

ECONOMIC DEVELOPMENT AGREEMENT

CRYSTAL WINDOW AND DOOR SYSTEMS, LTD.

This Economic Development Agreement (“Agreement”) is entered into by and between the **CITY OF MANSFIELD, TEXAS** (“City”), the **MANSFIELD ECONOMIC DEVELOPMENT CORPORATION** (“MEDC”), a nonprofit corporation organized under Title 12, Subtitle C(1) of the Texas Local Government Code (the “Act”), and **CRYSTAL WINDOW AND DOOR SYSTEMS TX, LTD.**, a Texas corporation (“Company”). City, MEDC, and Company are sometimes hereinafter referred to collectively as the “Parties” and individually as a “Party”.

W I T N E S S E T H:

WHEREAS, City has previously elected to become eligible to participate in tax abatement agreements, in accordance with Section 312.002(a) of the Texas Tax Code; and

WHEREAS, the City also adopted and reaffirmed tax abatement guidelines and criteria, in accordance with Section 312.002 of the Texas Tax Code (hereinafter referred to as the “City’s Tax Abatement Guidelines and Criteria”); and

WHEREAS, the City’s Tax Abatement Guidelines and Criteria constitute appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City, as contemplated by Chapter 312 of the Texas Tax Code, as amended; and

WHEREAS, on December 12, 2022, the City Council of the City of Mansfield, Texas, adopted Ordinance No. 2284-22 establishing Tax Abatement Reinvestment Zone No. 46 (“Zone”) in the City of Mansfield, Texas, for commercial-industrial tax abatement, as authorized by Chapter 312 of the Texas Tax Code; and

WHEREAS, Company intends to purchase the Real Property (as defined below) located within the Zone and seeks to receive incentives from the City, including tax abatement; and

WHEREAS, the abatement of real and tangible personal property taxes within the Zone will maintain and enhance the economic and employment base of the City, thereby benefiting the City, in accordance with the Tax Abatement Guidelines and Criteria and Chapter 312 of the Texas Tax Code; and

WHEREAS, the City Council of the City of Mansfield, Texas, finds that the contemplated use of the Real Property, and the improvements to the Real Property as set forth in this Agreement, and the other terms hereof are consistent with encouraging continued reinvestment within the Zone in the City of Mansfield, Texas, in accordance with the purposes for its creation, and are in compliance with the City’s Tax Abatement Guidelines and Criteria, and Chapter 312 of the Texas Tax Code; and

WHEREAS, Company acknowledges and agrees that the tax abatements granted by this Agreement are contingent upon its compliance with this Agreement in accordance with the terms and conditions set forth herein; and

WHEREAS, the City also desires to provide incentives to the Company pursuant to Chapter 380 of the Texas Local Government Code in consideration of the Company locating a new Facility in the City; and

WHEREAS, the City has concluded and hereby finds that this Agreement promotes economic development in the City and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution, by assisting in the development and diversification of the economy of the State of Texas and City, by eliminating unemployment or underemployment in the State of Texas and City, and will enhance business and commercial activity within the State of Texas and City; and

WHEREAS, the City finds that it is in the public interest to provide the tax abatement, the Chapter 380 grants, and other incentives contemplated by this Agreement; and

WHEREAS, the Board of Directors of the MEDC desires to provide incentives to Company in accordance with this Agreement and finds that such incentives: (i) are expenditures for the creation or retention of primary jobs; (ii) are required or suitable for the development of manufacturing facilities and regional corporate headquarters facilities; and (iii) constitute a “project”, as that term is defined in Section 501.101 of the Act.

NOW THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 DEFINITIONS

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

“Affiliate” means any person or entity which directly or indirectly controls, is controlled by or is under common control with Company, during the term of such control. A person or entity will be deemed to be “controlled” by any other person or entity if such other person or entity (a) possesses, directly or indirectly, power to direct or cause the direction of the management of such person or entity whether by contract or otherwise; (b) has direct or indirect ownership of at least fifty percent (50%) of the voting power of all outstanding shares entitled to vote at a general election of directors of the person or entity; or (c) has direct or indirect ownership of at least fifty percent (50%) of the equity interests in the entity.

