

**SILICOR MATERIALS INC.
PHASE II AGREEMENT TO MAKE PAYMENTS
IN LIEU OF AD VALOREM TAXES**

This Phase II Agreement To Make Payments in Lieu of Ad Valorem Taxes (this "Agreement") is made and entered into effective as of the ___ day of March, 2012 (the "Effective Date"), by and among the Mississippi Development Authority (the "MDA"), Lowndes County, Mississippi (the "County"), acting by and through the County Board of Supervisors, the Lowndes County Tax Assessor (the "Tax Assessor") and Silicor Materials Inc., a Delaware corporation (the "Company"). The MDA, County and Tax Assessor are hereinafter collectively referred to as the "Governmental Authorities."

RECITALS:

1. WHEREAS, the Company and the County have entered into that certain Phase I Agreement To Make Payments in Lieu of Ad Valorem Taxes, a copy of which is attached hereto (the "Phase I Fee-In-Lieu Agreement") with respect to the Phase I Project (as defined therein) and related jobs and maintenance commitments described therein;

2. WHEREAS, the Company will acquire, construct, equip, or cause to be located, acquired, constructed, equipped, and will operate, either directly, in partnership or as a joint venture, a silicon metals purification facility on the Phase II Project Site (as defined herein) located within the County, and in the State of Mississippi (the "State"), which facility will be used in the purification of silicon metals (the "Phase II Facility"); and such Phase II Facility shall result in (i) a capital investment in the County from any source, other than grants from the State, of not less than Two Hundred Fifty Million (\$250,000,000.00) (the "Company's Committed Investment"); and (ii) the creation of not less than Seven Hundred Fifty-One (751) new full-time jobs, with an average annual compensation per such employee, excluding benefits which are not subject to Mississippi income taxes, of at least Forty-five Thousand Dollars (\$45,000) (resulting in an annual payroll of not less than \$33,795,000);

3. WHEREAS, the aggregate cost of the Phase II Project (as defined herein) will exceed the \$100,000,000 minimum capital investment (the "Minimum Capital Investment") required by Section 27-31-104, Mississippi Code of 1972, as amended (the "Code") for the payment of a fee in lieu of ad valorem taxes for certain projects;

4. WHEREAS, the Governmental Authorities acknowledge that the Company would not have pursued the Phase II Project without the benefits made available by the Code and this Agreement, and desire to encourage the Company to locate the Phase II Project in the County for the benefit of the citizens of the County and the State and their constituents, and the Governmental Authorities and the Company acknowledge that the agreements contained herein constitute significant inducements which the Company has taken into account in connection with the decision to locate the Phase II Project in the County and the State;

5. WHEREAS, MDA and the County have negotiated with the Company for the payment of a fee in lieu of ad valorem taxes, including taxes levied for school purposes, in accordance with Code section 27-31-104; and

6. WHEREAS, the parties hereto intend that this Agreement will constitute their binding and definite agreement concerning such payments in lieu of ad valorem taxes pursuant to Code section 27-31-104.

NOW, THEREFORE, the parties hereto agree as follows, it being understood that the MDA's agreement and/or approval shall be limited to those specific issues set forth in the "MDA Approval" attached hereto:

SECTION 1. Definitions; Terminology of Agreement.

For purposes of this Agreement, the following terms have the following meanings:

(a) **"Additional Participant"** shall mean each company or enterprise identified in Exhibit "A" attached hereto, or any other company or enterprise approved by the County in its discretion, having placed any Additional Participant Property used in the Phase II Project in service prior to the First Assessment Date or during the Term of this Agreement. It is not necessary that any Additional Participant be affiliated or related to the Company.

(b) **"Additional Participant Property"** means all real and/or personal property or property interests, including, without limitation, raw materials, work in process and finished goods, machinery, equipment, special tools (such as dies, molds and jigs), real property interests such as easements, and leasehold and subleasehold interests in real or personal property, used in, or necessary to the operation of the Phase II Project which is (i) owned, leased or subleased by an Additional Participant, including but not limited to any such property leased or subleased from the County or any other governmental or quasi-governmental entity, and (ii) subject to ad valorem tax assessment by the Taxing Authority, including replacements thereof. This term includes all Additional Participant Property that is acquired prior to the First Assessment Date and all Property acquired during the term of the Agreement. Notwithstanding the foregoing, Additional Participant Property shall not include any inventory subject to exemption from ad valorem taxation in accordance with the Free port Warehouse Ad valorem Tax Exemption described in Section 8(b).

(c) **"Affiliate"** means any entity which owns or controls, is owned or controlled by, is under common ownership or control, or is otherwise related in whole or part by way of ownership or control with the Company.

(d) **"Assessment Year"** means the First Assessment Year and any Succeeding Assessment Year.

