFICATE

Any party hereby may request an estoppel certificate from another party hereto so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested will be addressed to Fidelity and any third party lender identified by Fidelity, if applicable, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of default and curative action, which should be undertaken to cure same), the remaining term of this Agreement, the levels and remaining terms of the Abatements in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

XII.

FIDELITY STANDING

Fidelity, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying orders, resolutions, or Court actions authorizing same and Fidelity shall be entitled to intervene in said litigation.

XIII.

APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

XIV.

RECORDATION OF AGREEMENT

A certified copy of this Agreement in recordable form shall be recorded in the Deed Records of Tarrant County, Texas.

XV.

AMENDMENT

This Agreement may be modified by the parties hereto to include other provisions which could have originally been included in this Agreement or to delete provisions that were not originally necessary to this Agreement pursuant to the procedures set forth in Title 3, Chapter 312 of the Code.

XVI.

FURTHER ASSURANCES

The County agrees to take any and all action reasonably necessary or appropriate to fulfill the terms of this Agreement.

XVII.

ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties regarding the subject matter contained herein, supersedes any prior understanding or written or oral tax abatement agreements or representations between the parties regarding the matters contained herein, and can be modified only by a written instrument subscribed to by both parties. This Agreement may be executed in multiple counterparts, each of which shall be considered an original for all purposes.

XVIII.

SUCCESSORS AND ASSIGNS

Subject to the provisions of Section VII hereof, this Agreement shall be binding on, and shall inure to the benefit of, the legal representatives, successors and assigns of the County and Fidelity.

**[SIGNATURE PAGES FOLLOW]**

EXECUTED to be effective as of the Effective Date.

ATTEST:

TARRANT COUNTY, TEXAS

Christa Rayner  
Deputy Co. Clerk

By: [Signature]  
Name: Alan Whitley  
Title: County Judge

APPROVED AS TO FORM AND LEGALITY:

[Signature]  
District Attorney

FMR TEXAS LIMITED PARTNERSHIP, a  
Massachusetts limited partnership

By: Fidelity Real Estate Company, LLC  
Its General Partner

By: FMR Corp.  
Its Sole Member

By: Fidelity Corporate Real Estate,  
Inc., Its Duly Authorized  
Agent

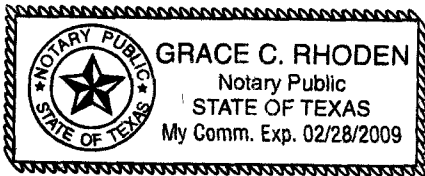
By: \_\_\_\_\_  
Name: Kourosh Pahany  
Title: Senior Vice President



STATE OF TEXAS           §  
                                     §  
COUNTY OF TARRANT   §

BEFORE ME, the undersigned authority, on this day personally appeared B. Glen Whitley, County Judge of Tarrant County, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said Tarrant County, that he was duly authorized to perform the same by appropriate order of the Commissioners Court of Tarrant County and that he executed the same as the act of the said County for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 19 day of June, 2007.



Grace C Rhoden  
Notary Public in and for the State of Texas

Grace C Rhoden  
Notary's Printed Name

My Commission expires: 2-28-2009

STATE OF \_\_\_\_\_ §  
                                     §  
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_ day of \_\_\_\_\_, 2007, by Kourosh Panahy, the Senior Vice President of Fidelity Corporate Real Estate, Inc., the Duly Authorized Agent of FMR Corp., the Sole Member of Fidelity Real Estate Company, LLC, the General Partner of FMR Texas Limited Partnership, a Massachusetts limited partnership, on behalf of said limited partnership.

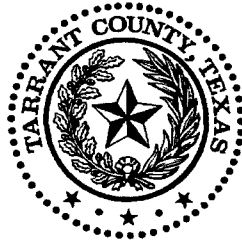
\_\_\_\_\_  
Notary Public in and for \_\_\_\_\_

\_\_\_\_\_  
Notary's Printed Name

My Commission expires: \_\_\_\_\_

**EXHIBIT "A"**

Policy Statement



## **TARRANT COUNTY**

### **TAX ABATEMENT POLICY GUIDELINES AND CRITERIA**

#### **I. GENERAL PURPOSE AND OBJECTIVES**

As authorized under Chapter 312 of the Texas Tax Code, Tarrant County has established this policy so as to work in concert with other taxing authorities as part of an overall publicly supported incentive program designed to create job opportunities that bring new economic advantages or strengthen the current economic base of our community.

It is the intent of the Commissioners Court to consider approval or denial of any request for tax abatement for projects in unincorporated Tarrant County or participation in any tax abatement agreement agreed to and adopted by an incorporated city, which meets the minimum eligibility criteria as set forth in this policy, following the filing of a formal application for tax abatement from the County. As prescribed by Section 312.206 of the Tax Code, the Commissioners Court may approve participation with a municipality in a tax abatement agreement no later than the 90th day after the date the municipal agreement is executed. Further it is the intent of Tarrant County that the County will not approve nor join an abatement agreement that provides one Tarrant County city a competitive advantage over another Tarrant County city seeking the same project or encourages an applicant to move from one Tarrant County city to another, unless such agreement is agreeable to both such incorporated cities and both parties have indicated their approval in writing to Tarrant County.

In the case where the property is located within a municipality's extraterritorial jurisdiction, the municipality shall be the initiating taxing entity unless expressly deferred to the County. For those areas within Tarrant County that are not located within the boundaries of an incorporated municipality and a municipality has deferred to the County or in unincorporated areas not located in a municipality's extraterritorial jurisdiction, the guidelines and criteria contained in this policy will be applied by the Commissioners Court when considering the establishment of a reinvestment zone and the adoption of an abatement agreement.

#### **II. DEFINITIONS**

- (a) "Abatement" means the full or partial exemption from ad valorem taxes of certain real and/or personal property in a reinvestment zone designated for economic development purposes.

- (b) **"Eligible Jurisdiction" means Tarrant County and any municipality, school district, college district, or other entity, which is located in Tarrant County, that levies ad valorem taxes upon and provides services to property located within the proposed or existing reinvestment zone.**
- (c) **"Agreement" means a contractual agreement between a property owner and/or lessee and an eligible jurisdiction for the purposes of tax abatement.**
- (d) **"Base Year Value" means the assessed value of the applicant's real and personal property located in a designated reinvestment zone on January 1 of the year of the execution of the agreement, plus the agreed upon value of real and personal property improvements made after January 1, but before the execution of the agreement.**
- (e) **"Economic Life" means the number of years a property improvement is expected to be in service in a facility.**
- (f) **"Deferred Maintenance" means improvements necessary for continued operations which do not improve productivity or alter the process technology.**
- (g) **"Disadvantaged Business Enterprise (DBE)" means:**
  - (1) **a corporation formed for the purpose of making a profit and at least 51 percent of all classes of the shares of stock or other equitable securities of which are owned by one or more persons who are socially or economically disadvantaged because of their identification as members of certain groups that have been subject to racial or ethnic prejudice or cultural bias without regard to their qualities as individuals or capabilities as a business, and whose ability to compete in the free enterprise system is impaired due to diminished opportunities to obtain capital and credit as compared to others in the same line of business who are not socially disadvantaged. "DBE" includes the State of Texas definition of historically underutilized businesses (HUBs) as defined in Texas Government Code 407.101 and as it may be updated.**
  - (2) **a sole proprietorship formed for the purpose of making a profit that is owned, operated, and controlled exclusively by one or more persons described in paragraph (1);**
  - (3) **a partnership that is formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by paragraph (1), and in which minority or women partners have proportionate interest in the control, operation, and management of the partnership affairs.**

- (h) **"Expansion"** means the addition of buildings, structures, fixed machinery and equipment, and fixed personal property for the purposes of increasing production capacity.
- (i) **"Facility"** means property improvements completed or in the process of construction which together comprise an integral whole.
- (j) **"Fixed Machinery and Equipment and/or Personal Property"** means tangible machinery, equipment, or personal property that is securely placed or fastened and stationary within a building or structure, or which is movable but remains at and is used solely at the project site.
- (k) **"Manufacturing Facility"** means buildings and structures, including fixed machinery and equipment, and fixed personal property, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (l) **"Modernization"** means the replacement and upgrading of existing facilities which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation, and extends the economic life of the facility. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery and equipment, and fixed personal property. It shall not be for the purpose of reconditioning, refurbishing, repairing, or completion of deferred maintenance.
- (m) **"New Facility"** means a property previously undeveloped which is placed into service by means other than or in conjunction with expansion or modernization.
- (n) **"Other Basic Industry"** means buildings and structures including fixed machinery and equipment, and fixed personal property not elsewhere described, used or to be used for the production of products or services which primarily serve a market outside Tarrant County [or the Fort Worth Consolidated Metropolitan Statistical Area] and result in the creation of new permanent jobs and bring new wealth in to Tarrant County.
- (o) **"Regional Distribution Center Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily to receive, store, service or distribute goods or materials owned by the facility operator.
- (p) **"Non-Manufacturing Facilities"** means buildings and structures, used to service and/or house individuals on a permanent or temporary basis.
- (q) **"Regional Service Facility"** means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used to service goods.

- (r) **“Reinvestment Zone” is an area designated as such for the purpose of tax abatement as authorized by Chapter 312 of the Texas Tax Code.**
- (s) **“Regional Entertainment Facility” means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the general public where the majority of the users reside at least 100 miles from its location in the County.**
- (t) **“Regional Retail Facility” means buildings and structures including fixed machinery and equipment used or to be used to provide retail services from which a large portion of the revenues generated by the activity at the facility are derived from users outside the County.**
- (u) **“Research Facility” means building and structures, including fixed machinery and equipment, and fixed personal property, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.**

### **III. ABATEMENT AUTHORIZED**

- (a) **Authorized Facility. A facility may be eligible for abatement if it is a Manufacturing Facility, a Research Facility, a Regional Distribution Center Facility, A Regional Service Facility, a Regional Entertainment Facility, Regional Retail Facility, a Non-Manufacturing Facility, or Other Basic Industry as defined. The economic life of a facility and any improvements must exceed the life of the abatement agreement.**
- (b) **Creation of New Value. Abatement may be only granted for the additional value of eligible property improvements made subsequent to and listed in an abatement agreement between the County and the property owner and lessee, subject to such limitations as Commissioners Court may require.**
- (c) **New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.**
- (d) **Eligible Property. Abatement may be extended to the value above the Base Year Value of buildings, structures, fixed machinery and equipment, fixed personal property, and site improvements plus that office space and related fixed improvements necessary to the operation and administration of the facility.**
- (e) **Ineligible Property. The following types of property shall be fully taxable and ineligible for abatement: land; inventories; supplies; tools; furnishings, and other forms of movable personal property; vehicles; vessels; private aircraft; deferred maintenance investments; property to be rented or leased except as provided in Section 3 (f); also, any property included in the calculation of base year value as defined.**

- (f) **Owned/Leased Facilities.** If a leased facility is granted abatement the agreement shall be executed with the lessor and the lessee.
- (g) **Value and Term of Abatement.** Abatement shall be granted effective with the execution of the agreement. The value of the abatement will be determined based on the merits of the project, including, but not limited to, total capital investment value and added employment. Up to one hundred percent of the value of new eligible properties may be abated for a total term of abatement not to exceed ten years. However, a project must provide an extraordinary economic benefit to the County to be considered for a one hundred percent abatement.
- (h) **Economic Qualification.** In order to be eligible for designation as a County reinvestment zone and/or receive County tax abatement, the planned improvement:
- (1) for new businesses, must be reasonably expected to produce a minimum added value of Five Million Dollars (\$5,000,000) in real and personal property to Tarrant County and create and sustain a minimum of 25 new full-time jobs.
  - (2) for expansions or modernizations of existing businesses, must be reasonably expected to produce a minimum added value of Three Million Dollars (\$3,000,000) in real and personal property improvements to Tarrant County, and sustain existing employment levels.
  - (3) must not be expected to solely or primarily have the effect of transferring employment from one part of Tarrant County to another without a majority vote of approval from the Commissioners Court.
  - (4) must be necessary for expansion and/or modernization because the capacity cannot be provided efficiently utilizing existing improved property when reasonable allowance is made for necessary improvements.
  - (5) the above investment and employment minimums may be waived at the discretion of the Commissioners Court for projects located in Federal or State designated Enterprise Zones.
- (i) **Additional Criteria For Abatement.** To be eligible for abatement, the project must be expected to meet the specific goals and requirements as noted below. If a company is unable to meet the minimum requirements of this section, a variance must be requested with a detailed explanation as to the circumstances that preclude the company from meeting the minimum requirements.
- (1) **Use of DBE and Tarrant County Businesses.** The project must provide for the utilization of Disadvantaged Business Enterprises for a minimum of 15% of the total costs for construction contracts and annual supply and service contracts.

Additionally, the project must provide for the utilization of Tarrant County businesses for a minimum of 25% of the total costs for construction contracts and annual supply and services contracts.