“Area Reports” means reports from the Comptroller to the City as provided in Section 321.3022 of the Texas Tax Code that identify amounts paid from the Comptroller to the City, by period, of Sales Taxes. If during the Term due to a change in law or policy the Comptroller ceases providing such reports, then “Area Reports” means such alternative documentation that is acceptable to the City and Company that establishes the amounts of Sales Tax received by the City.

“Bankruptcy or Insolvency” shall mean the dissolution or termination of a party’s existence as a going business, insolvency, appointment of receiver for any part of a party’s property and such

appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party, and such proceeding is not dismissed within ninety (90) days after the filing thereof.

“Base Year Taxable Value” shall mean the Taxable Value for the Real Property for the year in which this Agreement is executed by the Parties.

“Base Year Taxes” means City ad valorem taxes assessed against the Real Property and collected by City for the Tax Year in which this Agreement is executed by the Parties.

“Capital Investment” shall mean a minimum of One Hundred Twenty One Million Three Hundred Eighty-Three Thousand Two Hundred Dollars (\$121,383,200), which represents the actual cost incurred related to the construction of the Facility, as the case may be, including the actual construction costs of all buildings, renovations, site preparation, structures, infrastructure, offsite improvements (if any), utilities, landscaping and onsite improvements, furniture, fixtures and equipment, including labor and materials, engineering costs, surveying costs, fees of consultants, and permit, development and inspection fees. Capital Investment does not include cost of land, insurance costs, legal fees and expenses, or marketing costs.

“Certificate of Occupancy” means the document issued by the City to Company certifying compliance with applicable building codes and other laws and indicating a structure to be in a condition suitable for occupation.

“Closing” or “Closing Date” means the closing of the real estate transaction between the City and Company by which City will convey the Real Property to Company.

“Commencement of Construction” shall mean that: (i) the plans have been prepared and all approvals thereof and permits with respect thereto required by applicable governmental authorities have been obtained for construction of Phase 1 of the Facility; and (ii) the construction of the horizontal elements of Phase 1 of the Facility has commenced.

“Completion of Construction” shall mean a Certificate of Occupancy has been issued for a Phase.

“Comptroller” means the Office of the Texas Comptroller of Public Accounts or any successor governmental agency.

“Contract of Sale” means the contract of sale conveying the Real Property from City to Company.

“Development Fee Reimbursements” means the payments by MEDC to Company in accordance with Section 6.1 of this Agreement.

“Development Fees” means building, inspection and construction permit, and roadway, water, sewer and any other impact fees incurred by Company attributable to the construction of the Facility.

“Effective Date” shall mean the date this Agreement is fully executed by the parties.

“Expiration Date” shall mean when the parties have satisfied all of their obligations in this Agreement, unless terminated earlier in accordance with this Agreement.

“Facility” means Company’s approximately Six Hundred Fifty Thousand (650,000) square foot regional corporate headquarters and manufacturing facility to be constructed in four (4) phases (“Phase 1,” “Phase 2,” “Phase 3,” and “Phase 4,” each sometimes referred to as a “Phase”) on the Real Property, as more particularly shown on the attached **Exhibit “B,”** and other ancillary facilities, such as reasonably required parking and landscaping more fully described in the submittals filed by Company with the City, from time to time, in order to obtain a building permit(s).

“First Year of Abatement” shall mean January 1 of the calendar year immediately following the date Phase 1 of the Facility has received a Certificate of Occupancy.

“Force Majeure” means any act that (i) materially and adversely affects the affected Party’s ability to perform the relevant obligations under this Agreement or delays such affected Party’s ability to do so, (ii) is beyond the reasonable control of the affected party, (iii) is not due to the affected Party’s fault or negligence and (iv) could not be avoided, by the party who suffers it, by the exercise of commercially reasonable efforts. “Force Majeure” shall include: (a) natural phenomena, such as storms, floods, lightning and earthquakes; (b) wars, civil disturbances, revolts, insurrections, terrorism, sabotage and threats of sabotage or terrorism; (c) transportation disasters, whether by ocean, rail, land or air; (d) strikes or other labor disputes that are not due to the breach of any labor agreement by the affected party; (e) fires; (f) epidemics or pandemics where shut-down of commercial construction or the manufacturing of supplies relating thereto has been ordered by a governmental authority; and (g) actions or omissions of a governmental authority (including the actions of the City in its capacity as a governmental authority) that were not voluntarily induced or promoted by the affected party, or brought about by the breach of its obligations under this Agreement or any applicable law or failure to comply with City regulations; provided, however, that under no circumstances shall Force Majeure include any of the following events: (h) economic hardship; (i) changes in market condition; (j) any strike or labor dispute involving the employees of the Company or any affiliate of the Company, other than industry or nationwide strikes or labor disputes; (k) during construction, weather conditions which could reasonably be anticipated by experienced contractors operating the relevant location; (l) the occurrence of any manpower, material or equipment shortages except as set forth in (f) above; or (m) any delay, default or failure (financial or otherwise) of the general contractor or any subcontractor, vendor or supplier of the Company, or any construction contracts for the Facility or Infrastructure Improvements.