(e) **"Assessor's Statement"** has the meaning ascribed to such term in Section 7(a).

(f) **"Back-End Exemption"** has the meaning ascribed to such term in Section 8(a).

(g) **“Company’s Capital Investment”** means the amount of the capital investment resulting from the Phase II Project made by the Company in the County from any source, other than grants from the State.

(h) **“Code”** has the meaning ascribed to such term in the Recitals hereof.

(i) **“Company’s Committed Investment”** has the meaning ascribed to such term in the Recitals hereof.

(j) **“Company Property”** means all real and/or personal property or property interests, including, without limitation, raw materials, work in process and finished goods, machinery, equipment, special tools (such as dies, molds and jigs), real property interests such as easements, and leasehold and subleasehold interests in real or personal property, used in, or necessary to the operation of the Phase II Project which is (i) owned, leased or subleased by the Company, including but not limited to any such property leased or subleased from the County or any other governmental or quasi-governmental entity, and (ii) subject to ad valorem tax assessment by the Taxing Authority, including replacements thereof. This term includes all Company Property that is acquired prior to the First Assessment Date and all Property acquired during the term of the Agreement. Notwithstanding the foregoing, Company Property shall not include any inventory subject to exemption from ad valorem taxation in accordance with the Free port Warehouse Ad valorem Tax Exemption described in Section 8(b).

(k) *Intentionally Omitted.*

(l) **“Cost”** has the meaning ascribed to such term in Section 3(d).

(m) **“FILA Employment Maintenance Period”** has the meaning ascribed to such term in Section 10 hereof.

(n) **“FILA Job Creation Commitment”** has the meaning ascribed to such term in Section 10 hereof.

(o) **“First Assessment Date”** means the first January 1 following the Qualification Date which the Company elects to be the first assessment date under this Agreement by providing written notice of such election to the County in accordance herewith; provided, however, that (i) if the Qualification Date occurs on or after January 1 but before March 31 of a calendar year and the Company makes the preceding election, then the Qualification Date will be deemed to have occurred on, and the First Assessment Date shall be January 1 of such year, and (ii) in no event shall the First Assessment Date be later than January 1, 2015 regardless of whether the Company makes the election contemplated above.

(p) **“First Assessment Year”** means the calendar year which begins on the First Assessment Date.

(q) **“Floor Payment”** means the applicable payment amount set forth as follows, subject to Section 10 hereof:

(i) One Million One Hundred Thousand Dollars (\$1,100,000) if the Company's Capital Investment is less than Three Hundred Million Dollars (\$300,000,000) but equal to or greater than the Company's Committed Investment;

(ii) One Million Three Hundred Thousand Dollars (\$1,300,000) if the Company's Capital Investment is less than Three Hundred Sixty-Five Million Dollars (\$365,000,000) but equal to or greater than Three Hundred Million Dollars (\$300,000,000); or

(iii) One Million Six Hundred Thousand Dollars (\$1,600,000) if the Company's Capital Investment is equal to or greater than Three Hundred Sixty-Five Million Dollars (\$365,000,000).

Notwithstanding any other provision of this Agreement to the contrary, the applicable Floor Payment amount, as described above, shall be determined on the basis of the Company's Capital Investment calculated as of the December 31 of the year immediately preceding the Assessment Year to which a particular Floor Payment relates.

(r) **"Governmental Authorities"** has the meaning ascribed to such term in the Recitals hereof.

(s) **"Late Addition Property"** has the meaning ascribed to such term in Section 6(a).

(t) **"Minimum Capital Investment"** has the meaning ascribed to such term in the Recitals hereof.

(u) **"Payment"** has the following respective meanings, as applicable:

(i) With respect the Company, each annual payment in lieu of all ad valorem taxes levied by the County on behalf of the School District and the County in an amount equal to the greater of (x) one-third (1/3) of the Taxes Otherwise Payable for the Company Property, and (y) the Floor Payment; and

(ii) With Respect to any Additional Participant, each annual payment in lieu of all ad valorem taxes levied by the County on behalf of the School District and the County in an amount equal to one-third (1/3) of the Taxes Otherwise Payable for such Additional Participant's Additional Participant Property.

(v) **"Payment Due Date"** means February 1 of the year following the year to which a particular Payment relates. By way of example, if the First Assessment Date is January 1, 2015, the First Assessment Year will be 2015, and the Payment Due Date with respect to the Payment due in connection the assessment completed during the First Assessment Year shall be February 1, 2016.

(w) **"Payment Period"** means a period commencing with the first Payment Due Date and extending through the Payment Due Date for the last year subject to this Agreement; provided, however, that since the Payment Period cannot, pursuant to applicable law, exceed ten (10) years, the Payment Period for a particular item of Property may be less than ten (10) years if it is placed in service after the First Assessment Year.