- (2) **Tarrant County Employment.** The company must hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. Residents, for the purpose of this policy, are those employees who reside in Tarrant County, whether through relocation or existing residency.
  - (3) **Environmental Impacts.** Environmental impact information must be provided, noting any anticipated impacts of the project on the environment, including, but not limited to, water quality, storm water and runoff, floodplain and wetlands, solid waste disposal, noise levels, and air quality. Additionally, the company must provide a written company policy on air quality mitigation, the company's plan for participation in the region's Ozone Action Program, and a report of employer assistance in encouraging alternative commute programs and employee trip reductions. For companies new to the region, the above policies and plan must be completed and presented within the first year of the abatement.
  - (4) **Employee Benefits.** The company must offer a health benefit plan to its full-time employees at a rate that is reasonable to the majority of its employees and which allows access to the plan by the employees' dependents. For additional consideration, the company may provide information on other employee benefits provided, such as retirement/pension programs and subsidies for education, job-training, transportation assistance and child/elderly care.
- (j) **Taxability.** From the execution of the abatement to the end of the agreement period taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section III (e) shall be fully taxable;
  - (2) The base year value of existing eligible property shall be fully taxable, as well as the value of any existing personal property currently on the tax rolls in Tarrant County that is either moved to a new abated location or is replaced due to modernization or expansion.
  - (3) The additional value of new eligible property shall be taxable in the manner and for the period provided for in the abatement agreement, subject to the terms described in Section III (g); and
  - (4) The additional value of new eligible property shall be fully taxable at the end of the abatement period.



#### **IV. APPLICATION**

- (a) Any present or potential owner of taxable property in Tarrant County may request the creation of a reinvestment zone and/or tax abatement by filing a written request with the County Judge.**
- (b) The application shall consist of a completed application form including, but not limited to: a general description of the new improvements to be undertaken; a descriptive list of the improvements for which an abatement is requested; a list of the kind, number and location of all proposed improvements of the property; a map and property description; a time schedule for undertaking and completing the proposed improvements; employment and contract information; the location of existing company locations in Tarrant County and the surrounding counties and the expected number of transferring employees; details of the environmental impacts of the project, and employee benefit information. In the case of modernization a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The County may require such financial and other information as deemed appropriate for evaluating the financial capacity and other factors pertaining to the applicant, to be attached to the application.**
- (c) All applications for creation of reinvestment zones or abatements shall incorporate a feasibility study estimating the economic effect of the proposed reinvestment zone and tax abatement on Tarrant County, other eligible participating jurisdictions, and the applicant.**
- (d) Upon receipt of a completed application for creation of a reinvestment zone, the County Judge shall notify in writing and provide a copy of the application to the presiding officer of the governing body of each eligible jurisdiction.**
- (e) Upon receipt of a completed application and/or request to participate with a municipality in an abatement agreement, Tarrant County Administrator's Office must review and provide recommendation to the Commissioners Court within 30 days and before the public hearing.**
- (f) The County shall not establish a reinvestment zone, nor participate in an abatement, if it finds that the application for County reinvestment zone/tax abatement was filed after the commencement of construction, alteration, or installation of improvements related to the proposed modernization, expansion or new facility.**
- (g) Variance. Request for variance from the provisions of this policy must be made in written form to the County Judge and submitted with the application for abatement, provided, however, the total duration of an abatement shall in no instance exceed ten years. Such request shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Request for variance must**

be approved by a majority vote of the Commissioners Court.

**V. PUBLIC HEARINGS AND APPROVAL**

- (a) For projects in unincorporated Tarrant County, the Commissioners Court may not adopt a resolution designating a County reinvestment zone until it has held a public hearing at which interested persons are entitled to speak and present evidence for or against the designation. Notice of the hearing shall be clearly identified on the Commissioners Court agenda at least 30 days prior to the hearing. The presiding officers of eligible jurisdictions shall be notified in writing at least 15 days prior to the hearing.**
- (b) Prior to entering into a tax abatement agreement the Commissioners Court may, at its option, hold a public hearing at which interested persons shall be entitled to speak and present written materials for or against the approval of the tax abatement agreement.**
- (c) In order to enter into a tax abatement agreement, the Commissioners Court must find that the terms of the proposed agreement meet these Guidelines and Criteria and that:
  - (1) there will be no substantial adverse affect on the provision of the jurisdiction's service or tax base: and**
  - (2) the planned use of the property will not constitute a hazard to public safety, health or morals.****
- (d) Any application requesting a variance under Section IV (g) shall be approved by a majority vote of the Commissioners Court. No application which deviates from the requirements of these Guidelines and Criteria shall be approved unless accompanied by a request for variance as provided under Section IV (g).**

**VI. AGREEMENT**

- (a) After approval the County shall formally pass a resolution and execute an agreement with the owner of the facility and lessee as required. The Court Order shall include:
  - (1) estimated value of real and personal property to be abated and the base year value;**
  - (2) percent of value to be abated each year as provided in Section III (g);**
  - (3) the commencement date and the termination date of abatement;**
  - (4) the proposed use of the facility; nature of construction, time schedule, map, property description and improvement list as provide in Section IV (b);****

- (5) contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections III (a), III (e), III (g) VII, VIII, and IX, or other provisions that may be required for uniformity or by state law, and;
- (6) a statement of the facility owner's policy regarding Disadvantaged Business Enterprises (DBEs), and the estimated dollar amount and percentage of total contracts to be awarded to DBEs for construction, professional services, purchases of equipment and supplies and other services required for the abated improvements;
- (7) amount of investment and average number of jobs involved; and
- (8) an assessment of the environmental impacts of the project, including a statement of the owner's policy addressing regional air quality and information on the use of alternative fuels in fleet vehicles.
- (9) a statement indicating the provision of a health care benefit plan for employees and dependents.

Such agreement shall normally be executed within 60 days after the applicant has forwarded all necessary information and documentation to the County.

- (b) Participation in tax abatement agreements with municipalities requires additional information to be included in the Court Order approving the agreement, as follows:
  - (1) a copy of the agreement between the applicant and municipality shall be attached and made apart of the Court Order for all purposes;
  - (2) authorization for the County Judge to execute a signatory page on behalf of the Commissioners Court which shall be attached and made part of the original agreement.

## **VII. RECAPTURE**

Commissioners Court reserves the right to review compliance for full or partial recapture in the event that the applicant fails to perform in "good faith." If a project is not completed as specified in the tax abatement agreement, the County has the right to cancel the abatement agreement and abated taxes shall become due to the County and other affected taxing units as provided by law. If any of the provisions contained in the tax abatement agreement, i.e., employment, amount of investment, etc., are not met, the County shall have the right to reduce or cancel the abatement agreement. If a project granted a tax abatement ceases to operate or is no longer in conformance with the tax abatement agreement, the agreement shall not be in

effect for the period of time during which the project is not operating or is not in conformance.

#### **VIII. ADMINISTRATION**

- (a) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the chief Appraiser shall notify the affected jurisdictions which levies taxes of the amount of the assessment.**
- (b) The agreement shall stipulate that employees and/or designated representatives of the County will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with its safety standards.**
- (c) Upon completion of construction the County and/or the jurisdiction creating the reinvestment zone shall annually (or at such other times as deemed appropriate by the Commissioners Court) evaluate each facility receiving abatement to ensure compliance with the agreement and report possible violations to the contract and agreement to the Commissioners Court and the District Attorney. On or before April 30th of every year during the life of the abatement agreement, the company or individual receiving the abatement shall complete and file a Tax Abatement Evaluation Report, along with other required written documentation, detailing and certifying the abatement recipient's compliance with the terms of the abatement agreement. Failure to provide information requested in the compliance evaluation by the prescribed deadline may result in taxes abated in the prior year being due and payable. The company or individual receiving a tax abatement shall provide information to the County for the evaluation which shall include, but not be limited to, the following:**

  - (1) the number and dollar amounts of all construction contracts and subcontracts awarded on the project;**
  - (2) the total number of employees of the company, their gross salaries, and the number of employees residing in Tarrant County and their gross salaries, reported in job classifications appropriate to the employee;**
  - (3) the gross dollars spent on supplier and professional service contracts, indicating the amounts by contract awarded and performed by Tarrant County business and individuals;**

- (4) the dollar amount of contracts awarded to Disadvantaged Business Enterprises;
- (5) detail of actions taken to mitigate any adverse environmental impacts of the project, if applicable; and
- (6) should the dollars, percentages, or actions not meet the original or modified requirements of the abatement agreement, a statement shall be provided explaining the reason for the failure to meet the requirements and a recommended course of rectification.

#### **IX. ASSIGNMENT**

Tax abatement agreements may be assigned to a new owner or lessee of the facility with the written consent of the Commissioners Court, which consent shall not be unreasonably withheld. Any assignment shall provide that the assignee shall irrevocably and unconditionally assume all the duties and obligations of the assignor upon the same terms and conditions as set out in the agreement. Any assignment of a tax abatement agreement shall be to an entity that contemplates the same improvements or repairs to the property, except to the extent such improvements or repairs have been completed. No assignment shall be approved if the assignor or the assignee are indebted to the County for ad valorem taxes or other obligations.

#### **X. SUNSET PROVISION**

These Guidelines and Criteria are effective on January 1 of the year following the date of their adoption and will remain in force for two years, at which time all reinvestment zones and tax abatement contracts created pursuant to its provisions will be reviewed by the County to determine whether the goals have been achieved. Based on that review, the guidelines and Criteria will be modified, renewed or eliminated. These Guidelines and Criteria may be amended by Commissioners Court at any time during their effective period.

**EXHIBIT "B"**

Town of Westlake Ordinance

**TOWN OF WESTLAKE****ORDINANCE NO. 513**

**AN ORDINANCE OF THE TOWN OF WESTLAKE, TEXAS, DESIGNATING THE FOLLOWING DESCRIBED LAND COMMERCIAL/INDUSTRIAL TAX ABATEMENT REINVESTMENT ZONE NO. TWO (2), IN THE TOWN OF WESTLAKE, TARRANT AND DENTON COUNTIES, TEXAS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE.**

**WHEREAS**, the Board of Aldermen ("Board") of the Town of Westlake, Texas ("Town"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone ("Zone") for commercial/industrial tax abatement, as authorized by Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, Subchapter B, Sections 312.201 and 312.202, as amended (the "Code"); and

**WHEREAS**, the Town has elected to become eligible to participate in tax abatement; and

**WHEREAS**, a public hearing at a regularly scheduled meeting before the Board was held at 7:00 p.m. on the 12th day of February, 2007, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper having general circulation in the Town as required by the Code; and

**WHEREAS**, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed reinvestment zone at least seven (7) days before the date of the public hearing; and

**WHEREAS**, the Town at such hearing invited all interested persons, or their representatives, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in this ordinance should be included in such proposed reinvestment zone, and the concept of tax abatement; and

**WHEREAS**, all interested persons spoke and the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the creation of the proposed reinvestment zone and the proponents also submitted evidence as to the proposed improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTLAKE, TEXAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**SECTION 2.** The Town, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence

presented to it:

- (a) That a public hearing on the designation of the reinvestment zone has been properly called, held and conducted and that notices of such hearings have been published as required by law and delivered to all taxing units located within the proposed reinvestment zone;
- (b) That the boundaries of the reinvestment zone should be the area as described in the metes and bounds description attached hereto and identified as **Exhibit "A"**, which are incorporated herein for all purposes and which area is within the taxing jurisdiction of the Town;
- (c) That the creation of the reinvestment zone for commercial/industrial tax abatement, with boundaries as described in **Exhibit "A"** attached hereto will result in benefits to the Town and to the land included in the Zone and to the Town after the expiration of any Tax Abatement Agreement entered into and the improvements sought within the Zone are feasible and practical;
- (d) That the reinvestment zone as defined in **Exhibit "A"** attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Code, as amended, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the Town; and
- (e) That the reinvestment zone as defined in **Exhibit "A"** attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Town of Westlake Tax Abatement Policy, which Policy establishes guidelines and criteria governing tax abatement agreements by the Town and provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

SECTION 3. That pursuant to the Code, the Town hereby creates a reinvestment zone for commercial/industrial tax abatement encompassing only the area described by the metes and bounds in **Exhibit "A"** attached hereto and such reinvestment zone is hereby designated and shall hereafter be designated as Reinvestment Zone No. Two (2), Town of Westlake, Texas.

SECTION 4. That the Town shall deliver to the Texas Comptroller's Office prior to April 1, 2007, a general description of the reinvestment zone, including its size, the types of property located in it, its duration, and the guidelines and criteria established for the reinvestment zone under Section 312.002 of the Code, including subsequent amendments and modifications of the guidelines or criteria.

SECTION 5. That the Zone shall take effect on the 12th day of February, 2007.

SECTION 6. If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Board hereby determines that it would have adopted this ordinances without the invalid provision.

PASSED AND APPROVED ON THIS 12<sup>TH</sup> DAY OF FEBRUARY 2007



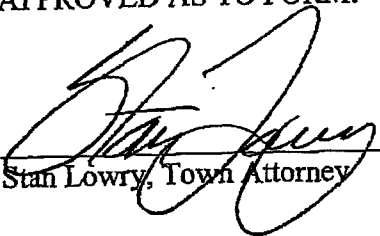
  
\_\_\_\_\_  
Scott Bradley, Mayor

ATTEST:

  
\_\_\_\_\_  
Kim Sutter, TRMC, Town Secretary

  
\_\_\_\_\_  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Stan Lowry, Town Attorney

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**  
(2 Parcels)

## Exhibit A

**Parcel 1**

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

## Exhibit A (Continued)

## Parcel 2

BEING a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

## Exhibit A (Continued)

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

## Exhibit A (Continued)

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to



**EXHIBIT "C"**

Land

## Exhibit A

GF-Number 98R05941A

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

# EXHIBIT A

## LEGAL DESCRIPTION

GF NO. 527710-E UP/pdm

**BEING** a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

**COMMENCING** at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

**THENCE**, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

**THENCE**, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

**THENCE**, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

**THENCE**, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees .16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to

a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 44 degrees 42 minutes 25 seconds West., a distance of 109.52 feet to 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

**THENCE**, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the **POINT OF BEGINNING** and containing 22.067 acres of land, more or less.