“Freeport Goods” shall have the same meaning as assigned by Section 11.251 of the Tax Code and Article VIII, Section 1-j of the Texas Constitution and located on the Real Property. Freeport Goods does not include Goods in Transit.

“FTE” means a corporate office employee working thirty-five (35) hours or more per week at the Facility.

“Goods in Transit” shall have the same meaning assigned by Section 11.253 of the Texas Tax Code.

“Grant Year Taxes” means the ad valorem taxes assessed by City against the Real Property and collected by City for the applicable Tax Year.

“Infrastructure Grants” means the payments to be made by MEDC to Company pursuant to this Agreement as a reimbursement for a portion of the cost of the completed Infrastructure Improvements upon the terms, conditions and provisions set forth herein, such payments to a sum calculated as follows: the lesser of: (i) fifty-percent (50%) of the actual costs of the Infrastructure Improvements, or (ii) Two Million Dollars (\$2,000,000). Each individual payment is referred to as an “Infrastructure Grant.”

“Infrastructure Improvements” means the improvements to the infrastructure in accordance with City-approved construction plans, serving the Real Property reasonably necessary to accommodate the Facility and Required Use, including but not limited to improvements to roads and streets, rail spurs, paving, water and sewer utilities, gas utilities, electrical utilities, phone and fiber, site improvements, and drainage improvements.

“Job Creation Grants” means the payments to be made by MEDC to Company in accordance with Section 6.2 of this Agreement.

“Payment Request” means a written request from Company to City or MEDC, as applicable, for payment of the Sales Tax Grants, Development Fee Reimbursements, Job Creation Grants, Infrastructure Grants, Real Property Grants, or TPP Grants, as the case may be, which request shall be accompanied by evidence reasonably satisfactory to the City or MEDC, as applicable, to establish that Company is in compliance with this Agreement in all material respects. The Payment Request must be submitted in accordance with the notice provisions of this Agreement.

“Real Property” shall collectively mean the approximate forty-four (44) acres of land as more particularly described on the attached **Exhibit “A”**.

“Real Property Grants” shall mean (i) five (5) consecutive annual economic development grants to be provided by MEDC to Company, each in an amount equal to seventy-five percent (75%) of the Grant Year Taxes for the applicable Grant Year in excess of the Base Year Taxes calculated as follows: $(\text{Grant Year Taxes} - \text{Base Year Taxes}) \times (75\%) = \text{Real Property Grants}$, to be paid as set forth herein, and (ii) thereafter an additional five (5) consecutive annual economic development grants to be provided by MEDC to Company, each in an amount equal to fifty percent (50%) of the Grant Year Taxes for the applicable Grant Year in excess of the Base Year Taxes calculated as follows: $(\text{Grant Year Taxes} - \text{Base Year Taxes}) \times (50\%) = \text{Real Property Grants}$. Each individual annual payment shall be referred to as a “Real Property Grant.”

“Related Agreement” shall mean any other agreement by and between the City and the Company, its parent company, and any affiliated or related entity owned or controlled by the Company or its parent company relating to the Real Property and the Facility.

“Required Use” shall mean Company’s occupancy and operation of the Facility.

“Sales Tax” means the City’s one percent (1.0%) general municipal sales and use tax imposed pursuant to Chapter 321 of Texas Tax Code arising from the purchase of construction materials by Company or contractors retained by or on behalf of Company in connection with the construction of the Facility.

“Sales Tax Grant” shall have the meaning assigned to such term in Section 5.3.

