

TAX ABATEMENT REGISTRY New Agreement

PLEASE PRINT OR TYPE. DO NOT WRITE IN SHADED AREAS.
Please fill out front and back of form (See Instructions on page 3.)

FOR COMPTROLLER USE ONLY

City County ISD

TA ID# 165-102-03-77-0002

RZ ID# 5-7-02

date rec'd

Complete Back-up incomplete No Back-up

Step 1: Contact Information

Name of lead taxing unit (taxing unit that initiated the tax abatement agreement)
City of Midland

Name of taxing unit submitting this report
City of Midland, Midland Co.

Contact person
Kaylah McCord Title City Secretary

Current mailing address (number and street)
300 N. Loraine City Midland County Midland ZIP code 79701

City Midland Fax number (915) 685-7433

If a copy of the executed tax abatement agreement has been previously submitted, please check box, complete this form, and return.
E-mail address if available
kmccord@mail.ci.midland.tx.us

Step 2: Abatement Information

- Enterprise zone or Reinvestment zone name: Reinvestment Zone Number Two
- List ALL taxing unit(s) party to this tax abatement agreement and the percent of value abated per year:
Percent of Value Abated Per Year

	1	2	3	4	5	6	7	8	9	10
City of Midland	100	100	100	100	80	60	40	20	10	
<u>Midland County</u>	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓
<u>Midland County Community College</u>	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓
<u>Midland County Hospital District</u>	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓

- List property owner(s) party to this tax abatement agreement:
None (Regular lease base) None (Southwestland Bell Wireless LLC)
- Abatement term (in years): 10
- Lead Taxing Unit: City County
- Is this tax abatement in a state-designated enterprise zone? Yes No
- Is this tax abatement in a state-designated defense economic readjustment zone? Yes No
- Is this abatement on property subject to the voluntary cleanup agreement under Sec. 312.211, Tax Code? Yes No

- List each independent and/or consolidated school district located within the boundaries of this tax abatement agreement (even if not party to agreement):
Midland Independent School District

Step 3: Property Information

- Check abatement type. If residential, skip to Item # 16. Commercial/Industrial Residential
If Commercial/Industrial, check appropriate boxes for questions 11 through 15 below.
- The business is: Expanding/modernizing a business currently in the community Relocating from out of state
 A new business Relocating from another city/county in Texas

Step 3: Property Information (continued)

12. Business type (choose the one that best describes the business):
 Hotel/Group Residence Manufacturing Research & Development Banking/Finance
 Retail Industrial Medical
 Commercial/Real Estate Wholesale Energy
13. Business size (based on number of employees): Micro (0-19) Small (20-99) Medium (100-499) Large (500 +)
14. Physical structure: New Existing
15. Type of improvement New construction Current facility renovation/remodeling Current facility retooling/upgrading
 (Check all that apply): Furniture/fixture purchase New machinery/equipment purchase

Step 4: Terms of Agreement

16. Date the abatement agreement was fully executed: 7/26/2001
17. Date the abatement agreement became effective: 1/1/2002
 (Note: All tax abatement agreements are effective January 1 of the year following the signing.)
18. Date the abatement agreement expires: 12/31/2011
 (Note: The maximum term of an abatement is 10 years.)
19. Type of property abated: Real Personal Both

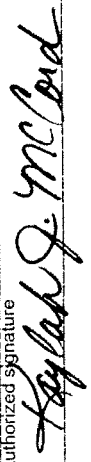
Step 5: Economic Impact

20. Appraised value of property before execution of agreement: \$ Ø
 Please estimate property value abated each year of the agreement in item 21.
21. Does the abatement agreement address new employment positions and/or payroll dollars to be created each year? Yes No.
 If yes, please provide the number of full-time equivalent (FTE) positions and estimated payroll dollars created each year according to agreement:

Year	FTEs	Payroll \$ Created	Property Value Abated
1	750	\$10,920,000 (est.)	\$7,000,000 (est.)
2			\$7,000,000 (est.)
3			\$7,000,000 (est.)
4			\$7,000,000 (est.)
5			\$7,000,000 (est.)
6			\$5,600,000 (est.)
7			\$4,200,000 (est.)
8			\$2,800,000 (est.)
9			\$1,400,000 (est.)
10			\$700,000 (est.)