**NOTE:** The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.



**EXHIBIT "D"**

Application



# Tarrant County Application for Tax Abatement/Reinvestment Zone

*Rec 11/2/09*

## I. APPLICANT INFORMATION

**Applicant/Property Owner:** FMR Texas Limited Partnership ("Fidelity")

**Company/Project Name:** SAME

**Mailing Address:** One Destiny Way, Westlake, TX 76262

**Telephone:** 817-474-8234      **Fax:** 817-474-5005

**Applicant's Representative for contact regarding abatement request:**

**Name and Title:** Fran Eichorst, General Manager & Vice President, Human Resources

**Mailing Address:** One Destiny Way, Westlake, Texas 76262

**Telephone:** 817-474-8234      **Fax:** 817-474-5005      **E-mail:** fran.eichorst@fmr.com

## II. PROPERTY AND PROJECT DESCRIPTION

**Address and legal description of property to be considered for Tax Abatement/Reinvestment Zone:** See Attached Exhibit A

**Project Description:**

Based on obtaining this abatement, and reaching acceptable incentive agreements with the State of Texas and the Town of Westlake, Fidelity would commence a major capital build program on its owned Westlake Campus. Current planning envisions a new building of 600,000 square feet, or roughly the same size and quality as the existing structure on the property. Consistent with the in-place campus design, the new building will be architecturally significant, utilize structured parking to minimize encroachment on the land, and be complementary to the natural surroundings and landscape. Fidelity estimates its total capital investment in the expansion will increase its assessed property values in the County by at least \$100 million.

**Description of activities, products, or services produced and/or provided at project location:** Fidelity is a leading provider of financial services to retail and institution clients. Anticipated activities include customer service, systems development, sales, recordkeeping and administrative.

**Current Assessed Value:** Real Property: \$ 86,985,013      Personal Property: \$ 10,288,021

**Estimated start date of construction/site improvements:** 06/01/2007

**Projected date of occupancy/commencement of operations at project site:** 09/30/2009

Please indicate dates for phases if applicable:

**Location of existing company facilities:** Westlake, Dallas-Fort Worth Metroplex and other Texas locations

**Requested level of Tax Abatement:** 80% of eligible property for 10 years.

**Explain why tax abatement is necessary for the success of this project. Include business pro-formas or other information to substantiate your request.** The existing facility is operating at capacity and new investment is required for Fidelity to consider expanding within the County. The costs of building the facility described in the

application are enormous. If built, it will require a number of years to bring occupancy to a level that would make the operating cost per employee economically tolerable. This abatement is critical to providing some offset to these operating costs, and would enhance our ability to build the facility.

### III. PROJECTED VALUE OF IMPROVEMENTS

Estimated Value of Real Property Improvements \$ \$80 million (minimum)

Estimated Value of Personal Property Improvements \$ \$20 million (minimum)

Will any infrastructure improvements (roads, drainage, etc.) be requested of Tarrant County for this project?

Yes  No

If yes, describe requested infrastructure improvements: Fidelity expects most of the infrastructure required to build this project is already on the campus. Fidelity believes a number of existing access roads need improvement to allow employees adequate access to the facility. We encourage the County to declare and continue its support, and agree to focus on helping advance the relocation of FM 1938 and improvements to the Hwy 114 / 170 interchange.

Detail any direct benefits to Tarrant County as a result of this project (i.e., inventory tax, etc.): Fidelity envisions the two greatest benefits of expansion to Tarrant County will be:

1. Employment opportunities - Fidelity will be creating the potential for Tarrant County residents to compete for positions at Fidelity, and for local businesses, including DBE businesses, to increase their revenue by providing services at the expanded facility.
2. Retail opportunities - Increased campus employment is likely to provide the employment concentration required to spur additional retail growth and opportunities in the area. Retail expansion would also create additional jobs, and enhance the County tax base.

### IV. EMPLOYMENT IMPACT AT PROJECT LOCATION

#### A. NEW EMPLOYMENT

Projected number of new jobs created as a result of the proposed improvements:

Full-time 1,535 Part-Time 0

Provide types of jobs created and average salary levels: Fidelity's job program encompasses positions in operations, customer service, securities servicing, client relationship management, implementation, brokerage support, and technology. The average cash compensation of the 1,535 jobs, once hired, is expected to be \$55,419. Positions created prior to completion of construction would be housed locally in leased space until the new facility is completed.

Start date and annual payroll of new permanent positions (if positions to be phased in, provide figures for each phase year): By the year-end of each year.

2007: 651 positions with an annual payroll of \$34,166,781

2008: 1,217 total positions (566 new in 2008) with an annual payroll of \$65,761,282

2009: 1,535 total positions (318 new in 2009) with an annual payroll of \$85,067,797

Percentage of new jobs to be filled by Tarrant County residents: Approximately 25%

Number of employees transferring from other company locations: Amount unknown

#### B. CONSTRUCTION RELATED EMPLOYMENTS

Projected number of construction related jobs: Unknown at this time

Estimated total construction payroll: \$ Unknown at this time

Commitment as to percentage of construction dollars to be spent with Tarrant County contractors or subcontractors: Approximately 25%

Commitment as to percentage & total dollars of construction contracts to be awarded to DBE: Approximately 15%

#### C. CURRENT COMPANY/PROJECT LOCATION EMPLOYMENT

Current Number of Employees: Full-time 2,862 Part-time 11 - Data current for Westlake campus as of 12/31/2006

Average annual payroll: \$ 170,874,678 for an average wage of \$66,539.98

NOTE: The above compensation data is based on year-end 2005 data, the most recent annual data available, and is based on the employment of 2,557 full-time and 11 part-time employees.

Detail on workforce diversity – percentage breakdown of current employees by gender and ethnicity: Details on workforce diversity are confidential; however, Fidelity is committed to the principle and spirit of equal employment opportunity in all aspects of employment, including but not limited to recruiting, hiring and promotion.

#### D. COMPANY SPONSORED HEALTH CARE BENEFITS ARE AVAILABLE

Full-time Employees  Part-time Employees  Employee Dependents  Not Available

Average monthly employee cost for health care benefits: Individual: \$ \*\*\* Family: \$ \*\*\*

Fidelity provides a variety of healthcare options in addition to the other benefits listed below. Generally, the firm pays for approximately 80% of healthcare costs. The employee responsibility represents about 20% of the cost of the coverage/plan (family, single, etc.) they choose.

#### Other employee benefits provided or offered:

- ❖ **Medical Coverage:** Fidelity offers medical coverage under several plans. Regardless of which option employees choose, they are covered for a wide range of medical services, including preventive care, hospitalization, doctor visits, surgery, and emergency care.
- ❖ **Dental Coverage:** Fidelity's Dental Plan allows employees to visit any licensed dentist of their choice for a variety of covered services, including preventive, basic, major restorative, and orthodontic treatment. Employees can also take advantage of negotiated rates with select participating dentists in the program.
- ❖ **Profit Sharing:** The Profit Sharing Plan is one of the component plans under the Capital Accumulation Program (CAP), which is designed to help employees achieve financial security for retirement. Fidelity's Profit Sharing Plan includes, but is not limited to, the following features: 401(k) contribution, company-matching contribution, Profit Sharing contribution, Catch-up contribution, Rollover contribution.
- ❖ **Pension Plan:** Fidelity's Pension Plan is designed to provide eligible employees with a base level of income at retirement.
- ❖ **Fitness Reimbursement Program:** Recognizing the importance of fitness and good health, Fidelity provides eligible employees an annual reimbursement for a fitness center membership or a qualified fitness-related expense. Employees may participate in the Fitness Reimbursement Program in addition to receiving any discounts or reimbursements that may be offered by the medical coverage options.

- ❖ **Fidelity's Health Care and Dependent Care Flexible Spending Accounts:** With Fidelity's TaxSaver Accounts, eligible employees may elect to have money deducted from their pay on a pre-tax basis to be used to reimburse themselves for eligible out-of-pocket health care and dependent care expenses. The accounts allow employees to reduce their income taxes for certain eligible expenses such as day care.
- ❖ **Group Long-Term Care Insurance Plan:** Fidelity sponsors a voluntary Group Long-Term Care Insurance Plan for eligible employees. In addition to conventional nursing home coverage, the policy covers certain services received in the employee's home and in other types of care facilities, including patient advocacy.
- ❖ **Disability Coverage:** Employees may receive six paid sick days each year. Fidelity also provides eligible employees with income replacement for short-term and long-term periods of disability. In addition, eligible employees may purchase supplemental long-term disability coverage equal to 15% of their base salary (up to a maximum benefit of \$5000 per month).
- ❖ **Life Insurance Coverage:** Fidelity has life insurance coverage to help eligible employees plan for their survivors' financial security. Fidelity automatically provides eligible employees with Core Life Insurance Coverage which includes Employee Life Insurance, Dependent Life Insurance and Business Travel Accident Insurance. In addition to receiving Core Employee Life Insurance, employees may elect to participate in the Variable Life Insurance Plan. This custom-designed plan features variable basic life coverage, variable supplemental coverage and variable investment options (an investment opportunity through a tax-advantaged investment side funds).
- ❖ **Employee Assistance Program:** This service provides employees and their families with confidential counseling and referral services by licensed clinicians who can assist with a wide range of behavioral health-related issues.
- ❖ **Tuition Reimbursement Program:** Fidelity's commitment to professional development includes a tuition program that reimburses employees for the cost of eligible, work-related tuition charges for part-time study.
- ❖ **Flexible Work Options:** To keep pace with the changing needs of today's workforce and provide alternatives that are mutually beneficial for employees and business units, Fidelity offers flexible work options ranging from compressed work weeks to telecommuting. Business units may authorize certain flexible work options at their discretion.
- ❖ **Consultation and Referral Services:** Through the service of an independent consultant, Fidelity provides employees time-saving resource and referral programs to help them find solutions to many of the challenges working people face, including:
  - Pregnancy
  - Adoption
  - Parenting
  - Child Care
  - Services for Children with Special Needs
  - Emergency Backup Dependent Care
  - School
  - College
  - Mature Transitions
  - Elder Care
  - Pet Care
- ❖ **Concierge Services:** This timesaving program provides a range of complimentary personal services and professional expertise. Concierge representatives can research a variety of employee requests and find service providers to fulfill their needs. From event tickets to party planning and personal shopping, concierge services allow employees to delegate their everyday tasks in order to make their personal and professional time more productive.
- ❖ **Employee Discount Program:** The Employee Discount Program provides employees with access to discounts from well-known companies on a wide variety of products and services. Savings are available on continuous and limited time offers, and can be redeemed online or via in-store coupons.
- ❖ **Backup Child Care:** Fidelity recognizes the predicament working parents may encounter when their regular child care arrangements fall through. Subsidized backup child care services are available to parents when their regular child care provider is unobtainable.
- ❖ **Adoption Assistance Program:** Fidelity understands that the adoption process can be both long and costly. To offset some of the fees, financial assistance is provided for eligible expenses incurred during the course of adoption.
- ❖ **Computer Equipment Purchase Assistance Program:** To allow employees the convenience and advantages of using technology at home, Fidelity's computer assistance plan provides partial reimbursement for a personal computer and related equipment.
- ❖ **Educational Seminars:** A variety of lunchtime seminars are offered throughout the year on topics related to life events. Subjects include time management, balancing home and work, and more.
- ❖ **Mortgage Services Program:** The Mortgage Services Program provides Fidelity employees with the opportunity to discuss mortgage-related questions with companies who offer prequalification information, educate employees about the

mortgage process, and help analyze current living situations to determine mortgage alternatives that best suit their needs.

- ❖ **Automobile and Homeowner's Insurance:** This group insurance program is designed to make protecting an employee's car, home and other personal property more convenient by providing special group rates, easy payment options and extended service hours.
- ❖ **Service Recognition:** This Firm-wide program reflects Fidelity's appreciation for the contributions that individual employees make to the company over time. Beginning with the 5th anniversary and every five years thereafter, employees receive a personalized gift that represents recognition of their commitment and long-time service.
- ❖ **Relocation Assistance:** In recognition of the fact that jobs occasionally relocate, and may require long-distance moves, Fidelity has developed a comprehensive relocation assistance program to help ease employees and their families through the transition period. Eligible employees receive assistance from a third-party corporate relocation consultant who coordinates all aspects of the employee's move and provides personalized service. Benefits eligibility is dependent upon business need, the nature of the position, location, and other relevant business factors.

#### V. LOCAL BUSINESS & DISADVANTAGED BUSINESS ENTERPRISES (DBE) IMPACT

Estimated amount of annual supply and services expenses: \$ Fidelity currently estimates 2006 spending of approximately \$2.4 million on supplies and services applicable to this provision. The firm anticipates similar costs for a new facility, once it is built and occupied.