“Tangible Personal Property” shall have the same meaning assigned by Texas Tax Code, Section 1.04, and shall mean Tangible Personal Property owned by Company and added to or stored or used in connection with the Real Property after the Effective Date of this Agreement. Tangible Personal Property does not include inventory, Freeport Goods, or Goods in Transit.

“Tax Year” shall have the meaning assigned to such term in Section 1.04 of the Texas Tax Code (i.e., the calendar year).

“Taxable Value” means the appraised value as certified by the Tarrant Appraisal District as of January 1 of a given year.

“Term” shall have the meaning assigned to such term in Section 2.2.

“TPP Grants” shall mean (i) five (5) consecutive annual economic development grants to be provided by MEDC to Company, each in an amount equal to seventy-five percent (75%) of the TPP Tax, and (ii) thereafter an additional five (5) consecutive annual economic development grants to be provided by MEDC to Company, each in an amount equal to fifty percent (50%) of the TPP Tax. Each annual individual grant shall be referred to hereafter as a “TPP Grant.”

“TPP Tax” shall mean the ad valorem taxes assessed by City against the Tangible Personal Property located at the Real Property and collected by City for the applicable Tax Year.

ARTICLE 2 PROGRAM AND TERM

2.1 Program. A program authorized under Chapter 380 of the Texas Local Government Code is hereby established to locate the Company’s Facility in the City. The terms of this Agreement implement the program.

2.2 Term. The Term of this Agreement shall commence on the Effective Date and will continue until the Expiration Date, unless sooner terminated as provided herein.

ARTICLE 3 COMPANY OBLIGATIONS

As consideration for the City's and MEDC's performance of their obligations in this Agreement, the Company agrees and covenants as follows:

3.1 Contract of Sale. The Company shall use commercially reasonable efforts to negotiate, finalize, and execute the Contract of Sale within one hundred twenty (120) days of the Effective Date. The City Manager is authorized, after review by the City's attorney, to negotiate, finalize, and execute the Contract of Sale and any exhibits of the Contract of Sale, and is further authorized to execute any documents reasonably requested by the title company to effectuate closing of the transaction.

3.2 Commencement of Construction. Commencement of Construction of Phase 1 of the Facility must occur no later than six (6) months after the Closing Date; provided, however, that any delay in the Commencement of Construction not reasonably attributable to Company's acts or omissions will not constitute a breach of Company's obligations hereunder.

3.3 Completion of Construction. Completion of Construction of Phase 1 of the Facility must occur no later than twenty-four (24) months after the Closing Date; provided, however, that if Company acts with reasonable diligence, any delay in the Completion of Construction not reasonably attributable to Company's acts or omissions will not constitute a breach of Company's obligations hereunder.

3.4 Capital Investment. Company must expend the Capital Investment prior to Completion of Construction for all Phases of the Facility.

3.5 FTEs. Company covenants and agrees that it must employ and maintain a total of one hundred twenty (120) FTEs at the Facility no later than the later of December 31, 2031 or the eighth (8th) anniversary after the Closing Date.

3.6 Compliance With Laws. Company agrees to construct the Facility and Infrastructure Improvements in accordance with the City-approved construction plans and all applicable federal, state, and local laws, codes, and regulations in all material respects.

3.7 Right of Access. Company will grant the City, its agents and employees the right of access to the Real Property during construction to inspect the Facility at reasonable times and with reasonable notice to Company, and in accordance with visitor access and security policies of the Company, in order to ensure that the construction of the Facility is in accordance with the terms of Section 3.6 of this Agreement.

3.8 Continuous Operation. Subject to Force Majeure, Company agrees to occupy and operate the Required Use within the Facility beginning on the date Company receives a Certificate of Occupancy for Phase 1 of the Facility and continuing thereafter, except for reasonable interruptions in occupancy and operation, for the Term of this Agreement.

3.9 Good Standing. Company must not have an uncured material breach or default of this Agreement or a Related Agreement.

3.10 Audit. Company shall grant access to the City, or such other persons or entities designated by the City for the purposes of inspecting, at Company's Facility, during Company's normal business hours, paper and electronic records associated with Capital Investment and job creation and retention related to Company's performance of this Agreement ("Company Records"), provided that the City has provided five (5) business days prior notice, and the City or its representatives shall not unduly disrupt Company's operations. The foregoing notwithstanding, paper and electronic records related to the performance of this Agreement shall be subject to examination or audit by the City, or such other persons or entities designated by the City in accordance with state and federal laws, regulations or directives applicable to Company's performance of this Agreement. The City agrees, to the extent allowed by law, to maintain the confidentiality of Company Records.