(x) **“Phase II Facility”** has the meaning ascribed to such term in the Recitals hereof.

(y) **“Phase II Project”** means the Property acquired, developed, constructed, installed, operated and maintained, including buildings and other real property improvements, machinery, equipment and other personal property placed or caused to be placed on the Phase II Project Site (i) by the Company for use in the Phase II Facility in the purification of silicon metals, or (ii) by any Additional Participant for use in its facilities and/or operations located in the County, which facilities and/or operations provide materials, goods or services to the Phase II Facility or process materials or goods produced by the Phase II Facility.

(z) **“Phase II Project Site”** shall mean (i) those contiguous parcels of real property, which in the aggregate consist of an approximately one hundred fifty (150) acre greenfield site located in the County (which is more particularly described in Exhibit “A” attached hereto) to be acquired and owned by the Lowndes County Industrial Development Authority and leased by the Company for use in the Phase II Project, and (ii) any rail easement(s) granted to the Company on real property located adjacent to the foregoing one hundred fifty (150) acre site for the purpose of providing rail service to the Phase II Project..

(aa) **“Property”** shall mean all Company Property and Additional Participant Property.

(bb) **“Qualification Date”** shall mean the date that the Company satisfies the Minimum Capital Investment, which date shall in no event be later than March 31, 2015.

(cc) **“School District”** means the Lowndes County School District (or any reconfiguration or reclassification of the same during the Term of this Agreement).

(dd) **“State”** means the State of Mississippi.

(ee) **“Succeeding Assessment Years”** means each of the nine (9) successive one (1) year periods succeeding the First Assessment Year during the Term of this Agreement.

(ff) **“Taxes Otherwise Payable”** shall mean ad valorem taxes, including School District taxes, calculated as provided herein; that would, but for this Agreement, be leviable by and payable to the Taxing Authority with respect to or upon the Property.

(gg) **“Term of this Agreement”** means a period of ten (10) consecutive years commencing on the First Assessment Date and expiring on December 31 following the tenth anniversary thereof; provided, however, that the Company’s obligation to make the final Payment due hereunder shall survive the expiration of the Term of this Agreement.

(hh) **“Taxing Authority”** means the County, on behalf of the School District and County.

SECTION 2. Consent and Approval.

(a) Qualification. The County agrees that, upon the Qualification Date, the Property comprising the Phase II Project and the ownership interests of the Company or any

Additional Participant therein will become, and shall be, subject to the terms of this Agreement and Payments due hereunder.

(b) MDA Approval. As evidenced by the Certificate of Approval attached to this Agreement as Exhibit B, the MDA has consented to and approved the agreement of the County to grant to the Company, each Additional Participant and the Phase II Project a fee in lieu of ad valorem taxes in accordance with Code section 27-31-104 as set forth herein and has specifically approved this Agreement.

(c) Authorization. The County, pursuant to a resolution duly approved and adopted by its Board of Supervisors in the form and manner required by law, hereby contracts for and grants to the Company, each Additional Participant and the Phase II Project a fee in lieu of ad valorem taxes in accordance with Code section 27-31-104, conditioned upon the Phase II Project satisfying the Minimum Capital Investment.

SECTION 3. Parties to Make Payments in Lieu of Taxes.

(a) Amount of Payments by Company. Throughout the Term of this Agreement, the Company shall make to the Taxing Authority an annual Payment in lieu of all Taxes Otherwise Payable on each Payment Due Date. Each such annual Payment shall be made in accordance with Section 7(b) of this Agreement and shall equal the greater of (i) one-third (1/3) of the aggregate Taxes Otherwise Payable for the Company Property calculated for the Company in accordance with subsection (c) below, and (ii) the Floor Payment. No Payment due and payable or otherwise made by any Additional Participant shall be used to offset or in any way reduce the amount of the Floor Payment due and payable by Company, if the Company is required to make such Floor Payment on any Payment Due Date during the Term of this Agreement.

(b) Amount of Payments by each Additional Participant. Throughout the Term of this Agreement, each Additional Participant shall make to the Taxing Authority an annual Payment in lieu of all Taxes Otherwise Payable on each Payment Due Date. Each such annual Payment shall be made in accordance with Section 7(b) of this Agreement and shall equal one-third (1/3) of the aggregate Taxes Otherwise Payable for the Additional Participant Property attributable to such Additional Participant calculated for such Additional Participant in accordance with subsection (c) below.