Detail any supply/services expenses that are sole source: None that are material

Percentage of total supplier/services expenses committed to Tarrant County businesses: Approximately 25%

Percentage of total supplier and services expenses committed to DBE: Approximately 15%

#### VI. ENVIRONMENTAL IMPACT OF PROJECT

Indicate if development, construction, equipment, distribution methods, and/or operational processes may impact the environment in the following areas, attach detail if necessary:

Air Quality  Water Quality  Solid Waste Disposal  Storm/Water Runoff

Floodplain/Wetlands  Noise levels  Other (specify)  Fidelity does not anticipate significant impact in any of the above areas; there are, however, three minor potential impacts:

1. Noise levels may increase somewhat during construction. Construction will occur primarily during the day, so Fidelity employees working in the adjacent facility are likely to be most affected. We anticipate no additional noise beyond what is normally generated in the construction of a low-rise, first-class, office building.
2. A temporary increase in solid waste disposal needs is likely due to construction waste. The contractor will be responsible for proper removal and disposal.
3. Fidelity will seek emissions permits for backup power generation equipment in support of the new facility. As these generators are for backup purposes, emissions (and any noise) would be limited to maintenance testing and during times of power outage.

Provide detail on existing and new fleet vehicles, specifying types of vehicles, quantities and fuel used (gasoline, diesel, LP gas, CNG, etc.): Fidelity neither has fleet vehicles on the campus, nor intends to add any if a new campus facility is constructed. Fidelity does utilize a small number (2-3) of gas-powered vehicles used for security and facility maintenance.

**VII. ADDITIONAL INFORMATION (TO BE ATTACHED)**

- Letter addressing Economic Qualifications and additional criteria for abatement, Section III (h) and (i) of Tarrant County Tax Abatement Policy (Exhibit B)
- Descriptive list and value of real and personal property improvements (Exhibit C)
- Plat/Map of Project Location (Exhibit D)
- Project Time Schedule (Exhibit E)
- Owner's policy regarding use of disadvantaged Business Enterprises (Exhibit F)
- Owner's policy addressing regional air quality/non-attainment status (use of alternative fuels, employee trip reduction, etc.) and plan for participation in regional Ozone Action Program (Exhibit G)
- Tax Certificate showing property taxes paid for most recent year – Table of 2006 taxes is attached. A certificate of payment will be requested after the taxes are paid at the end of January 2007. (Exhibit H)

**VIII. CERTIFICATION**

Upon receipt of a completed application, Tarrant County may require such financial and other information as may be deemed appropriate for evaluating the financial capacity and other factors of the applicant.\*

I certify the information contained in this application (including all attachments) to be true and correct to the best of my knowledge. I further certify that I have read the "Tarrant County Tax Abatement Policy" and agree to comply with the guidelines and criteria stated therein.

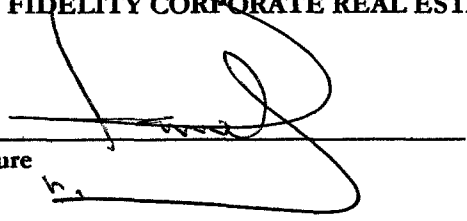
**FMR TEXAS LIMITED PARTNERSHIP, a Massachusetts limited partnership**

By: **FIDELITY REAL ESTATE COMPANY, LLC, its General Partner**

By: **FMR CORP., its Sole Member**

By: **FIDELITY CORPORATE REAL ESTATE, INC., its Authorized Agent**

Signature



Senior Vice President  
Title

Kouros Panahy  
Printed Name

January 12, 2007  
Date

**Return completed application and attachments to:**

**Economic Development Coordinator  
Tarrant County Administrator's Office  
100 E. Weatherford Street, Suite 404  
Fort Worth, Texas 76196-0609**

**You may also forward an electronic copy of the completed report to:**

**[lmcmillan@tarrantcounty.com](mailto:lmcmillan@tarrantcounty.com)**

**Please note that if you do submit this form electronically, you must also submit an original hard copy of the report to the above stated physical address for proper filing and review.**

**For assistance call: (817) 884-2643**

---

\* As per Section IV (f) of the Tarrant County Tax Abatement Policy Guidelines and Criteria, this application must be filed prior to commencement of construction or installation of improvements in order to be eligible for County tax abatement.



**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**  
**(2 Parcels)**

Exhibit A

GF-Number 98R05941A

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

GF-Number 98R05941A

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

# EXHIBIT A

## LEGAL DESCRIPTION

GF NO. 527710-E UP/pdm

**BEING** a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

**COMMENCING** at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

**THENCE**, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

**THENCE**, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

**THENCE**, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

**THENCE**, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to

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a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 44 degrees 42 minutes 25 seconds West., a distance of 109.52 feet to 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

**THENCE**, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the **POINT OF BEGINNING** and containing 22.067 acres of land, more or less.

**NOTE:** The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.





## Exhibit B

January 12, 2007

Tarrant County Commissioners  
Tarrant County Administrator's Office  
100 E. Weatherford Street, Suite 404  
Fort Worth, Texas 76196-0609

Dear Commissioners:

Thank you for considering the tax abatement application by Fidelity Investments for potential improvements to the firm's campus in Westlake, Texas.

Once completed, we expect the new building and related improvements will generate an increase of more than \$100 million in assessed value in Tarrant County real and personal property. If built, this facility will allow the firm to expand its presence beyond the almost 3,000 currently residing on the campus.

If the decision is made to construct the new facility, jobs located in the new facility will generally be new to Tarrant County, rather than a transfer of jobs already located in the County. Please note that if Fidelity does proceed with this project, hiring for new positions may begin prior to completion of the new facility. Consequently, employees hired in the interim may be located temporarily in leased space locally pending the completion of construction. These employees will be hired with the intent that positions will be located on the Westlake Campus once improvements are complete.

As part of the impetus to further invest in the Westlake Campus, Fidelity considers the potential tax abatement as critical to helping offset the costs to develop and operate the facility. The firm's existing facility is currently operating at capacity, and new investment is required for Fidelity to consider expanding within the County.

In obtaining the tax abatement, Fidelity agrees to use Disadvantaged Business Enterprises (DBE) and Tarrant County Businesses. Our Project provides for the utilization of DBEs for a minimum of 15% of the total costs of construction contracts and annual supply and service contracts. The Project further provides for utilization of Tarrant County businesses for a minimum of 25% of the total costs of construction contracts and annual supply and services contracts.

If the abatement is awarded, Fidelity also agrees to hire Tarrant County residents for a minimum of 25% of the new full time jobs to be created by the project. For the purposes of this commitment, we understand that qualifying employees are those whose primary address is within Tarrant County, whether through relocation or existing residency.

Our application includes details of the firm's policies related to environmental impacts such as air quality and the minimal impact that we expect that this project will have from a construction and operation perspective.

Fidelity believes it is an "Employer of Choice" in Tarrant County, and a good and supportive member of the community in general. We believe we treat our employees well and provide a significant and highly valuable benefits package (summarized in the application).

Thank you for your consideration of our application. We hope you will provide us with an opportunity to expand our presence in Tarrant County.

Sincerely,

A handwritten signature in cursive script, appearing to read "Fran Eichorst".

**Fran Eichorst**  
**Vice President and General Manager**  
**Southwest Regional Center**  
**Fidelity Investments**

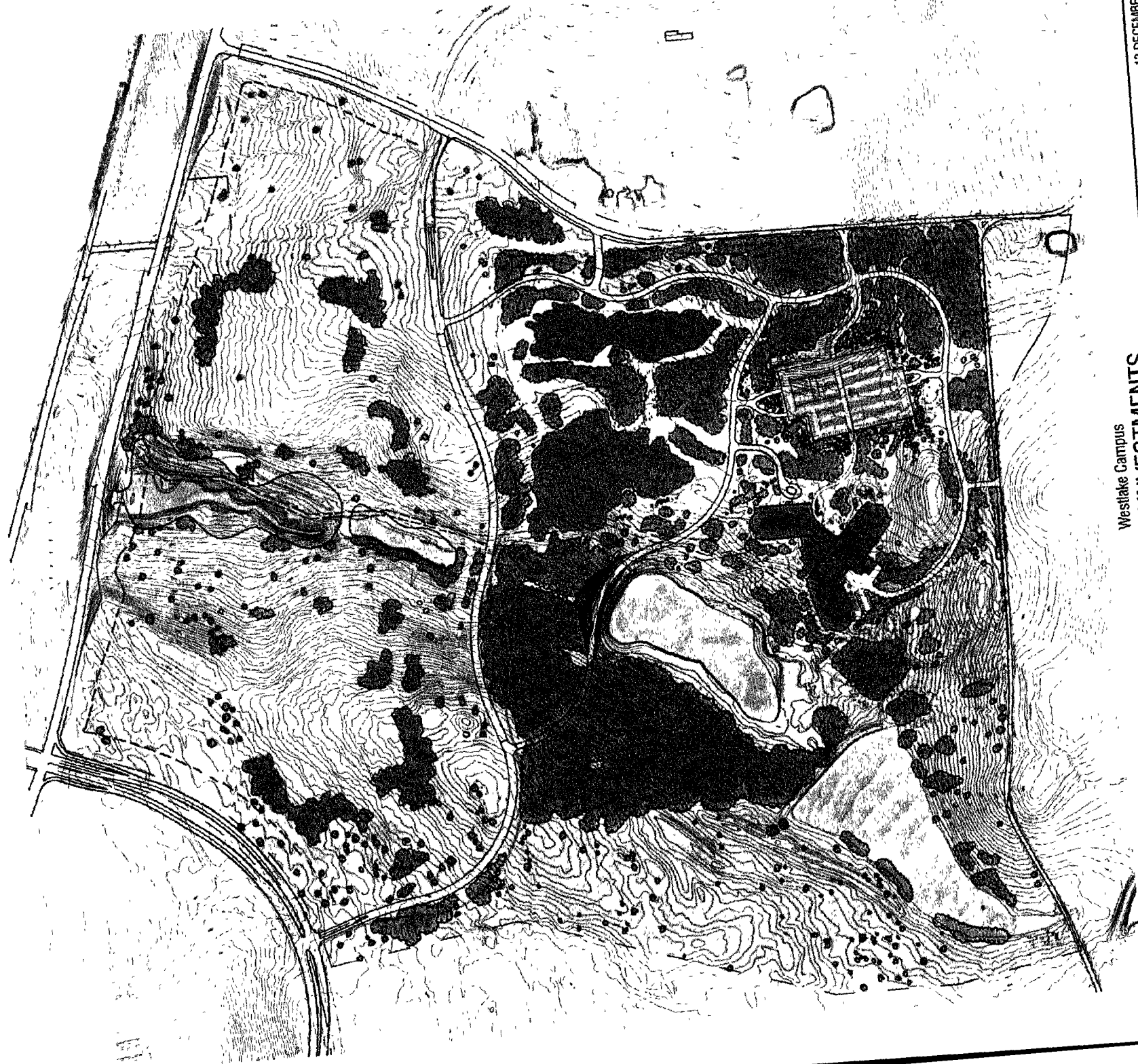
## **EXHIBIT C**

### **Descriptive list and value of real and personal property improvements**

Fidelity intends to construct an office facility approximately 600,000 square feet in size on its existing property in Westlake, Texas. The facility will generally be similar to the existing facility located on the Westlake campus. Other improvements on the site will include those normally associated with corporate office campus developments, including, but not limited to, streets, landscaping, lighting, and other similar amenities of a high-quality office environment.

At present, Fidelity does not have a more detailed list and specific valuation of real and personal property improvements; however, as stated elsewhere in this application, Fidelity expects to increase its assessed value for real and personal property by at least \$100 million through the course of this project.

**EXHIBIT D**  
**Map/Plat of Property**



Westlake Campus

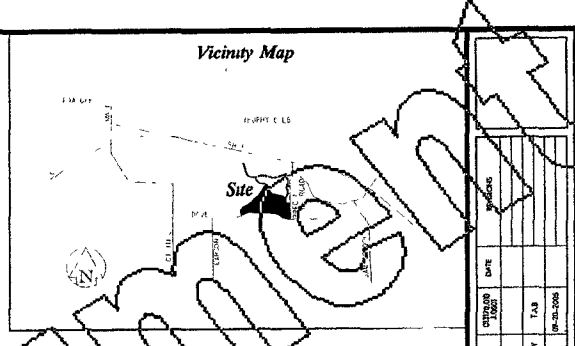
FIDELITY INVESTMENTS

HIKS ARCHITECTS

13 DECEMBER 2005

0206118049

Vicinity Map



AN INSTRUMENT HAS BEEN FILED WITH THE CLERK OF TARRANT COUNTY, TEXAS, FOR RECORDATION... THE INSTRUMENT IS IDENTIFIED BY THE FOLLOWING DATA: INSTRUMENT NO. 0206118049, DATE 08/26/2014, APPROVED BY [Signature], TITLE: FIDELITY INVESTMENTS ADDITION PHASE I.

STATE OF TEXAS, COUNTY OF TARRANT, DEED NO. 0206118049, DATE 08/26/2014. THIS INSTRUMENT HAS BEEN FILED WITH THE CLERK OF TARRANT COUNTY, TEXAS, FOR RECORDATION... THE INSTRUMENT IS IDENTIFIED BY THE FOLLOWING DATA: INSTRUMENT NO. 0206118049, DATE 08/26/2014, APPROVED BY [Signature], TITLE: FIDELITY INVESTMENTS ADDITION PHASE I.

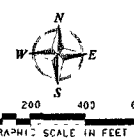
CERTIFICATION: I, [Signature], REGISTERED PROFESSIONAL LAND SURVEYOR OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THE SAID SURVEY ACCURATELY REPRESENTS THE RECORDING PURPOSE AS DESCRIBED IN A SURVEY MADE ON THE ORIGINAL INSTRUMENT FILED AND SUBMITTED IN OCTOBER, 1988, AND THAT ALL CORNER MARKS ARE SOUND.