3.11 Undocumented Workers. Company certifies that Company does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Company is convicted of a violation under 8 U.S.C. § 1324a(f) by a court of competent jurisdiction, Company shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of ten percent (10%), not later than the 120th day after the date the City notifies Company of the violation.

3.12 Contingency. The Parties hereby agree and acknowledge that Company's obligations under this Agreement and the Company's obligation to purchase the Real Property are conditional upon (i) Company and Tarrant County, Texas ("County") entering into an agreement with the County agreeing to provide tax abatement and (ii) Company and the State of Texas entering into an agreement with the State of Texas agreeing to provide a Texas Enterprise Fund Grant and Texas Skills Development Fund Grant payable to the Company, unless waived by the Company.

ARTICLE 4 TAX ABATEMENT

4.1 Tax Abatement.

(a) Subject to Company's continued satisfaction of its obligations as required by this Agreement, and subject to the provisions of this Agreement, the City hereby grants Company an abatement for a period of ten (10) consecutive years ("Tax Abatement Period") as follows: (i) an abatement of seventy-five percent (75%) of the Taxable Value of the Real Property as improved by the Facility in excess of its Base Year Taxable Value and seventy-five percent (75%) of the Taxable Value for the Tangible Personal Property for the first five (5) years, beginning with the First Year of Abatement, and (ii) an abatement of fifty percent (50%) of the Taxable Value of the Real Property as improved by the Facility in excess of its Base Year Taxable Value and fifty percent (50%) of the Taxable Value for the Tangible Personal Property for the next five (5) years.

(b) Company shall before May 1 of each calendar year that the Agreement is in effect, certify in writing to the City that, to the best of Company's knowledge after reasonable inquiry, it is in material compliance with each term of this Agreement.

(c) The Real Property and the Facility constructed thereon at all times shall be used in the manner that is consistent with the City's Comprehensive Zoning Ordinance and all other City development and building regulations, as amended.

(d) **It shall be the responsibility of the Company to file an annual exemption application form for the Real Property and Tangible Personal Property with the Tarrant Appraisal District. A copy of the respective exemption application shall be submitted to the City upon request.**

(e) Company shall annually render the value of the Tangible Personal Property to the Tarrant Appraisal District and provide a copy of the same to the City upon written request.

(f) Notwithstanding any provision of this Agreement to the contrary, the terms of this Article 4 are not effective until Company becomes owner of the Real Property. To the extent the Company purchases the Real Property through an Affiliate, the tax abatement under this Section 4.1 shall apply to such Affiliate.

ARTICLE 5

CHAPTER 380 GRANTS

Subject to Company's continued satisfaction of its obligations as required by this Agreement, and subject to the provisions of this Agreement, City agrees to the following:

5.1 Sales Tax Grant. For a period beginning on the date Company or contractors retained by Company purchase the first item of material ("First Purchase Date") in connection with the construction of the Facility and ending on the date of Completion of Construction for Phase 4 of the Facility, the City shall provide Company grants (each being a "Sales Tax Grant") in an amount equal to the Sales Tax. After the conclusion of each calendar quarter beginning with the calendar quarter that includes the First Purchase Date, the City shall make a Sales Tax Grant payment to Company in amount equal to the Sales Tax for such calendar quarter, as identified in the Area Reports for such quarter, no later than thirty (30) days after the later of (i) the City's receipt of Area Reports that identify amounts of Sales Tax for all months in a quarter and (ii) the City's receipt of the Sales Tax for all periods in the quarter. Company will not receive a Sales Tax Grant for any Phase of the Facility once that respective phase of the Facility has received a Certificate of Occupancy. The City will use commercially reasonable efforts in providing guidance to Company from time to time on the procedures to separate and document its construction costs in connection with the Sales Tax Grant.

5.2 Expedited Review. The City agrees to use its best efforts and resources to review and process the site plans, building plans and permits, inspections, and issuance of certificates of occupancy for the Facility on an expedited basis to meet Company's development schedule and Company's operational objectives, in accordance with the City's standard procedures for expedited review. The City agrees that the Contract of Sale will provide that the City's approval of Company's site plans and building plans and issuance of permits necessary for the Commencement of Construction for Phase 1 of the Facility will be a condition for Company's obligations to close the acquisition of the Real Property.