22. Does the abatement agreement address employment positions or payroll dollars to be retained each year? Yes No

Step 6: Signature of Person Completing Form

23. Sign here  Title City Secretary Date 5/6/02

TAX ABATEMENT REGISTRY

New Agreement

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City: _____ County: _____ ISD: _____

TA ID# _____

RZ ID# _____

data rec'd _____

Complete Back-up Incomplete No Back-up

Step 1: Contact Information

Name of lead taxing unit (taxing unit that initiated the tax abatement agreement)

City of Midland

Name of taxing unit submitting this report

Midland County

Contact person

William C. Morrow

Title

Midland County Judge

Current mailing address (number and street)

Midland County Courthouse, 200 W. Wall, Suite 006

City

County

Midland

ZIP code

79701

Phone (area code and number)

915-688-1147

Fax number

915-688-1809

E-mail address if available

If a copy of the executed tax abatement agreement has been previously submitted, please check box, complete this form, and return.

Step 2: Abatement Information

1. Enterprise zone or Reinvestment zone name: Tax Abatement Reinvestment Zone Number Two

2. List ALL taxing unit(s) party to this tax abatement agreement and the percent of value abated per year:

	Percent of Value Abated Per Year									
	1	2	3	4	5	6	7	8	9	10
City of Midland	100	100	100	100	100	80	60	40	20	10
Midland County	100	100	100	100	100	80	60	40	20	10
Midland Community College	100	100	100	100	100	80	60	40	20	10
Midland County Hospital District	100	100	100	100	100	80	60	40	20	10

3. List property owner(s) party to this tax abatement agreement: Southwestern Bell Wireless, LLC a Delaware Limited Liability Co. D/B/A Cingular Wireless, LLC, Mark Feidler, President - Wireless Service

4. Abatement term (in years): 10

5. Lead Taxing Unit: City County

6. Is this tax abatement in a state-designated enterprise zone? Yes No

7. Is this tax abatement in a state-designated defense economic readjustment zone? Yes No

8. Is this abatement on property subject to the voluntary cleanup agreement under Sec. 312.211, Tax Code? Yes No

9. List each independent and/or consolidated school district located within the boundaries of this tax abatement agreement (even if not party to agreement):
Midland ISD

Step 3: Property Information

10. Check abatement type. If residential, skip to Item # 16. Commercial/Industrial Residential

If Commercial/Industrial, check appropriate boxes for questions 11 through 15 below.

11. The business is: Expanding/modernizing a business currently in the community Relocating from out of state
 A new business Relocating from another city/county in Texas

Step 3: Property Information (continued)

12. Business type (choose the one that best describes the business):
 Hotel/Group Residence Manufacturing Research & Development Banking/Finance
 Retail Industrial Medical
 Commercial/Real Estate Wholesale Energy
13. Business size (based on number of employees): Micro (0-19) Small (20-99) Medium (100-499) Large (500 +)
14. Physical structure: New Existing
15. Type of improvement New construction Current facility renovation/remodeling Current facility retooling/upgrading
 (Check all that apply): Furniture/fixture purchase New machinery/equipment purchase

Step 4: Terms of Agreement

16. Date the abatement agreement was fully executed: April 24, 2001
17. Date the abatement agreement became effective: January 1, 2002
 (Note: All tax abatement agreements are effective January 1 of the year following the signing.)
18. Date the abatement agreement expires: December 31, 2011
 (Note: The maximum term of an abatement is 10 years.)
19. Type of property abated: Real Personal Both

Step 5: Economic Impact

20. Appraised value of property before execution of agreement: \$ 0.00
 Please estimate property value abated each year of the agreement in Item 21.

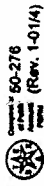
21. Does the abatement agreement address new employment positions and/or payroll dollars to be created each year? Yes No.
 If yes, please provide the number of full-time equivalent (FTE) positions and estimated payroll dollars created each year according to agreement:

Year	FTE's	Payroll \$ Created	Property Value Abated (estimated)
1	300	4,992,000	7,000,000
2	750	12,480,000	5,600,000
3	750	12,480,000	4,200,000
4	750	12,480,000	2,800,000
5	750	12,480,000	1,400,000
6	750	12,480,000	1,120,000
7	750	12,480,000	840,000
8	750	12,480,000	560,000
9	750	12,480,000	280,000
10	750	12,480,000	140,000