Fidelity Investments Addition Phase I. BEING PORTIONS OF TRACT 1441-LP LAND SITuated in the CHARLES MEDLER SURVEY, ABSTRACT NUMBER 1048 (TARRANT COUNTY), ABSTRACT NUMBER 823 (DENTON COUNTY), THE J. BAUGH SURVEY, ABSTRACT NUMBER 2026 (TARRANT COUNTY) AND THE HERBERT HUNT SURVEY, ABSTRACT NUMBER 750, TOWN OF WESTLAKE, TARRANT COUNTY, TEXAS, RECORDED IN VOLUME 13457, PAGE 403 OF DEED RECORDS TARRANT COUNTY 1754X.

OWNER'S CERTIFICATION: I, [Signature], OWNER OF THE FOLLOWING DESCRIBED PROPERTY TO WIT: THE RIGHT OF THE PORTION OF TRACT 1441-LP LAND SITuated in the CHARLES MEDLER SURVEY, ABSTRACT NUMBER 1048 (TARRANT COUNTY), ABSTRACT NUMBER 823 (DENTON COUNTY), THE J. BAUGH SURVEY, ABSTRACT NUMBER 2026 (TARRANT COUNTY) AND THE HERBERT HUNT SURVEY, ABSTRACT NUMBER 750, TOWN OF WESTLAKE, TARRANT COUNTY, TEXAS, RECORDED IN VOLUME 13457, PAGE 403 OF DEED RECORDS TARRANT COUNTY 1754X. I HEREBY CERTIFY THAT THE SAID SURVEY ACCURATELY REPRESENTS THE RECORDING PURPOSE AS DESCRIBED IN A SURVEY MADE ON THE ORIGINAL INSTRUMENT FILED AND SUBMITTED IN OCTOBER, 1988, AND THAT ALL CORNER MARKS ARE SOUND.

THESE 5.9711 AC. 53.30 FEET TO A RAILROAD SPIKE FROM THE APPROXIMATE CENTERLINE OF HIGHWAY 61 TO THE POINT OF BEGINNING... THESE 5.2016 AC. 46.00 FEET WITH SAID CENTERLINE, TO A RAILROAD SPIKE FROM THE APPROXIMATE CENTERLINE OF HIGHWAY 61 TO THE POINT OF BEGINNING... THESE 5.9711 AC. 53.30 FEET TO A RAILROAD SPIKE FROM THE APPROXIMATE CENTERLINE OF HIGHWAY 61 TO THE POINT OF BEGINNING... THESE 5.2016 AC. 46.00 FEET WITH SAID CENTERLINE, TO A RAILROAD SPIKE FROM THE APPROXIMATE CENTERLINE OF HIGHWAY 61 TO THE POINT OF BEGINNING...

D206118049



Line Table

Table with 4 columns: Stationing (e.g., 1+00 to 1+50) and corresponding coordinates (e.g., 18.29 24 N, 184.75 E).

NOTICE: LOT 15 IS UNDEVELOPED... CERTAIN AREAS WITHIN LOT 15 ARE UNDEVELOPED... SEE THE OWNERS, TRANNIES AND ENTITIES OF LOT 15 AND THE FIDELITY INVESTMENTS ADDITION CAPITAL IMPROVEMENT WITHIN TARRANT COUNTY, TEXAS, ABSTRACT NUMBER 750.

Curve Table

Large table with multiple columns including Stationing, Delta, Arc, and Chord values for various curves.

Lot 15, 5,503 Acres

FWR TEXAS LIMITED PARTNERSHIP  
VOL. 3457 PG. 403  
D. R. T. C. T.  
CO. 98-0091571  
R. P. R. D. C. T.

FWR TEXAS LIMITED PARTNERSHIP  
VOL. 13457 PG. 479  
D. R. T. C. T.  
CO. 98-0091571  
R. P. R. D. C. T.

FWR TEXAS LIMITED PARTNERSHIP  
VOL. 13457 PG. 403  
D. R. T. C. T.  
CO. 98-0091571  
R. P. R. D. C. T.

OWNER/DEVELOPER  
FWR TEXAS LIMITED PARTNERSHIP  
400 EAST LAS COLINAS BOULEVARD  
IRVING, TEXAS 75039  
972-504-6400

SURVEYOR  
CARTER & BURGESS  
777 MAIN STREET  
411 NORTON, TX 76102  
(817) 735-8000

APPROVED BY THE BOARD OF ALDERMEN OF  
WESTLAKE, TEXAS  
on this \_\_\_\_\_ day of \_\_\_\_\_ 2006

ATTEST:  
Jean Annall, Town Secretary  
Dan Bradley, Mayor

REVIEWED BY:  
Terry A. Smith, Town Attorney  
John Engineer, Town Engineer

# Fidelity Investments Addition Phase I

BEING PORTIONS OF THAT TRACT OF LAND SITUATED IN THE CHARLES MEDLIN SURVEY, ABSTRACT NUMBER 1044 (TARRANT COUNTY), ABSTRACT NUMBER 823 (DENTON COUNTY), THE J. BACON SURVEY, ABSTRACT NUMBER 2026 (TARRANT COUNTY) AND THE VANDER HUNT SURVEY, ABSTRACT NUMBER 750, TOWN OF WESTLAKE, TARRANT COUNTY, TEXAS, RECORDED IN VOL. 13457, PAGE 403 OF DEED RECORDS, TARRANT COUNTY, TEXAS.

Vertical sidebar containing project information, date, and sheet number. Includes 'Sheet 1 of 2' and project name 'F-1041'.

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444 9844804, 9848304, 9872924 C & B CH NUMBER

013170010

## **EXHIBIT E**

### **Project Timeline:**

Based on obtaining this abatement, and reaching acceptable incentive agreements with the State of Texas and the Town of Westlake, Fidelity submission of permits to allow construction activities to commence on the following schedule:

- Sitework (expected receipt of permit / commencement of work 6/1/07)
- Building Core & Shell (expected receipt of permit / commencement of work 1/1/08)
- Building Interiors (expected receipt of permit / commencement of work 9/1/08)
- Parking Garage (expected of permit receipt / commencement of work 1/1/08)

Construction completion is anticipated by the end of Q3 2009, at which point the building would be ready for occupancy.



## **EXHIBIT F**

### **Fidelity Disadvantaged Business Enterprises Policy**

Fidelity is committed to employing disadvantaged businesses both during the construction and operational phases of the Project. Fidelity will advertise in a newspaper of general circulation in the County of its desire to employ disadvantaged business enterprises and will undertake a good faith effort to utilize disadvantaged business enterprises throughout the construction process and will undertake a good faith effort to utilize disadvantaged business enterprises in annual supply and service contracts.

## **EXHIBIT G**

### **Owner's statement on regional air quality/non-attainment status**

Fidelity will soon launch a Southwest Region-wide website to encourage employees to carpool. This new website will be accessible to all employees through the firm's Southwest Region Intranet, and will reach every employee working in the greater Dallas-Fort Worth Metroplex. "Southwest Connections" will allow an employee in the region to post to a Carpool Connection site their interest in carpooling, enter work information (e.g., location and work hours). Employees can also search for others with similar work hours and commuting patterns to set up a carpool. Carpool Connection will be open to Fidelity employees working at all Southwest Region locations: The Westlake campus; data center in Irving, Investor Centers, and potentially at other locations as growth occurs.

The Carpool Connection project has been in development since May 2006. While technical issues associated with operation and maintenance of the site delayed implementation, we anticipate completion and communication to our employees by the end of Q1 2007.

One of Fidelity's business units, Fidelity Personal Investments, has been operating a version of the system for its 600 employees since its relocation from Cityplace (near downtown Dallas) to Westlake in 2003. This system formed the basis of what is being developed to connect all Region-wide employees.

Fidelity also conducted preliminary conversations in mid-2006 with the Fort Worth Transportation Authority. The Authority operates a van pool program funded by federal grant, with gasoline costs underwritten by vanpool participants. The firm plans to further evaluate the vanpool program after launching its carpool website in the next few months and, if the program appears a good fit, would share information and match employees to vanpools using the carpool website.

Fidelity is not currently a member of either of the regional air-quality coalitions, the North Texas Clean Air Coalition or the Dallas-Fort Worth Clean Cities Technical Coalition. We are on the North Texas Clean Air Coalition mailing list and try to keep informed of their programs and goals. The Clean Cities Technical Coalition is focused on large vehicle, bus, air transport, fueling institutions and is really not a fit with Fidelity's operations.

The firm believes the car-pooling program provides the best current opportunity to help reduce transit-related emissions. As an employer concerned about the communities in which it operates and in which its employees reside, Fidelity continues to look for effective opportunities to improve the region's air quality.

## EXHIBIT H

### FIDELITY INVESTMENTS 2006 Tarrant County Property Taxes

	<i>County</i>	<i>City</i>	<i>School</i>	<i>Other</i>	<i>Total</i>
<b>Real Property:</b>					
Westlake campus	\$562,164	\$0	\$1,398,719	\$0	\$1,960,883
<b>Subtotal Real</b>	\$562,164	\$0	\$1,398,719	\$0	\$1,960,883
<b>Personal Property:</b>					
Westlake campus	\$66,489	\$0	\$165,431	\$0	\$231,920
Southlake IC	\$6,030	\$4,310	\$16,747	\$0	\$27,087
<b>Subtotal Personal</b>	\$72,519	\$4,310	\$182,179	\$0	\$259,008
<b>Grand Total</b>	\$634,683	\$4,310	\$1,580,898	\$0	\$2,219,891

**EXHIBIT "E"**

**Town of Westlake Economic Development Agreement**

**ECONOMIC DEVELOPMENT AGREEMENT**

**STATE OF TEXAS** §  
§  
**COUNTIES OF DENTON AND TARRANT** §

This Economic Development Agreement ("Agreement"), is made and entered into as of the 23 day of April 2007 (the "Effective Date"), by and between the Town of Westlake, Texas ("Town"), a municipal corporation of Denton and Tarrant Counties, Texas, duly acting herein by and through its Mayor, and FMR Texas Limited Partnership, a Massachusetts limited partnership ("Fidelity Texas").

**WITNESSETH:**

WHEREAS, Fidelity has constructed a corporate campus (Phase I) and created jobs within the Town pursuant to that certain Economic Development Agreement approved by the Board of Aldermen of the Town by Resolution 98-05, on August 10, 1998 (the "1998 Agreement"); and

WHEREAS, Fidelity now proposes to undertake an expansion program that will result in significant financial investment and creation of additional jobs within the Town; and

WHEREAS, the Town had adopted an Economic Development Policy ("Economic Development Policy") that includes a Tax Abatement Policy ("Tax Abatement Policy"), by the passage of Resolution No. 06-19 on the 8th day of May, 2006, which is attached hereto as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, the Town is a duly created and validly existing Type A General Law Municipality, created under the laws of the State of Texas, including particularly, but not by way of limitation, Chapter 51, Texas Local Government Code ("LGC").

WHEREAS, on the 12th day of February, 2007, the Board of Aldermen of the Town ("Board"), passed Ordinance No. 513, which is attached hereto as Exhibit "B" and incorporated herein for all purposes, establishing Reinvestment Zone No. Two, Town of Westlake, Texas ("Zone"), for commercial-industrial tax abatement as authorized by Chapter 312 of the Texas Tax Code ("Tax Code"); and

WHEREAS, on the 23<sup>rd</sup> day of April 2007, the Board of Aldermen of the Town ("Board"), passed Resolution No. 07-24, which is attached hereto as Exhibit "C" and incorporated herein for all purposes, establishing Neighborhood Empowerment Zone No. One, Town of Westlake, Texas ("Zone"), as authorized by Chapter 378 of the LGC; and

WHEREAS, the Economic Development Policy and Tax Abatement Policy constitute appropriate guidelines and criteria governing economic development agreements to be entered into by the Town as contemplated by Chapters 378 and 380 of the LGC and Chapter 312 of the Tax Code, providing for the availability of economic incentives for both new facilities and structures and for the contemplated expansion or modernization of existing facilities or structures; and

WHEREAS, Fidelity Texas, as the owner of the Expansion Land (herein defined), intends to develop and construct one (1) or more buildings on the Expansion Land, and the development and construction on the Expansion Land is expected significantly to enhance the economic and employment base of the Town; and

WHEREAS, the Constitution and laws of the State of Texas, including, but not by way of limitation, Chapters 378 and 380 of the LGC, Chapter 312 of the Tax Code and the Texas Constitution authorize the Town to enter into economic development agreements and tax abatement agreements with companies such as Fidelity Texas;

WHEREAS, the Board finds that the improvements proposed for the Expansion Land are feasible and practical and would be of benefit to the Town; and

WHEREAS, the Board finds that the terms of this Agreement, the Expansion Project (herein defined) and the proposed Qualified Facilities (herein defined) meet the applicable guidelines and criteria heretofore adopted by the Board and contained in the Economic Development Policy and Tax Abatement Policy; and

WHEREAS, in order to maintain and enhance the commercial and industrial economic and employment base of the Town and the Counties of Denton and Tarrant, the Board finds that it is in the best interest of the citizens for the Town to enter into this Agreement in accordance with the Economic Development Policy, the Tax Code and the LGC; and

WHEREAS, a copy of this Agreement in proposed form has been furnished by the Town, in the manner prescribed by the Tax Code, to the presiding officers of the governing bodies of each of the taxing units (other than the independent school districts) in which the Expansion Land is located; and

WHEREAS, the Town has begun consideration of a public works project to extend a water supply line for treated water from the existing Upper Trinity Regional Water District facilities located at the intersection of U.S. Highway 377 and Stonecrest approximately 6.5 miles to serve as an additional source of treated water for the Town (the "Water Project");

NOW, THEREFORE, the Town and Fidelity Texas, for good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, which consideration includes the attraction of major investment in the Zone and increased payroll that contributes to the economic development of the Town, the enhancement of the tax base in the Town and Denton and Tarrant Counties and the economic development and tax abatement incentives set forth herein below, as authorized by Chapter 378 and 380 of the LGC and Chapter 312 of the Tax Code, as amended, do hereby contract, covenant and agree as follows:

#### Section 1. Definitions

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

"Affiliate" shall mean any entity that owns or controls, is owned or controlled by or is under common ownership or control with, Fidelity Texas or any entity the ownership of which is substantially the same as the ownership of FMR Corp.