5.3 Triple Freeport Tax Exemption. The City represents that it exempts Freeport Goods, as that term is defined in the Texas Tax Code and Texas Constitution, from ad valorem taxation and acknowledges that Tarrant County, Texas and the Mansfield Independent School District also provide the exemption as of the Effective Date. City will reasonably work with Company to submit all necessary forms to the Tarrant Appraisal District; provided, however, that it will be Company's sole obligation to submit all necessary forms and applications.

5.4 State Incentives. City agrees to support the Company's request for economic assistance from the State of Texas in the form of an Enterprise Fund Grant and Skills Development Job Training Grant.

5.5 County Incentives. City agrees to support the Company's request for economic assistance from the County in the form of a Real Property and Tangible Personal Property Tax Grant.

5.6 Grandfathered Development Fees. The Parties agree that the amount of any Development Fees that Company is required to pay the City shall not exceed the amounts set forth on the City's Development Fee Schedule that is effective for calendar year 2022, a copy of which is attached as **Exhibit "C"** hereto. MEDC agrees to reimburse City for the difference between the Development Fees paid by Company and Development Fees in effect at the time of payment, if necessary.

ARTICLE 6 MEDC INCENTIVES

Subject to Company's continued satisfaction of its obligations as required by this Agreement, and subject to the provisions of this Agreement, MEDC agrees to the following:

6.1 Development Fees. MEDC agrees to reimburse Company for Development Fees paid by Company and received by City. Reimbursements will be made within thirty (30) days after MEDC's receipt of a Payment Request. MEDC is not obligated for any reimbursements attributable to the expansion or repair to any Phase of the Facility once the Phase has been constructed and received a Certificate of Occupancy. Notwithstanding the foregoing, total payments pursuant to this Section must not exceed Seven Hundred Fifty Thousand Dollars (\$750,000).

6.2 Job Creation Grants. MEDC agrees to provide grants to Company in an amount equal to Two Thousand Five Hundred Dollars (\$2,500) per FTE for the first one hundred twenty (120) FTEs employed at the Facility prior to the later of December 31, 2031 or the eighth (8th) anniversary after the Closing Date. Company will be eligible for payment after January 1 of each calendar year, and payment shall be made on an annual basis by MEDC no later than thirty (30) days after MEDC's receipt of a Payment Request. A Payment Request for a grant under this Section shall be accompanied by such documentation as is reasonably required by MEDC for the Company to demonstrate the creation of the FTE(s).

6.3 Infrastructure Grants. MEDC agrees to pay Company an Infrastructure Grant upon Completion of Construction of each Phase and no later than Thirty (30) days after MEDC's receipt

of a Payment Request. Notwithstanding the foregoing, MEDC is not obligated to make any Infrastructure Grants to Company in excess of Two Million Dollars (\$2,000,000).

6.4 Real Property Grants. For a term of ten (10) consecutive years commencing on January 1 following the expiration of the Tax Abatement Period, MEDC will provide an annual Real Property Grant to Company. Each annual Real Property Grant is due and payable by MEDC within thirty (30) days after the later of (i) City's receipt of payment of the Grant Year Taxes; and (ii) MEDC's receipt of a Payment Request.

6.5 TPP Grants. For a term of ten (10) consecutive years commencing on January 1 following the expiration of the Tax Abatement Period, MEDC will provide an annual TPP Grant to Company. Each annual TPP Grant is due and payable by MEDC within thirty (30) days after the later of (i) City's receipt of payment of the TPP Tax; and (ii) MEDC's receipt of a Payment Request.