22. Does the abatement agreement address employment positions or payroll dollars to be retained each year? Yes No

Step 6: Signature of Person Completing Form

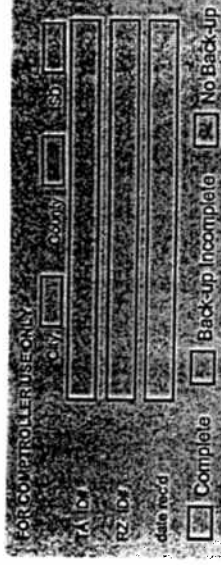
23. sign here Wm C Wess Title MIDLAND COUNTY JUDGE Date 3/27/2002



TAX ABATEMENT REGISTRY

New Agreement

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Step 1: Contact Information

Name of lead taxing unit (taxing unit that initiated the tax abatement agreement)

City of Midland

Name of taxing unit submitting this report

Midland County Hospital District

Contact person

Harold Rubin

Title

President

Current mailing address (number and street)

2200 West Illinois

City

Midland

County

Midland

ZIP code

79701

Phone (area code and number)

915-685-1534

Fax number

915-685-4970

If a copy of the executed tax abatement agreement has been previously submitted, please check box, complete this form, and return.
E-mail address if available

Step 2: Abatement Information

1. Enterprise zone or Reinvestment zone name: Tax Abatement Reinvestment Zone Number Two

2. List ALL taxing unit(s) party to this tax abatement agreement and the percent of value abated per year:

	Percent of Value Abated Per Year										
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City of Midland	100	100	100	100	100	100	80	60	40	20	10
Midland County	100	100	100	100	100	100	80	60	40	20	10
Midland Community College	100	100	100	100	100	100	80	60	40	20	10
Midland County Hospital District	100	100	100	100	100	100	80	60	40	20	10

3. List property owner(s) party to this tax abatement agreement: Southwestern Bell Wireless, LLC a Delaware Limited Liability Co. D/B/A Cingular Wireless, LLC, Mark Feidler, President - Wireless Service

4. Abatement term (in years): 10

5. Lead Taxing Unit: City County

6. Is this tax abatement in a state-designated enterprise zone? Yes No

7. Is this tax abatement in a state-designated defense economic readjustment zone? Yes No

8. Is this abatement on property subject to the voluntary cleanup agreement under Sec. 312.211, Tax Code? Yes No

9. List each independent and/or consolidated school district located within the boundaries of this tax abatement agreement (even if not party to agreement):
Midland ISD

Step 3: Property Information

10. Check abatement type. If residential, skip to Item # 16. Commercial/Industrial Residential
If Commercial/Industrial, check appropriate boxes for questions 11 through 15 below.

11. The business is: Expanding/modernizing a business currently in the community Relocating from out of state
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Step 3: Property Information (continued)

12. Business type (choose the one that best describes the business):
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22. Does the abatement agreement address employment positions or payroll dollars to be retained each year? Yes No

Step 6: Signature of Person Completing Form

23. sign here David Kelly Title President Date 3/5/02



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City County ISD

TA ID#

RZ ID#

date rec'd

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Step 1: Contact Information

Name of lead taxing unit (taxing unit that initiated the tax abatement agreement)
 City of Midland

Name of taxing unit submitting this report
 Midland Community College District

Contact person
 David E. Daniel
 Title
 President

Current mailing address (number and street)
 3600 N. Garfield

City
 Midland County
 Midland ZIP code
 79705-2398

Phone (area code and number)
 915-685-4520 Fax number
 915-685-4522

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5	750	12,480,000	1,400,000
6	750	12,480,000	1,120,000
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10	750	12,480,000	140,000

22. Does the abatement agreement address employment positions or payroll dollars to be retained each year? Yes No

Step 6: Signature of Person Completing Form

23.

sign here Charles E. Davison Title PRESIDENT Date 2-6-02

STATE OF TEXAS

§

COUNTY OF MIDLAND

§

§

**TANGIBLE PERSONAL PROPERTY TAX ABATEMENT AGREEMENT
WITH SOUTHWESTERN BELL WIRELESS, LLC, A DELAWARE
LIMITED LIABILITY COMPANY D/B/A CINGULAR WIRELESS**

THIS TANGIBLE PERSONAL PROPERTY TAX ABATEMENT AGREEMENT (the or this "Agreement") is entered into by and between the City of Midland, Texas, a home-rule municipal corporation, of Midland County, Texas, (hereinafter called "City") and SOUTHWESTERN BELL WIRELESS, LLC, a Delaware Limited Liability Company D/B/A Cingular Wireless (hereinafter called the "Company").