"Board" shall mean the Board of Aldermen of the Town.

"Fidelity" shall mean Fidelity Texas and any Affiliate, individually and collectively, whether one or more, to the extent that such entities now own or hereafter acquire an interest in all or any portion of the Expansion Land, Qualified Facilities or the Expansion Project pursuant to Section 6 hereof and each in its capacity as owner of the Qualified Facilities, the Expansion Project, or any portion thereof, as the case may be.

"Force Majeure" shall mean any contingency or cause beyond the reasonable control of Fidelity, including, without limitation, acts of God, or the public enemy, war, riot, civil - commotion, insurrection, governmental or de facto governmental action (unless caused by acts or omissions of Fidelity), fire, explosions or floods, and strikes.

"Expansion Land" shall mean the parcel(s) of land which is more particularly described in **Exhibit "D"** which is attached hereto and incorporated herein for all purposes.

"Expansion Project" shall mean the improvements, related infrastructure and/or modifications approved under the Town's Planned Development Regulations and to be constructed on the Expansion Land by Fidelity (or by such successors or assigns as are approved by the Board). Expansion Project includes Qualified Facilities.

"Minimum Threshold Eligibility Requirements" shall mean (i) the construction and maintenance of a minimum of six hundred thousand (600,000) gross square feet of total structures on the Expansion Land which may be occupied by employees (i.e., excluding parking structures or parking areas within structures); (ii) the employment of at least one thousand one hundred (1,100) employees located within the Expansion Project; and (iii) the expenditure of no less than \$80,000,000 on the Expansion Project.

"Phase" shall mean each portion of the Expansion Project, as developed in such order and containing such acreage as Fidelity, in its sole discretion, may determine.

"Phase II" shall mean the first building and associated facilities of the Expansion Project to be developed.

"Qualified Facilities" shall mean the buildings and other structural components of the corporate facility to be constructed by Fidelity on the Expansion Land; a single building which constitutes a part of the Qualified Facilities may be referred to as a "Qualified Facility."

## Section 2. General Provisions

- A. The Qualified Facilities are not, and shall not be, an improvement project financed by tax increment bonds.

- B. The Expansion Land is not owned or leased by any member of the Board, any member of the Planning and Zoning Commission of the Town or any member of the governing body of taxing units with jurisdiction over the Expansion Land.
- C. The 1998 Agreement shall remain in full force and effect except that the provisions of Section 8, 10, 13 14 and 17 are hereby terminated with respect to the Expansion Land, with such provisions being hereinafter superseded by this Agreement.
- D. This Agreement is intended to comply with the requirements of the LGC and the Tax Code and is authorized by the Texas Property Redevelopment and Tax Abatement Act of the Texas Tax Code, Chapter 312, by the Economic Development Policy, the Tax Abatement Policy and by the resolution of the Board authorizing execution of this Agreement. The Town represents that it has due authority to enter into this Agreement and to take actions under the laws cited in the preceding sentence.

Section 3. Term.

This Agreement shall remain in full force and effect between the Town and Fidelity for a maximum term of fifteen (15) years; provided, however, that the shorter time periods specified in Sections 7, 10 and 14 hereof shall control for the purposes specified in such sections. The tax abatements, grants and sales tax rebates and other economic development incentives granted hereby to Fidelity for the Qualified Facilities and Expansion Project shall continue for the duration of the specified term and, once all applicable conditions specified herein have been fulfilled, shall not be lost through Force Majeure events or circumstances beyond the reasonable control of Fidelity, except to the extent otherwise specified in Section 5 hereof.

Section 4. Records and Inspections

- A. Not later than February 15 of each year during the term of this Agreement, Fidelity shall certify to the Town (i) the number of employees located within the Qualified Facilities as of January 1 of such year, and (ii) if changed from the previous year, the aggregate number of gross square feet of office space contained in the Qualified Facilities as of January 1 of such year, as reasonably calculated by an architect retained by Fidelity.
- B. At all times throughout the term of this Agreement, the employees of the Town shall have reasonable access to the Qualified Facilities, during normal business hours and upon at least five (5) business days' prior written notice to Fidelity, for the purpose of inspecting same to ensure that the Qualified Facilities are maintained in accordance with the specifications and conditions of this Agreement; provided, however, that Fidelity shall have the right to accompany Town employees on any such inspection and that such inspection shall be conducted in a manner which does not breach Fidelity's security procedures and which is least disruptive of Fidelity's employees and business operations.
- C. Fidelity shall also provide Town in a timely manner reasonably satisfactory evidence of all sales taxes paid for which Fidelity seeks a rebate pursuant to Section 14 below.



Section 5. Breach and Remedy.

- A. The occurrence of the following conditions shall constitute an event of default ("Event of Default") hereunder: (i) the Qualified Facilities for which Fidelity has received an abatement hereunder fail to be occupied in accordance with the Minimum Threshold Eligibility Requirements at any time subsequent to March 31, 2010; or (ii) Fidelity fails to comply with any of the material terms or conditions of this Agreement, and any such failure (hereinafter, a "breach") specified in either clause (i) or (ii), above, remains uncured for ninety (90) days following Fidelity's receipt of written notice (the "Breach Notice") from the Town, delivered in accordance with Section 16 hereof, of the event and nature of such breach; provided, however, that if such breach is not reasonably susceptible of cure within such ninety (90) day period and Fidelity has commenced and is continuing to pursue the cure of such breach, then after first advising the Board of such cure efforts, Fidelity shall automatically receive an additional ninety (90) day period within which to cure such breach. The Board may authorize additional time to cure any such breach, but is not obligated to grant such additional time. Notwithstanding anything expressed or implied herein to the contrary, no Event of Default shall exist if the failure of Fidelity to fully perform its obligations hereunder is the result of a Force Majeure event. Further the time for cure of a breach by Fidelity shall be extended by the reasonable time Fidelity is delayed by a Force Majeure event.
- B. Upon the occurrence and during the continuation of any uncured Event of Default, the Town shall have the right, to suspend the tax abatements and grants specified in Sections 10 and 11 hereof, pursuant to a notice (the "Suspension Notice") delivered in accordance with Section 16 hereof, and thereafter to receive from Fidelity, as liquidated damages, a sum equal to (i) the amount of all ad valorem taxes which were assessed against the Qualified Facilities and which would have been paid to the Town by Fidelity but for this Agreement, for each year in which the Event of Default occurred and was continuing, without the benefit of abatement (after taking into account any applicable exemptions), and (ii) interest thereon charged at the rate of four and one-half percent (4.50%) per year and calculated for the period commencing on the date such taxes would have been delinquent and continuing through the date of payment of such liquidated damages. The calculation of liquidated damages shall not include any penalties or late charges. Such liquidated damages shall be due and payable to the Town within thirty (30) days of the receipt by Fidelity of the Suspension Notice. If the Town delivers a Suspension Notice pursuant to this Section 5, then Fidelity shall thereafter have no right to receive the tax abatements and grants specified in Sections 10 and 11 hereof unless and until Fidelity has cured the breach or breaches specified in the Breach Notice.
- C. The remedies of Town provided herein are exclusive; all other remedies of Town including, without limitation, the remedy of specific performance, being hereby waived.

Section 6. Sale, Assignment or Lease of Property.

Fidelity shall have the right, without the Town's consent, to transfer, convey or lease all or any portion of the Expansion Land, the Expansion Project or the Qualified Facilities to one or more Affiliates and, in connection therewith, to assign to such Affiliates all or any portion of

Fidelity's rights and obligations under this Agreement, provided that each assignee assumes the applicable terms and conditions of this Agreement. All other assignments of all or any portion of Fidelity's rights and obligations under this Agreement shall require the prior approval of the Board. Fidelity shall notify the Town pursuant to Section 16 of any proposed assignment requiring the Board's approval at least fifteen (15) days prior to the proposed effective date of such assignment. Any Affiliate or other party to whom any transfer, conveyance, lease or assignment is made with Board approval in accordance with this Section 6 shall be included within the definition of "Fidelity" for purposes of this Agreement.

Section 7. Reimbursement or Waiver of Fees.

- A. The Town agrees that Fidelity shall be exempted from capital recovery fees for Phase II, regardless of when imposed, based upon such costs for ten (10) years from the effective date of this Agreement. With the exception of those fees assessed by the Town and payable to the City of Fort Worth under the Town's wholesale water contract with City of Fort Worth ("Fort Worth Impact Fees"), Town agrees to waive all impact fees assessed or assessable against Phase II. No language in this Agreement shall be construed to relieve Fidelity of any obligation for the payment of Fort Worth Impact Fees.
- B. All capital impact fees assessed by Town against Fidelity for all phases of the Expansion Project other than Phase II shall be made in strict compliance with Chapter 395 of the LGC, and Fidelity does not waive, and hereby expressly retains, all rights to challenge any future impact fee assessed by the Town.
- C. Except as provided by Section 15 of this Agreement, if Fidelity is required to advance the costs of Town's share of any oversized facilities for water, drainage or wastewater, Town agrees to repay Fidelity in full for Town's share of such costs within five (5) years of the date the oversized facilities are accepted by Town (such acceptance not to be unreasonably withheld, conditioned or delayed) plus interest on all outstanding amounts at the rate of four and one-half percent (4.50%) per annum.

Section 8. Permitting Process.

Town agrees that any permit or application submitted in connection with the Qualified Facilities that requires action by the Town, including, but not limited to, applications for:

- a) zoning;
- b) site plan and plat approval;
- c) building permits;
- d) certificates of occupancy; and
- e) water, sewer and/or drainage improvements or connections

shall be entitled to priority and shall be reviewed and approved as expeditiously as possible.

Section 9. Mutual Assistance

The Town hereby agrees to cooperate with Fidelity in filing, whether solely or in conjunction with other parties, appropriate applications with county, state or federal agencies for grants, loans or other economic, non-economic, and infrastructure cost assistance, to benefit the Expansion Project, if requested by Fidelity.

Section 10. Tax Abatement and Rebate

- A. The parties acknowledge that the Town does not currently levy ad valorem taxes against real or personal property within the Town, and the Town does not anticipate levying such taxes in the foreseeable future. However, as a material inducement to Fidelity to construct the Qualified Facilities, the Town hereby grants a tax abatement of ninety percent (90%) [such that Fidelity shall pay ten percent (10%)] of all real and personal property ad valorem taxes which may hereafter be assessed by the Town and which may be abated under Ch. 312 of the Tax Code on each Qualified Facility constructed within a five-year period commencing with the issuance of a certificate of occupancy for the first building within Phase II of the Expansion Project.
- B. The term of the tax abatement for each building constructed within the period specified in subsection A shall extend for a maximum period of ten (10) years from the date of issuance of the initial certificate of occupancy for such structure.

Section 11. Grants.

Town recognizes that the abatements of future ad valorem taxes, as provided in Section 10, above, constitute a material inducement to Fidelity to construct the Qualified Facilities. If the Town elects to levy ad valorem taxes against real or personal property within the Town and the tax abatement and rebate provisions contained in Section 10 hereof are determined to be unenforceable or unlawful or are rendered unenforceable or unlawful by the passage of any federal or state law, Town shall make, and hereby makes, economic development grants to Fidelity, such grants to equal the amount of the ad valorem taxes that otherwise would have been abated and rebated in accordance with Section 10 hereof and such grants shall remain in effect for the same period tax abatements would have been in effect pursuant to subsection 10.B above.

Section 12. Right of Protest.

- A. Fidelity shall have the right to protest, contest or litigate: (a) any assessment of the value of the Expansion Project by any appraisal district which appraises real or personal property on all or any part of the Expansion Project; and, (b) any tax imposed on the Expansion Project by any taxing authority. The tax abatement (or, if applicable, the grants) provided for herein shall be applied to the amount of taxes finally determined to be due as a result of any such protest, contest or litigation. Notwithstanding the foregoing, absent a casualty to the Qualified Facilities once completed, any protest of ad valorem taxes resulting in an appraised value of less than \$80,000,000 shall constitute a breach of this Agreement.

- B. Except as expressly provided, this Agreement shall not be construed to in any way modify Fidelity's right to protest, contest or litigate any and all capital impact fees, ad valorem taxes or any other taxes, fees or charges which may be levied or assessed by the Town or any other entity on the Expansion Project or Fidelity's operations at the Expansion Project.

Section 13. Annual Application for Tax Exemption

It shall be the responsibility of Fidelity, pursuant to Section 11.43 of the Tax Code, if any, to file an annual exemption application form with the chief appraiser for each appraisal district in which the Expansion Project has situs.