(c) Method of Calculating Taxes Otherwise Payable. For purposes of this Agreement, the Tax Assessor shall separately compute the Taxes Otherwise Payable by the Company and each Additional Participant in accordance with applicable State law as if no exemptions or agreements similar to this Agreement were in effect. Solely for purposes of the calculation of annual Payments due hereunder, throughout the term of this Agreement the true value of all Property shall be presumed to be the original, undepreciated cost of the Property without consideration of any industrial multiplier or similar factor. The aforementioned true values of Property shall be multiplied by the appropriate assessment rate applicable to such Property, and the millage rate in effect each particular Assessment Year shall be applied to that figure to calculate the particular Assessment Year's Taxes Otherwise Payable. If the aggregate County and School District millage rate is increased or decreased for such Assessment Year and such increase or decrease is applicable generally to all taxpayers in the taxing district in which

the Phase II Project Site is located, then the calculation of the annual Taxes Otherwise Payable for the Property for such Assessment Year shall be calculated taking into effect such higher or lower aggregate millage. Notwithstanding anything herein to the contrary concerning the formula for calculating annual Payments hereunder, all Property shall be recorded on the County's tax rolls at its true value determined in accordance with all applicable tax laws, regulations and guidelines, and shall reflect all appropriate depreciation in each year (i.e., while Payments, including Taxes Otherwise Payable, are calculated based on undepreciated cost, the Property will be listed on the County's tax rolls at a true value that reflects all applicable depreciation).

(d) Maximum Appraisal Value. The Tax Assessor hereby agrees that, subject to applicable State tax statutes and regulations, the appraised value of any Property encompassed within the Phase II Project shall not exceed the cost thereof during the Term of this Agreement. "Cost" for this purpose includes installation costs and all other direct expenses properly chargeable to capital asset accounts, but shall not include any "soft costs" or indirect costs not directly attributable to the purchase and installation of an asset.

(e) Taxation of Property Upon Expiration of Agreement. Upon the expiration of the Term of this Agreement, all Property shall, subject to the provisions of Section 8 below, be taxed in full based on the true value of that Property as of such date (i.e., reflecting the effect of all depreciation which shall have accrued since the original acquisition of the Property).

(f) Taxation of Property Prior to Qualification Date. For the avoidance of any confusion, all Property subject to ad valorem tax assessment prior to the First Assessment Date shall be assessed and taxed in full based on the true value of such Property in accordance with all applicable tax laws, regulations and guidelines. Effective as of the First Assessment Date, and continuing thereafter during the Term of this Agreement, all Property shall be assessed by the County, and the Payments required hereunder in lieu of ad valorem taxes, shall be due on such Property, in accordance with this Agreement, including but not limited to the payment by the Company of any Floor Payment if required in accordance with Section 3(a).

SECTION 4. Identification of Property. This Agreement shall cover all Property which is placed in service and used in the Phase II Project by the Company and any Additional Participant during the Term of this Agreement. The Company and each Additional Participant shall annually file its own personal property rendition, as required by law, and the Tax Assessor shall record on the County tax rolls all Property in the name of the appropriate owner(s). No particular item of Property shall be subject to this Agreement for longer than ten (10) consecutive years.

SECTION 5. Identification of Additional Participants. Attached hereto as Exhibit A is a list of certain Additional Participants as of the Effective Date, provided, however, that following the Effective Date, the County may, in its discretion, designate additional companies or enterprises located on, or immediately adjacent, to the Phase II Project Site and associated with the Phase II Project as Additional Participants. Additional Participant Property reported and/or owned, leased or subleased by such an Additional Participant shall automatically fall within the scope of this Agreement unless such Additional Participant shall affirmatively notify the Tax Assessor that it wishes not to participate hereunder.

SECTION 6. Replacement Property.

(a) Late Addition Property. For each consecutive Succeeding Assessment Year, this Agreement shall cover all of the Property acquired by the Company and any Additional Participant which is placed in service or used in the Phase II Project during the prior calendar year (the “Late Addition Property”). Subject to the provisions of Section 6(c) below, all Late Addition Property shall be subject to this Agreement, but only for any unexpired portion of the ten (10) year Term of this Agreement. The following example illustrates how Late Addition Property is treated under this Agreement:

EXAMPLE: Assume that the Company or an Additional Participant purchases a new piece of equipment in year five (5) of the Term of this Agreement as a new asset or to replace an existing asset. The new piece of equipment is “Property” and “Late Addition Property” as defined in this Agreement. This Late Addition Property would be subject to the annual Payments under this Agreement for the remaining five (5) years of the Term of this Agreement but would be taxed in full, subject to Section 8(a), on its assessed value upon the expiration of the Term of this Agreement (based on the true value of any such Late Addition Property as computed herein, and reflecting the effect of all depreciation which shall have accrued since its original acquisition).