ARTICLE 7 DEFAULT AND RECAPTURE

7.1 Termination. This Agreement terminates on the Expiration Date, and may, prior to the Expiration Date, be terminated upon any one or more of the following:

- (a) upon written notice by City, if:
 - (i) Company fails to execute the Contract of Sale within one hundred twenty (120) days after the Effective Date; or
 - (ii) if the Contract of Sale is terminated, or the conveyance of the Real Property to Company otherwise fails to close, due to acts or omissions of Company; or
- (b) by mutual written agreement of the Parties;
- (c) upon written notice by either Company or the City, if the other Party materially defaults or breaches any of the terms or conditions of this Agreement while the Party giving notice is not in default, and such default or breach is not cured within one hundred and twenty (120) days after written notice thereof; provided if a non-monetary default or breach cannot be cured within such 120-day period, so long as the breaching Party is diligently pursuing the cure, then the breaching Party shall have such additional time as reasonably necessary to complete the cure;
- (d) upon written notice by the City, if Company suffers an event of Bankruptcy or Insolvency; or
- (e) upon written notice by Company or the City, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

7.2 Effect of Termination.

(a) Termination of Future Incentives. Subject to Section 7.2(b), in the event this Agreement is terminated by the City pursuant to Section 7.1, Company shall no longer be entitled to any incentives under this Agreement that would otherwise be due and payable for the period after such termination. Notwithstanding the foregoing, Company shall continue to be entitled to receive all earned and unpaid incentives that accrue for the period prior to the termination of this Agreement even though an Area Report or Payment Request may be submitted after the termination of this Agreement.

(b) Capital Investment and FTE Benchmarks. Notwithstanding Section 7.2(a) or any other provision of this Agreement, Company's failure to meet the Capital Investment or FTE benchmarks required in Sections 3.4 and 3.5 will not result in a default or breach of this Agreement or the termination thereof. The parties hereby agree and acknowledgement that in the event Company fails to timely meet the Capital Investment or FTE benchmark, the effect of such failure would already be reflected in the amount of tax abatement and the job creation grants to be received by Company pursuant to the respective terms of Sections 4.1 and 6.2. However, Company's failure to meet the Capital Investment benchmark in accordance with the terms of Section 3.4 will result in a pro rata non-performance deduction of payment of the Real Property Grants and the TPP Grants by the MEDC under this Agreement, the remainder of which can be earned back by the Company if the missed benchmark is met within the subsequent twenty-four (24) months; provided, however, if the Company fails to meet the missed benchmark within the subsequent twenty-four (24) months, the remainder of the payment will not be earned back. If Company earns back the remainder of a payment, MEDC will make the payment to Company within thirty (30) days of receiving a Payment Request therefor. The pro-rata percentage deduction will be calculated by taking the percentage of the non-performance of the Capital Investment amount divided by the entire Capital Investment amount. For illustration only, in the event Company's Capital Investment amount is 5% short of the entire Capital Investment amount required under Section 3.4 in a year when the Real Property Grant and the TPP Grant are to be paid by MEDC to the Company, then MEDC will only pay 95% of the respective amounts of the Real Property Grant and the TPP Grant that are otherwise due and payable to the Company; provided if Company meets the missed Capital Investment benchmark within the subsequent twenty-four (24) months, then the Company will earn back the deducted 5% and the MEDC will make the payment to Company within thirty (30) days of receiving a Payment Request therefor.

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

ARTICLE 8 MISCELLANEOUS

8.1 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received: (i) three (3) days thereafter sent by United States Mail, postage prepaid, certified mail,

return receipt requested, addressed to the party at the address set forth below, or (ii) on the day actually received if sent by courier or otherwise hand delivered:

Company: Crystal Window and Door Systems TX, Ltd.
c/o Crystal Window and Door Systems, Ltd.
31-10 Whitestone Expressway
Flushing, NY 11354
ATTN: Mr. Steve Chen, President

With a copy to: Polsinelli PC
2950 N. Harwood Street, Suite 2100
Dallas, Texas 75201
Attn: Viking Tao

City or MEDC, to: Economic Development Director
City of Mansfield
301 S. Main Street
Mansfield, Texas 76063

With a copy to: City Manager
City of Mansfield
1200 E. Broad Street
Mansfield, Texas 76063

Mansfield City Attorney
Taylor, Olson, Adkins, Sralla & Elam, LLP
6000 Western Place, Suite 200
Fort Worth, Texas 76107

8.2 Authorization. City represents and warrants that this Agreement was authorized by resolution of the City Council and that City has the full power and authority to enter into and bind itself to the terms hereof. MEDC represents and warrants that this Agreement was authorized by the Board of Directors of MEDC and MEDC has the full power and authority to enter into and bind itself to the terms hereof. Each of City and MEDC acknowledges that Company is relying on this representation and warranty.