Section 14. Sales Tax Rebate.

- A. Fidelity  
shall receive from the Town a one hundred percent (100%) rebate of the Town's one percent (1%) of the sales and use taxes collected by the State of Texas and received by the Town that were paid by Fidelity or its contractors within the applicable sales tax rebate period for all building materials and business personal property affixed to the Qualified Facilities, specifically excluding, however, sales taxes associated with the purchase of personal property not affixed to the Qualified Facilities. The sales tax rebate period shall be for a period of five (5) years and commence on the execution of this Agreement and shall expire for each building that comprises any portion of the Qualified Facilities on the date that is thirty-six (36) months following the date the Town issues a building permit for the construction of such building.
- B. Fidelity shall use diligent and good faith efforts to manage all construction comprising or related to the Qualified Facilities to maximize to the extent practicable the amount of sales tax collection by the Town by having a point of sale in the Town in accordance with all applicable law.
- C. All rebates referenced herein shall be paid to Fidelity within thirty (30) days of the end of each calendar quarter from the sales taxes received by the Town, and paid by Fidelity, from the State of Texas. The amount to be rebated shall be determined based on the evidence referenced in Section 4(C), above, with the exception that any rebates attributable to any building that comprises any portion of the Qualified Facilities shall not be payable prior to the issuance of a building permit for such portion of the Qualified Facilities.

Section 15. Water Project Contribution

Should the Town elect to proceed with the Water Project and to make an assessment of property owners or to impose development or impact fees to wholly or partially cover the costs of the Water Project, Fidelity agrees to make a monetary contribution to the Town to offset a portion of the funding of the Water Project. Fidelity's contribution shall be based on the method

of assessment or fee imposition adopted by the subsequent Town ordinance adopted to implement the funding obligations of the Water Project. Fidelity's contribution shall be equal to assessments or fees imposed under the ordinance for commensurate land or development activities for which permitting is initiated subsequent to the adoption of such ordinance. Notwithstanding the foregoing, in no event shall Fidelity's contribution exceed \$260,000.00. Fidelity's contribution to the Water Project shall become due and payable within thirty (30) days of the Town delivering to Fidelity a notice that the Town intends to award design and construction contracts for the Water Project within ninety (90) days of such notice. Any funds provided by Fidelity pursuant to this Section 15 shall be immediately refunded to Fidelity if contracts for the construction of the Water Project have not been awarded within six (6) months of the date Fidelity's contribution has been remitted to the Town. Fidelity's obligations to make a contribution toward the Water Project pursuant to this Section 15 shall expire five (5) years from the Effective Date.

Section 16. Notice.

Any notice, demand, or other communication required to be given or to be served upon any party hereunder, shall be void and of no effect unless given in accordance with the provisions of this Section. All notices shall be in writing and shall be delivered personally or sent by overnight courier service, by certified or registered mail, postage pre-paid, or by facsimile transmission and shall be deemed received, in the case of personal delivery, when delivered, in the case of overnight courier service, on the next business day after delivery to such service, in the case of mailing, on the third day after mailing (or, if such day is a day on which deliveries of mail are not made, on the next succeeding day on which deliveries of mail are made) and, in the case of facsimile transmission, upon transmittal. All notices, demands and other communications shall be given to the parties hereto at the following addresses:

Fidelity:

Fran Eichorst, General Manager  
Fidelity Investments Southwest Region  
One Destiny Way  
Westlake, Texas 76262

With Copies to:

FMR Texas Limited Partnership  
c/o Dylan Tonry, Senior Legal Counsel  
Fidelity Investments  
82 Devonshire Street, Mail Zone F7D  
Boston, Massachusetts 02109

Myron Dornic  
Jackson Walker L.L.P.  
901 Main Street, Suite 6000  
Dallas, Texas 75202

Town:

Trent O. Petty  
Town Manager  
Town of Westlake  
3 Village Circle, Suite 207  
Westlake, Texas 76262

With copy to:

L. Stanton Lowry  
Boyle & Lowry L.L.P.  
4201 Wingren, Ste. 108  
Irving, Texas 75062

Each party may change the address to which notice may be sent to that party by giving notice of such change to the other parties in accordance with the provisions of this Agreement.

Section 17. Town Authorization

This Agreement was authorized by resolution of the Board that was approved by the affirmative vote of a majority of the Board at its regularly scheduled Board meeting on the \_\_\_ day of \_\_\_\_, 2007, authorizing the Mayor to execute this Agreement on behalf of the Town. Town represents and warrants to Fidelity that Town may lawfully perform its obligations under this Agreement.

Section 18. Fidelity Authorization.

The individual executing this Agreement on behalf of Fidelity represents to the Town that all appropriate and necessary action has been taken to authorize such individual to do so for and on behalf of the party for which his or her signature appears, that there are no other parties or entities required to execute this Agreement in order for the same to be an authorized and binding agreement, and that such authorization is valid and effective on the date hereof.

Section 19. Severability

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Section 20. Estoppel Certificate.

Any party hereto may request an estoppel certificate from another party hereto so long as the certificate is requested in connection with a bona fide business purpose, and each party agrees to promptly execute and deliver any estoppel certificate requested pursuant to this Section. The certificate, which will upon request be addressed to Fidelity, or a lessee, purchaser or assignee of Fidelity, shall include, but not necessarily be limited to, statements (qualified to

the best knowledge of the party providing the estoppel) that this Agreement is in full force and effect without default (or if a default exists, the nature of such default and any curative action which should be undertaken to cure same), the remaining term of this Agreement, and such other matters reasonably requested by the party(ies) to receive the certificate. Any such certificate on behalf of the Town shall be executed by the Mayor of the Town.

Section 21. Applicable Law.

This Agreement shall be construed under the laws and court decisions of the State of Texas. Venue for any action under this Agreement shall be the State District Court of Tarrant County, Texas. This Agreement is performable in Tarrant and Denton Counties, Texas.

Section 22. Recordation of Agreement

A copy of this Agreement in recordable form may be recorded by either party in the Real Property Records of Tarrant and Denton Counties, Texas.

Section 23. Entire Agreement.

This Agreement constitutes the entire agreement between the parties regarding the subject matter contained herein, supersedes any prior understanding or written or oral tax abatement agreements or representations between the parties regarding the matters contained herein, and can be modified only by a written instrument subscribed to by both parties. This Agreement may be executed in multiple counterparts, each of which shall be considered an original for all purposes.

Section 24. Successors and Assigns.

Subject to the provisions of Section 6 hereof, this Agreement shall be binding on, and shall inure to the benefit of, the legal representatives, successors and assigns of the Town and Fidelity.

Section 25. Further Assurances.

Town and Fidelity shall timely take all actions reasonably necessary and/or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out the terms and provisions of this Agreement to allow for the full development of the Expansion Project.

[SIGNATURE PAGES FOLLOW]

EXECUTED to be effective as of the date first set forth above.

**TOWN OF WESTLAKE, TEXAS**, a municipal corporation

By: Scott Bradley  
Name: Scott Bradley  
Title: Mayor, Town of Westlake



ATTEST:

By: Kim Sutter  
Kim Sutter, TRMC, Town Secretary

Trent O. Petty  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

L. Stanton Lowry  
By: L. Stanton Lowry  
Town Attorney

**FMR TEXAS LIMITED PARTNERSHIP**, a Massachusetts limited partnership (formerly known as Fidelity Texas Limited Partnership)

By: Fidelity Real Estate Company, LLC  
Its General Partner.

By: FMR Corp.  
Its Sole Member

By: Fidelity Corporate Real Estate, Inc., Its Duly Authorized Agent

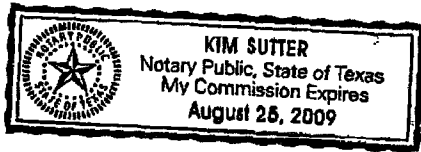
By: Kouros Panahi  
Name: KOUROSH PANAHY  
Title: SENIOR VICE PRESIDENT



THE STATE OF TEXAS §  
§  
COUNTY OF TARRANT §

This instrument was acknowledged before me on April 23, 2007, by Scott Bradley, the Mayor of the Town of Westlake, Texas, a municipal corporation, on behalf of said municipal corporation.

*Kim Sutter*  
Notary Public in and for the State of Texas



Kim Sutter  
Printed/Typed Name of Notary

My Commission Expires: 8-25-2009

THE STATE OF Texas §  
§  
COUNTY OF Tarrant §

This instrument was acknowledged before me on May 4, 2007, by Kourosh Panahy, the Sr. Vice President of Fidelity Corporate Real Estate, Inc., in its capacity as duly authorized agent of FMR Corp., in its capacity as the sole member of Fidelity Real Estate Company, LLC, in its capacity as the general partner of FMR Texas Limited Partnership, a Massachusetts limited partnership, on behalf of said limited partnership.

*Glenda Shipley*  
Notary Public in and for the State of Texas



Glenda Shipley  
Printed/Typed Name of Notary

My Commission Expires: 6/12/2007

EXHIBIT "A"

## TOWN OF WESTLAKE

## RESOLUTION NO. 06-19

**A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS, ADOPTING AN ECONOMIC DEVELOPMENT INCENTIVE POLICY.**

**WHEREAS**, the Town of Westlake, Texas, relies upon the generation of Sales and Use Taxes for basic city operations; and

**WHEREAS**, the Town of Westlake aggressively pursues sales tax producing enterprises that meet the Town's high development standards; and

**WHEREAS**, Chapter 312 of the Texas Tax Code requires that guidelines and criteria be adopted by the Board of Aldermen before entering into any Economic Development Agreement that provides reimbursement of taxes; and

**WHEREAS**, Chapter 380 of the Texas Local Government Code allows the Board of Aldermen to create policies for economic development and any related grants or incentives.


**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS:**

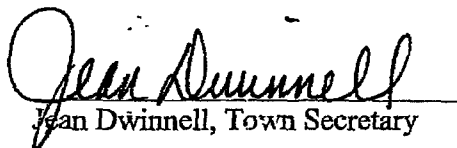
**SECTION 1:** The above findings are hereby found to be true and correct and are incorporated herein in its entirety.

**SECTION 2:** The Board of Aldermen of the Town of Westlake, Texas, adopts the attached Exhibit A, Town of Westlake Economic Development Incentive Policy and directs the Town Manager to immediately submit an Economic Development Agreement to the Board of Aldermen consistent with the terms of this policy.

PASSED AND APPROVED ON THIS 8th DAY OF MAY, 2006.

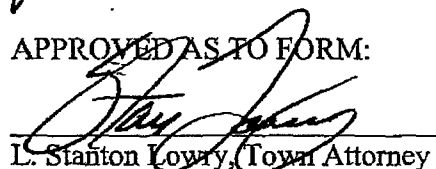
ATTEST:

  
Scott Bradley, Mayor

  
Jean Dwinell, Town Secretary

  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
L. Stanton Lowry, Town Attorney

## EXHIBIT A

### Town of Westlake Economic Development Incentive Policy

#### Section I. General Purpose and Objectives

The Town of Westlake, Texas, ("Town") is committed to the promotion and retention of high quality development in all parts of the Town as part of an overall effort to improve the quality of life for its residents. Since these objectives can be served, in part, by the expansion of its commercial business, retail, and mixed use base, the Town will, on a case-by-case basis, give consideration to providing tax abatements, economic development grants, loans, and other incentives (collectively referred to as "Incentives") as may be allowed by law as stimulation for selected economic development within the community. It is the policy of the Town that consideration will be provided in accordance with the criteria set forth in this document. Nothing within this policy shall imply or suggest that the Town is under any obligation to provide Incentives to any applicant. All applicants ("Applicants") for any Incentives shall be considered on a case-by-case basis.

#### Section II. Applicability

This Economic Development Incentive Policy (the "Policy") establishes guidelines and criteria for Incentives as allowed for by the provisions of Chapter 312 of the Texas Tax Code, and other economic grants, loans, or incentives as authorized by Chapter 380 of the Texas Local Government Code, the Development Corporation Act, Article 5190.6, Tex. Rev. Civ. Stat., Article III, Section 52-a of the Texas Constitution, and other applicable laws. Any Incentive approved by the Town's Board of Aldermen ("Board of Aldermen") pursuant to the Policy must be memorialized in an agreement to be executed and approved by the Town and applicant (the "Incentive Agreement").

#### Section III. Tax Abatement Criteria

A. Any application for tax abatement shall be reviewed and approved or disapproved by the Board of Aldermen and, if applicable, consider the recommendations of the Westlake Development Corporation and/or the Westlake 4A Corporation. In general, the application will be considered based upon the following:

- The 'value added' to the community by the Applicant's proposed project;
- The likelihood of the development of the proposed project without abatements;
- The comparison of the use of abatements versus the use of other potential incentives.

B. Specific considerations for approving tax abatement applications will be based upon the degree to which the proposed project:

- Furthers the goals and objectives of the Town as expressed in the Town's Comprehensive Plan, Planned Development District Ordinances, and infrastructure plans;
- Impacts the Town's costs and ability to provide municipal services;
- Impacts the local environment, housing market, and available infrastructure;
- Offers potential for long term payback in tax and/or other revenues for the Town's investment;
- Potentially stimulates other desirable economic development within the Town.

C. Term of the Abatement – A tax abatement may be granted for a maximum of ten years. The term of the abatement may be granted for a lesser number of years depending upon the anticipated 'value added' to the Town.