(b) Reporting of Late Addition Property. To the extent Late Addition Property is tangible personal property, such Late Addition Property shall, as required by Code section 27-35-23, be reported by the Company or Additional Participant, as applicable, to the Tax Assessor on or before March 31st of the year following the year in which such Late Addition Property was placed in service for use in the Phase II Project, and such report shall be in the form of a personal property rendition form provided by the Tax Assessor for the applicable Assessment Year. To the extent Late Addition Property is real property or improvements thereon, the Company or Additional Participant, as applicable, shall notify the Tax Assessor of the existence of such Late Addition Property on or before January 1st of the year following the Assessment Year in which such property was placed in service for use in the Phase II Project, and shall provide to the Tax Assessor such information that he or she may reasonably request or which is otherwise necessary to determine the true value of such Property in accordance with Section 3.

(c) Subsequent Expansion Option. Notwithstanding any other provision of this Section 6 to the contrary, the Company or any Additional Participant may, in its discretion, (i) elect to exclude from this Agreement any Property which would otherwise be Late Addition Property and apply for an ad valorem tax exemption for such Property pursuant to Code section 27-31-101 and/or (ii) include such Property within the scope of any subsequent expansion “project” which meets the minimum capital investment and other statutory requirements under Code section 27-31-104. The County hereby expresses its good faith intention to be supportive of such actions by the Company.

SECTION 7. Tax Computation and Payments.

(a) Statements of Payments Due. For each year of the Term of this Agreement, the Tax Assessor shall provide the Company and each Additional Participant with a separate written statement (the “Assessor’s Statement”) setting forth the amount of the Payment due from each

such taxpayer for such year and the underlying calculations used by the Taxing Authority to compute such Payment. The Assessor's Statement shall be sent by the Tax Assessor to the Company at the address shown in Section 17 hereof, and to each Additional Participant at the address provided by the Additional Participant on its most recently filed personal property rendition, unless the Tax Assessor is notified by the Company in writing to submit the written statement to a different address. The Taxing Assessor shall use his or her best efforts to provide such Assessor's Statements to the Company and each Additional Participant by December 15th of each year preceding the Payment Due Date, but in no event will such statements be provided later than December 31st of each year.

(b) Payments and Collections. For each year subject to this Agreement, the Company and each Additional Participant shall separately remit to the Taxing Authority the amount of its respective Payment no later than the Payment Due Date immediately following the aforementioned notice. Should the Company or any Additional Participant fail to make its respective Payment by the Payment Due Date, the Taxing Authority shall follow the procedures and statutes concerning collection of delinquent ad valorem taxes and shall be entitled to all remedies available under applicable statutes, including but not limited to the assessment and collection of a penalty equal to one percent (1%) per month of the Payment amount which shall be due after the Payment Due Date if the Company or Additional Participant fails to pay its Payment amount shown on its respective Assessor's Statement when due. Nothing contained herein shall limit or restrict in any manner any argument or defense the Company or any Additional Participant may wish to assert concerning the computation of any Payment or the true value of any Property covered hereby.

(c) Distribution of Payments Between the County and School District. Each Payment made hereunder shall be allocated and distributed between the County and School District pro rata in direct proportion to each recipient's respective share of the overall millage rate applicable in any year to which this Agreement applies.

(d) Lien. The annual Payments due from the Company and each Additional Participant shall constitute a tax lien on the applicable Property owned, leased or subleased by the Company or any Additional Participant, as the case may be, and shall be subject to collection, both in the same manner prescribed by State law with respect to ad valorem taxes.

(e) Character. As between the parties hereto, the amount of any annual Payment paid by the Company or any Additional Participant hereunder shall be deemed to be and shall constitute tax equivalency payments by the Company or such Additional Participant thereto for any and all purposes.

(f) Separate Liabilities. Under no circumstances shall the Company or any Additional Participant be jointly, severally or otherwise liable for any other party's failure to remit any Payment. The intent of all parties to this Agreement is that (while the Company and all Additional Participants shall collectively share the tax benefits offered by Code section 27-31-104) the Company and each Additional Participant shall each be individually responsible for complying with all reporting and tax payment requirements under Mississippi law. The Company shall file such documentation or applications as may be required by the ad valorem tax exemption laws of the State of Mississippi to result in the Company Property being taxed as

provided for in this Agreement. Each Additional Participant shall file such documentation or applications as may be required by the ad valorem tax exemption laws of the State of Mississippi to result in Additional Participant Property of such Additional Participant being taxed as provided for in this Agreement. The County and the Tax Assessor shall, to the extent allowed by law, approve any such documentation or applications as may be required to ensure that the Phase II Project is taxed as provided in this Agreement.

SECTION 8. Other Agreements Regarding Taxation.