8.3 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein 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.

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

8.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

8.6 Entire Agreement. This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous and contemporary agreements between the parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

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

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

8.9 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by the Company without the prior written consent of the City, which shall not be unreasonably withheld; provided that the Company shall have the right to assign all or a portion of this Agreement to one or more of its Affiliates without the City's consent.

8.10 Governmental Function. The Parties agree that this Agreement concerns tax collection and serves the public purpose of contributing to the retention or expansion of primary employment or to attraction of major investment in the Zone that would be a benefit to the Real Property and that would contribute to the economic development of the City and the State of Texas, and is for all purposes a governmental function of the City for the benefit of the citizens of City and the State of Texas. The parties further agree that this Agreement is entered into for the purpose of carrying out essential governmental functions which are enjoined on the City by law and given to it by the State of Texas as part of the State's sovereignty. Notwithstanding the foregoing, Company and City acknowledge that this Agreement is a "contract" within the meaning of Texas Local Government Code § 271.152 and, accordingly, by entering this Agreement the City waives any applicable sovereign immunity to suit and to liability for its breach of the terms hereof.

8.11 Limitation of Liability. The parties further agree that neither party will be liable to the other under this Agreement for special, consequential (including lost profits), or exemplary damages.

8.12 Attorney's Fees. In the event it should become necessary to take legal action to interpret or enforce the terms of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party reasonable attorney's fees and costs of court.

8.13 Ethics Disclosure. Company represents that it has completed a TEC form 1295 ("Form 1295") generated by the TEC's electronic filing application in accordance with the provisions of Texas Government Code 2252.908 and the rules promulgated by the TEC. The Parties agree that, with the exception of the information identifying the City and the contract identification number, the City is not responsible for the information contained in the Form 1295.

The information contained in the Form 1295 has been provided solely by Company and the City has not verified such information.

8.14 Anti-Boycott Verification. Company hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the Term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, ‘boycott Israel’ means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. For purpose of this Section 8.14, Company understands ‘affiliate’ to mean an entity that controls, is controlled by, or is under common control with Company within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit.

8.15 Iran, Sudan and Foreign Terrorist Organizations. Company represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer’s internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes Company and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. For purposes of this Section 8.15, Company understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with Company within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit.

8.16 Petroleum. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, Company hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the Term of this Agreement. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. For purposes of this Section 8.16, Company understands “affiliate” to mean an entity that controls, is controlled by, or is under

common control with Company within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit.

8.17 Firearms. To the extent this Agreement constitutes a contract for goods or services for which a written verification is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, Company hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the Term of this Agreement against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the City to comply with such Section and to the extent such Section does not contravene applicable Texas or federal law. As used in the foregoing verification, ‘discriminate against a firearm entity or firearm trade association’ (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company’s refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity’s or association’s status as a firearm entity or firearm trade association. As used in the foregoing verification, (A) ‘firearm entity’ means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (i.e., weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (i.e., devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (i.e., a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (as defined by Section 250.001, Texas Local Government Code), and (B) ‘firearm trade association’ means a person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code. For purposes of this Section 8.17, Company understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with Company within the meaning of SEC Rule 133(f), 17 C.F.R. §230.133(f), and exists to make a profit.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Effective Date.

CITY:

CITY OF MANSFIELD, TEXAS

By: _____
Mansfield City Manager, or designee

Date: _____

ATTEST:

City Secretary

MEDC:

**MANSFIELD ECONOMIC DEVELOPMENT
CORPORATION**

By: _____
Name: _____
Title: _____
Date: _____

COMPANY:

**CRYSTAL WINDOW AND DOOR SYSTEMS TX,
LTD., a Texas corporation**

By: _____
Name: _____
Title: _____
Date: _____

LIST OF EXHIBITS¹:

Exhibit “A”: Real Property

Exhibit “B”: Facility (Phases 1 – 4)

Exhibit “C”: City of Mansfield Development Fee Schedule for Calendar Year 2022

¹ NTD: Drew/Jason: please provide Exhibits A and C.

Exhibit “A”
Real Property

Exhibit “B”

Facility (Phases 1 - 4)

[See Attached]

Exhibit “C”

City of Mansfield Development Fee Schedule for Calendar Year 2022