#### Section IV. Value of the Project

The amount of the Incentive will be determined by the Board of Aldermen based upon the merits of the economic development project (the "Project"), including, but not limited to, the factors referenced in paragraph III. B. (above) and the following specific economic considerations:

- total capital investment;
- added employment;
- generation of other tax revenues.

Incentives may be granted only for the additional value of eligible property improvements described in the Project and listed in the executed tax abatement agreement. Target thresholds are established as expected qualifying levels for abatement consideration as indicated in paragraphs A and B as follows:

A. For New Businesses or Development - The Project must be reasonably expected to produce an added value of five million dollars (\$5,000,000) in real and personal property improvements within the Town of Westlake; or to create a minimum of 200 full-time jobs, or to generate annual sales tax revenues to the Town of at least \$100,000.

B. For Expansion or Modernization of Existing Businesses or Development – The Project must be reasonably expected to produce an added value of two million dollars (\$2,000,000) in real and personal property improvements within the Town, or to create a minimum of 100 full time jobs, or to generate additional annual sales tax revenues to the Town of at least \$50,000.

#### Section V. Inspection, Verification and Incentive Modification

The terms of an Incentive Agreement shall include the Town's right to:

(a) require the submission of an annual certification of compliance for the property receiving an Incentive; (b) conduct an on-site inspection of the project in each year during the life of the Incentive to verify compliance with the terms of the Agreement and the Policy; and (c) reduce or eliminate the Incentive if the applicant has failed to comply with the requirements of the Incentive Agreement.

#### **Section VI. Evaluation**

Upon completion of the Project, the Town shall no less than annually evaluate each Project receiving an abatement to insure compliance with the terms of the agreement. Any incidents of non-compliance will be reported to all affected taxing units.

#### **Section VII. Severability and Limitation**

In the event that any section, clause, sentence, paragraph or any part of this Policy shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such invalidity shall not affect, impair, or invalidate the remainder of the guidelines and criteria in this Policy.

#### **Section VIII. Expiration and Modification**

This Policy is effective upon the date of its adoption and will remain in force for two years, at which time Incentive Agreements created pursuant to its provisions will be reviewed by the Board of Aldermen to determine whether the objectives of the Policy are being achieved. Based upon that review, this Policy may be modified, renewed or eliminated. However, any Incentive Contracts created pursuant to this Policy will remain in effect according to their respective terms without regard to any change to this Policy unless mutually agreed by the parties.

#### **Section IX. Economic Development Grants, Loans, and Other Incentives**

A. Any application for economic development grants, loans, and other incentives shall be reviewed and approved or disapproved by the Board of Aldermen. In the review process, the Board of Aldermen will, if applicable, consider the recommendations of the Westlake Development Corporation and/or the Westlake 4A Corporation. Any such economic development grants, loans, and other incentives may come from any one or combination of the following:

- Grants or loans as authorized by Chapter 380 of the Texas Local Government Code;
- The general Sales and Use taxes of the Town;
- Sales and Use taxes collected pursuant to section 4A and/or 4B of Article 5190.6, Tex. Rev. Civ. Stat.; and/or

- Any other lawful source of revenue of the Town including, but not limited to, bond or other debt financing which further the purpose of economic development.

B. To be eligible to apply and qualify for consideration of any grants, loans, and other incentives under this Section, the applicant must submit documentation, and enter into an Incentive Agreement, which indicates the specific details of the Project and compliance with the Policy.

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**EXHIBIT "B"****TOWN OF WESTLAKE****ORDINANCE NO. 513**

**AN ORDINANCE OF THE TOWN OF WESTLAKE, TEXAS, DESIGNATING THE FOLLOWING DESCRIBED LAND COMMERCIAL/INDUSTRIAL TAX ABATEMENT REINVESTMENT ZONE NO. TWO (2), IN THE TOWN OF WESTLAKE, TARRANT AND DENTON COUNTIES, TEXAS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE.**

**WHEREAS**, the Board of Aldermen ("Board") of the Town of Westlake, Texas ("Town"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone ("Zone") for commercial/industrial tax abatement, as authorized by Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, Subchapter B, Sections 312.201 and 312.202, as amended (the "Code"); and

**WHEREAS**, the Town has elected to become eligible to participate in tax abatement; and

**WHEREAS**, a public hearing at a regularly scheduled meeting before the Board was held at 7:00 p.m. on the 12th day of February, 2007, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper having general circulation in the Town as required by the Code; and

**WHEREAS**, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed reinvestment zone at least seven (7) days before the date of the public hearing; and

**WHEREAS**, the Town at such hearing invited all interested persons, or their representatives, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in this ordinance should be included in such proposed reinvestment zone, and the concept of tax abatement; and

**WHEREAS**, all interested persons spoke and the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the creation of the proposed reinvestment zone and the proponents also submitted evidence as to the proposed improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTLAKE, TEXAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**SECTION 2.** The Town, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence

**TOWN OF WESTLAKE****ORDINANCE NO. 513**

**AN ORDINANCE OF THE TOWN OF WESTLAKE, TEXAS, DESIGNATING THE FOLLOWING DESCRIBED LAND COMMERCIAL/INDUSTRIAL TAX ABATEMENT REINVESTMENT ZONE NO. TWO (2), IN THE TOWN OF WESTLAKE, TARRANT AND DENTON COUNTIES, TEXAS; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A SEVERABILITY CLAUSE.**

**WHEREAS**, the Board of Aldermen ("Board") of the Town of Westlake, Texas ("Town"), desires to promote the development or redevelopment of a certain contiguous geographic area within its jurisdiction by the creation of a reinvestment zone ("Zone") for commercial/industrial tax abatement, as authorized by Chapter 312, Property Redevelopment and Tax Abatement Act, Texas Tax Code, Subchapter B, Sections 312.201 and 312.202, as amended (the "Code"); and

**WHEREAS**, the Town has elected to become eligible to participate in tax abatement; and

**WHEREAS**, a public hearing at a regularly scheduled meeting before the Board was held at 7:00 p.m. on the 12th day of February, 2007, such date being at least seven (7) days after the date of publication of the notice of such public hearing in a newspaper having general circulation in the Town as required by the Code; and

**WHEREAS**, notice of the public hearing was delivered to the presiding officer of the governing body of each taxing unit located within the proposed reinvestment zone at least seven (7) days before the date of the public hearing; and

**WHEREAS**, the Town at such hearing invited all interested persons, or their representatives, to appear and speak for or against the creation of the proposed reinvestment zone, the boundaries of the proposed reinvestment zone, whether all or part of the territory described in this ordinance should be included in such proposed reinvestment zone, and the concept of tax abatement; and

**WHEREAS**, all interested persons spoke and the proponents of the reinvestment zone offered evidence, both oral and documentary, in favor of the creation of the proposed reinvestment zone and the proponents also submitted evidence as to the proposed improvements.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTLAKE, TEXAS:**

**SECTION 1.** That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct and are incorporated herein in their entirety.

**SECTION 2.** The Town, after conducting such hearings and having heard such evidence and testimony, has made the following findings and determinations based on the testimony and evidence



presented to it:

- (a) That a public hearing on the designation of the reinvestment zone has been properly called, held and conducted and that notices of such hearings have been published as required by law and delivered to all taxing units located within the proposed reinvestment zone;
- (b) That the boundaries of the reinvestment zone should be the area as described in the metes and bounds description attached hereto and identified as **Exhibit "A"**, which are incorporated herein for all purposes and which area is within the taxing jurisdiction of the Town;
- (c) That the creation of the reinvestment zone for commercial/industrial tax abatement, with boundaries as described in **Exhibit "A"** attached hereto will result in benefits to the Town and to the land included in the Zone and to the Town after the expiration of any Tax Abatement Agreement entered into and the improvements sought within the Zone are feasible and practical;
- (d) That the reinvestment zone as defined in **Exhibit "A"** attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Code, as amended, in that it is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the Town; and
- (e) That the reinvestment zone as defined in **Exhibit "A"** attached hereto meets the criteria for the creation of a reinvestment zone as set forth in the Town of Westlake Tax Abatement Policy, which Policy establishes guidelines and criteria governing tax abatement agreements by the Town and provide for the availability of tax abatement for both new facilities and structures and for the expansion or modernization of existing facilities and structures.

**SECTION 3.** That pursuant to the Code, the Town hereby creates a reinvestment zone for commercial/industrial tax abatement encompassing only the area described by the metes and bounds in **Exhibit "A"** attached hereto and such reinvestment zone is hereby designated and shall hereafter be designated as Reinvestment Zone No. Two (2), Town of Westlake, Texas.

**SECTION 4.** That the Town shall deliver to the Texas Comptroller's Office prior to April 1, 2007, a general description of the reinvestment zone, including its size, the types of property located in it, its duration, and the guidelines and criteria established for the reinvestment zone under Section 312.002 of the Code, including subsequent amendments and modifications of the guidelines or criteria.

**SECTION 5.** That the Zone shall take effect on the 12th day of February, 2007.

**SECTION 6.** If any portion of this ordinance shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the Board hereby determines that it would have adopted this ordinances without the invalid provision.

PASSED AND APPROVED ON THIS 12<sup>TH</sup> DAY OF FEBRUARY 2007

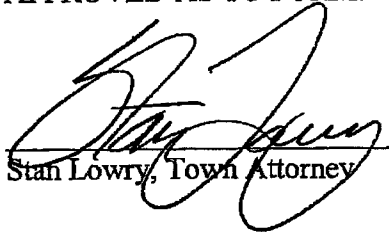
  
\_\_\_\_\_  
Scott Bradley, Mayor

ATTEST:

  
\_\_\_\_\_  
Kim Sutter, TRMC, Town Secretary

  
\_\_\_\_\_  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Stan Lowry, Town Attorney

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**  
(2 Parcels)

## Exhibit A

**Parcel 1**

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit A (Continued)

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 64 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit A (Continued)

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.306 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

## Exhibit A (Continued)

## Parcel 2

BEING a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

## Exhibit A (Continued)

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the **POINT OF BEGINNING**;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-



## Exhibit A (Continued)

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huit-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huit-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huit-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to

## EXHIBIT "C"

## TOWN OF WESTLAKE

## RESOLUTION NO. 07-24

**A RESOLUTION OF THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS, APPROVING AN ECONOMIC DEVELOPMENT AGREEMENT WITH FIDELITY TEXAS LIMITED PARTNERSHIP FOR PHASE II OF THE FIDELITY CAMPUS PURSUANT TO THE TOWN OF WESTLAKE ECONOMIC DEVELOPMENT POLICY AND TAX ABATEMENT POLICY; ESTABLISHING NEIGHBORHOOD EMPOWERMENT ZONE NO. 1 PURSUANT TO CHAPTER 378 OF THE TEXAS LOCAL GOVERNMENT CODE; AND DECLARING AN EFFECTIVE DATE.**

**WHEREAS,** The Board of Aldermen adopted Ordinance No. 304 designating a commercial/industrial tax abatement reinvestment zone and adopting an Economic Development Incentive Policy for the 309 acres comprising the Fidelity campus on August 3<sup>rd</sup>, 1998; and

**WHEREAS,** The Board of Aldermen adopted Resolution 98-05 on August 10<sup>th</sup>, 1998 approving an Economic Development Agreement with Fidelity; and

**WHEREAS,** The Fidelity project has become a positive economic and community presence in the Town of Westlake; and

**WHEREAS,** Fidelity now seeks to expand the campus to provide buildings originally contemplated for Phase II which will add 600,000 sq. ft. of new construction and 2,500 new jobs to the Fidelity campus; and

**WHEREAS,** Fidelity has requested similar concessions of the Town of Westlake including an abatement of ad valorem taxes and a reimbursement of certain sales taxes generated by construction of Phase II.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS:**

**SECTION 1:** That the Economic Development Agreement by and between the Town of Westlake, Texas, and Fidelity Texas Limited Partnership attached hereto as Exhibit "1" and incorporated herein for all purposes is hereby approved.

**SECTION 2:** That Neighborhood Empowerment Zone No. 1 covering the property that is subject to the Economic Development Agreement is hereby established.

**SECTION 2:** That this Resolution shall become effective upon its passage and the approval of the preliminary plat and site plan amendment by the Planning and Zoning Commission and the Board of Aldermen and subsequent submittal of all required documents and fees to the Town.

PASSED AND APPROVED BY THE BOARD OF ALDERMEN OF THE TOWN OF WESTLAKE, TEXAS, ON THIS 23<sup>RD</sup> DAY OF APRIL, 2007.

  
\_\_\_\_\_  
Scott Bradley, Mayor

ATTEST:

  
\_\_\_\_\_  
Kim Sutter, TRMC, Town Secretary

  
\_\_\_\_\_  
Trent O. Petty, Town Manager

APPROVED AS TO FORM:

  
\_\_\_\_\_  
L. Stanton Lowry, Town Attorney

**EXHIBIT D**  
**LEGAL DESCRIPTION OF PROPERTY**  
**(2 Parcels)**

## Exhibit D

## Parcel 1

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, Page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

## Exhibit D (continued)

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

## Exhibit D (continued)

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet, with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734,731 square feet or 315.506 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

## Exhibit D (continued)

## Parcel 2

BEING a tract of land situated in the C.M. TROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess" found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);



## Exhibit D (continued)

**THENCE**, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the POINT OF BEGINNING;

**THENCE**, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following;

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

**THENCE**, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

**THENCE**, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-

## Exhibit D (continued)

of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

**THENCE**, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following;

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

**THENCE**, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

**THENCE**, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

**THENCE**, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to