(a) Back-End Exemptions. With respect to any Late Addition Property which does not enjoy a full ten (10) year benefit under this Agreement because it is placed in service in a year other than the First Assessment Year, following the expiration of the Term of this Agreement, the County hereby expresses its good faith intention and, in accordance with applicable State law at the time such application is made, agree, upon the timely and proper submission of an application thereof and to the extent legally permissible and lawfully available under then applicable State law, to (i) grant to the Company and/or any Additional Participant any ad valorem exemptions for which the Late Addition Property is eligible under Code sections 27-31-101 and 27-31-105 (the “Back-End Exemptions”). Any Back-End Exemption shall be for a period of ten (10) years minus the number of years such Late Addition Property was subject to the ten (10) year Term of this Agreement. The following non-exclusive example illustrates how Late Addition Property and the Back-End Exemptions shall be handled under this Agreement:

EXAMPLE: Assume the Company or an Additional Participant purchases a piece of equipment in year seven (7) of the Term of this Agreement as a new asset or to replace an existing asset. The new piece of equipment would be subject to the annual Payments under this Agreement for the remaining three (3) years of the Term of this Agreement and after the expiration of such three (3) years would, upon proper application, be granted the applicable Back-End Exemption for a period of seven (7) years.

(b) Free Port Warehouse Exemption. The County shall, upon the submission by the Company and/or an Additional Participant of a proper application therefor, issue to the Company and/or such Additional Participant, respectively, a Free Port Warehouse License pursuant to Code section 27-31-51 and approve a Free Port Warehouse Ad Valorem Tax Exemption pursuant to Code section 27-31-53 exempting from all ad valorem taxes all of the finished goods inventory held by the Company and/or such Additional Participant, respectively, which is designated to be shipped outside the State for the maximum term permitted by law.

(c) *Intentionally Omitted.*

(d) Assessment Methodology. Subject to the provisions of Sections 8(a-c) above and the exemptions granted in accordance therewith, prior to the commencement of the Term of this Agreement, and following the expiration thereof, the true value of all Property shall be determined and taxed by the Taxing Authority solely in accordance with applicable Mississippi laws and regulations without giving effect to any provisions of this Agreement.

(e) Conditional Agreement. Notwithstanding any other provision of this Agreement

to the contrary, the obligation of the County to grant to the Company or any Additional Participant any of the ad valorem tax exemptions described in, and in accordance with, Sections 6(c) and 8(a-c) above, or any other ad valorem tax exemption permitted by applicable law, shall be null, void and of no effect in the event that the Company fails to meet the Minimum Capital Investment (a prerequisite for the commencement for the Term of this Agreement).

SECTION 9. Certificate that Minimum Capital Investment has been Met. On the Qualification Date, the Company shall provide to the Taxing Authority a certificate to the effect that the \$100,000,000 Minimum Capital Investment requirement of Code section 27-31-104 has been met, and such certification shall be subject to verification by the Taxing Authority. Provided that such certification is provided by the Company in accordance with this Section 9 on or before March 31, 2015, the effect of such certification shall be that the effectiveness and Term of this Agreement will commence on the First Assessment Date thereafter, and will continue thereafter until December 31 following the tenth anniversary thereof (which will result in payments in lieu of ad valorem taxes for ten (10) year period) ; provided, however, that the Payment obligations of the Company and each Additional Participant to make their respective final Payments due hereunder shall survive the expiration of the Term. Notwithstanding any other provision of this Agreement to the contrary, this Agreement shall be void and of no further force or effect if the Company fails to provide the certification required in accordance with this Section 9 on or before March 31, 2015.

SECTION 10. Job Creation/Maintenance Commitment. The Company commits that, on or before January 1, 2017, (a) the Phase II Facility will result in the creation by the Company of not less than Three Hundred Fifty (350) new full-time jobs (not including any new full-time jobs created by Additional Participants or any third parties) (the "FILA Job Creation Commitment") and (b) thereafter, the Company will maintain not less than Three Hundred Fifty (350) new full-time jobs created by the Company for the remainder of the Term of this Agreement (the "FILA Employment Maintenance Period"). Notwithstanding any other provisions of this Agreement to the contrary, including but not limited to Section 7(a), in the event that the Company fails to maintain its FILA Job Creation Commitment for any calendar year during the FILA Employment Maintenance Period, the Payment due and payable by the Company on the Company Property assessed by the Taxing Authorities in the following Assessment Year (*i.e.*, the Assessment Year following the calendar year during which the Company fails to maintain its FILA Job Creation Commitment) shall equal the greater of (x) one-half (1/2) of the Taxes Otherwise Payable for the Company Property, and the applicable payment amount set forth as follows:

(x) One Million Six Hundred Fifty Thousand Dollars (\$1,650,000) if the Company's Capital Investment is less than Three Hundred Million Dollars (\$300,000,000) but equal to or greater than the Company's Committed Investment;

(y) One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000) if the Company's Capital Investment is less than Three Hundred Sixty-Five Million Dollars (\$365,000,000) but equal to or greater than Three Hundred Million Dollars (\$300,000,000); or

(z) Two Million Four Hundred Thousand Dollars (\$2,400,000) if the Company's Capital Investment is equal to or greater than Three Hundred Sixty-Five Million Dollars (\$365,000,000).

Notwithstanding the foregoing, the County agrees that the Company shall be permitted to include any new jobs created and maintained by the Company in accordance with the Phase I Fee-In-Lieu Agreement in excess of the One Hundred Fifty (150) new jobs required therein towards the satisfaction of the Company's FILA Job Creation Commitment described in this Section 10. For the purposes of this Section 10, the determination of the number of jobs created or maintained in each calendar year shall be based upon the average number of the Company's employees in such preceding calendar year as reported by the Company to the Mississippi Department of Employment Security. For the avoidance of any confusion, no jobs created by any Additional Participant or any other person or entity other than the Company shall be used to offset or in any way reduce the obligations of the Company set forth in this Section 10. The following example illustrates how the terms of this Section 10 shall be applied under this Agreement:

EXAMPLE: Assume that as January 1, 2017, the Company has created the requisite Three Hundred Fifty (350) new full-time jobs required under Section 10 of this Agreement; provided, however, on July 1, 2017, the Company reduces the number of such new jobs maintained by the Company in connection with the Phase II Project to only Two Hundred (200) jobs and no additional jobs are created during the remainder of 2017. Assume further that the Company has created and maintained Two Hundred (200) new jobs during 2017 in connection with the Phase I Fee-In-Lieu Agreement (Fifty (50) more jobs than required thereunder). As a result, the average number of the Company's employees in calendar year 2017 as reported by the Company to the Mississippi Department of Employment Security with respect to such jobs (*i.e.*, 200 Phase II Project-related jobs, plus 50 Phase I Project-related jobs) will be less than the Three Hundred Fifty (350) jobs required pursuant to Section 10. Also assume that the Company's Capital Investment as of December 31, 2017 for the Phase II Project totals Three Hundred Ten Million Dollars (\$310,000,000). Consequentially, the Payment due and payable by the Company on the Company Property assessed by the Taxing Authorities in 2018 (which Payment shall be due one or before February 1, 2019) shall equal no less than One Million Six Hundred Fifty Thousand Dollars (\$1,650,000).

SECTION 11. No Special Levies. During the Term of this Agreement, no special tax levies in the nature of taxes, franchise fees or special assessments will be imposed by the County against the Company, any Additional Participant, the Phase II Project and/ or the Property which are not imposed generally against all property located in the County tax district(s) in which the Phase II Project Site is located.

SECTION 12. Amendment; Waiver. This Agreement may be amended, modified, or superseded, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by or on behalf of the party waiving compliance. The failure of any party at any time or

times to require the performance of any provision hereof shall in no manner affect the right at a later time or times to enforce same. No waiver by any party of any condition, or of any breach of any term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of any breach of any other term, covenant, representation or warranty.

SECTION 13. Further Assurances. Each party hereto shall take all action and execute such further instruments or documents as any party may from time to time reasonably request in order to confirm, carry out or more fully effectuate the transactions and results contemplated by this Agreement, or which may be necessary for the Company or an Additional Participant to realize all of the benefits contemplated hereunder. The Company and each Additional Participant acknowledges and agrees that it will file such documentation or applications as may be required by the laws of the State to result in the Phase II Project being taxed as provided for in this Agreement. The County, each Additional Participant and the Tax Assessor each agrees that it will promptly consider and approve any such documentation or applications to the extent required to ensure that the Project, Phase I Facility, Phase I Project Site and/or Property are at all times taxed as provided in this Agreement.

SECTION 14. Governing Law, Disputes Over Valuation, and Forum Selection. This Agreement shall be governed by the laws of the State. Any dispute between the Company, any Additional Participant or any of the Governmental Authorities concerning valuation of any Property or the ad valorem tax liability thereon for purposes of the calculation of the Payments hereunder shall be submitted to the Board of Supervisors of the County. In such case the same time frame and rules as are set out in the Code for ad valorem tax appeals shall govern, including the treatment of any appeal of a final order of the Board of Supervisors. Venue for any legal or equitable action arising from this Agreement shall be in Lowndes County, Mississippi.

SECTION 15. Counterparts. This Agreement may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

SECTION 16. Headings / Construction. The captions and headings of this Agreement are for convenience only, and are not to be construed as a part of this Agreement, and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof. Whenever herein the singular number is used, the same shall include the plural and words of any gender shall include each other gender

SECTION 17. Successors and Assigns. All the provisions herein contained shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, to the same extent as if each successor and assign were in each case named as a party to this Agreement.

SECTION 18. Assignment. Neither the Company nor any Additional Participant may assign this Agreement, nor may any of their respective rights hereunder be transferred in any manner to any person or entity, without the County's specific prior written consent (which shall not be unreasonably withheld); provided, however, that the Company may assign its rights and

obligations hereunder to an Affiliate thereof without obtaining the County’s prior written consent. Notwithstanding anything to the contrary contained herein, this Agreement may be collaterally assigned by the Company or an Additional Participant, and/or assigned outright upon a default by the Company or an Additional Participant , as the case may be, in its respective obligations to any lenders thereto. This Agreement may similarly be collaterally assigned by the County.

SECTION 19. Notices. Any notice required to be given pursuant to the terms and provisions of this Agreement shall be in writing and sent by overnight courier or by first-class U.S. mail, postage prepaid, registered or certified, addressed as follows:

to the Company at: Silicor Materials Inc.

Attention: _____

with a copy to: _____

Attention: _____

to the County at: Lowndes County Board of Supervisors
P.O. Box 1384
Columbus, Mississippi 39703-1384
Attention: President

with a copy to: Lowndes County Economic Development District
P.O. Box 1328
Columbus, Mississippi 39703-1328
Attention: Executive Director

to the MDA at: Mississippi Development Authority
P. O. Box 849
Jackson, Mississippi 39205-0849
Attention: Executive Director

and to the Tax Assessor at: Lowndes County Tax Assessor
P.O. Box 1077
Columbus, Mississippi 39703

SECTION 20. Entire Agreement. This Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes any prior understandings, agreements, or representations by or among the parties, whether written or oral, to the extent such are covered by the subject matter hereof.

SECTION 21. Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 22. Survival. The provisions of Sections 3, 7 and 8 shall survive the expiration of the Term of this Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the MDA, County, Tax Assessor and the Company have executed this Agreement on the actual dates set forth opposite their respective names with the understanding that the Effective Date of this Agreement is the date shown in the first paragraph of this Agreement.

LOWNDES COUNTY, MISSISSIPPI

By: _____
Harry Sanders
President, Board of Supervisors

Date: _____, 2012

ATTEST & SEAL:

Clerk, Board of Supervisors

LOWNDES COUNTY TAX ASSESSOR

By: _____
Greg Andrews
Tax Assessor

Date: _____, 2012

SILICOR MATERIALS INC.

By: _____
Name: _____
Title: _____

Date: _____, 2012

Exhibit “A”

List of Additional Participants

Additional Participants shall include any business enterprises which provide upstream, midstream or downstream processing services in connection with the products manufactured or otherwise processed by the Company at the Phase II Facility; provided that any such business enterprises must first be approved and designated by the County as an “Additional Participant” in accordance with Section 5 of the Agreement.

Exhibit "B"

MDA Approval

MDA hereby approves this Agreement as follows:

- (a) MDA agrees that the Phase II Project as defined herein is eligible for the benefits offered pursuant to Code section 27-31-104 once the \$100,000,000 capital investment requirement is met;
- (b) MDA agrees that the Payments as defined herein satisfy the minimum payment requirements of Code section 27-31-104;
- (d) MDA agrees that this Agreement has been duly negotiated and approved; and
- (e) MDA agrees that any future development phases addressed in Section 8 shall be eligible for coverage as independent projects under separate agreements entered into pursuant to Code section 27-31-104 assuming that any such future Phase I independently satisfies the minimum capital investment requirements of said statute and that the County agrees to extend such benefits.

MDA expresses no opinion, approval or disapproval of any provisions herein regarding the computation of the true value of any Property or any other matters beyond those enumerated above. Such matters are beyond the scope of MDA's authority and responsibility under Code section 27-31-104.

MISSISSIPPI DEVELOPMENT AUTHORITY

By: _____
James L. Barksdale, Executive Director

Date: _____, 2012

School District Approval

The Lowndes County School District (the “School District”) hereby approves this Agreement as follows:

- (a) The School District agrees that the Phase II Project as defined herein is eligible for the benefits offered pursuant to Code section 27-31-104 once the \$100,000,000 capital investment requirement is met;
- (b) The School District agrees that the Payments as defined herein satisfy the minimum payment requirements of Code section 27-31-104; and
- (c) The School District agrees that any future development phases addressed in Section 8 shall be eligible for coverage as independent projects under separate agreements entered into pursuant to Code section 27-31-104 assuming that any such future Phase II independently satisfies the minimum capital investment requirements of said statute and that the County agrees to extend such benefits; and
- (d) The School District acknowledges and agrees that the Company would not have pursued the Phase II Project without the benefits made available by the Code and this Agreement, and that the establishment and expansion of the Phase II Project by the Company in the County constitute a significant benefit to the citizens of the County and their constituents.

LOWNDES COUNTY SCHOOL DISTRICT

By: _____
Lynn Wright, Superintendent

Date: _____, 2012

EXHIBIT "A"

Phase II Project Site Description

[To be provided by the County]