WITNESSETH

WHEREAS, the City, pursuant to Resolution No. 2001-129 approved by the City Council on April 24, 2001, elected to be eligible to participate in tax abatement; and

WHEREAS, the City, pursuant to Resolution No. 2001-128 approved by the City Council on April 24, 2001, established appropriate guidelines and criteria governing tax abatement agreements to be entered into by the City as required by Chapter 312 of the Texas Tax Code; and

WHEREAS, the City Council pursuant to Ordinance No. 8021 approved on June 12, 2001, designated an area of the City as Reinvestment Zone Number Two; and

WHEREAS, Reinvestment Zone Number Two was established by the City to maintain and/or enhance the economic and employment base in the City; and

WHEREAS, notice of the City's intention to enter into this Agreement was delivered,

at least seven days prior to the date of the approval of this Agreement, to the respective presiding officer of the governing bodies of the taxing units that include within their boundaries the real property which is the subject of this Agreement;

NOW THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, which consideration includes the expansion of primary employment, the attraction of major investment in City of Midland Reinvestment Zone Number Two, which contributes to the economic development of Midland and the enhancement of the tax base, the City and Company agree as follows:

I. AUTHORIZATION

This Agreement is authorized by the Texas Tax Code, Chapter 312, as amended, (“Act”), and is subject to the laws of the State of Texas and the charter, ordinances, and resolutions of the City.

II. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings set forth below:

- A. “Base Year” shall mean the year 2001.
- B. “First Year of Abatement” shall mean January 1 of 2002.
- C. “Improvements” shall mean all real property improvements constructed or made between January 1, 2001, and December 31, 2001 on the Property. It shall

include buildings, structures, fixtures and fences erected or affixed to the Land or Premises, and the paving of developed and undeveloped land. It shall not include Tangible Personal Property. The ad valorem taxes on the Improvements are not abated by this Agreement.

D. "Property" shall mean Lot 3, Block 2, West Ridge Addition, Section Four, Midland, Midland County, Texas.

E. "Premises" are defined as the real property (Land and Improvements) as described in Exhibit "A" which existed on January 1, 2001, within the City of Midland Reinvestment Zone Number Two.

F. "Taxable Value" means the appraised value as certified by the Midland Central Appraisal District as of January 1, of a given year.

G. "Added Value" means the increase in the assessed value of the Tangible Personal Property due to the installation of Tangible Personal Property on the Premises after the date of the execution of this Agreement.

H. "Tangible Personal Property" means property that is not real property and specifically includes cubicles, furniture, file cabinets, personal computers, computer monitors, computer keyboards, computer central processing units, computer servers, and all associated computer network and associated cabling equipment, and printers added to the Premises subsequent to the execution of this Agreement. It does not include inventory or supplies. It does not include any Tangible Personal Property

located on the property before the execution date of this Agreement. The Tangible Personal Property is described in Exhibit 'B', attached hereto and made a part hereto for all legal purposes.

I. "Another Taxing Unit" shall mean Midland County, the Midland County Hospital District, and the Midland Community College District.

III. IMPROVEMENTS

Company agrees to own, operate and install Tangible Personal Property on the Premises with the Tangible Personal Property described in Exhibit "B". The cost of the installation of the Tangible Personal Property and renovations thereto should be approximately Seven Million Dollars (\$7,000,000.00). It is understood and agreed that the estimated cost of the Tangible Personal Property is an approximate cost and the placement of Tangible Personal Property on the Premises with a value equivalent to \$7,000,000.00 is not a condition precedent to tax abatement pursuant to this Agreement.

IV. INSTALLATION OF IMPROVEMENTS

Company will diligently and faithfully, in a good and workmanlike manner complete the installation of the Tangible Personal Property, described in Exhibit "B", attached hereto and made a part hereof for all legal purposes before December 31, 2001, as good and valuable consideration of this Agreement, and that all installation will be in accordance with all applicable state and local laws, codes, and regulations. The date of installation of the Tangible Personal Property shall be defined as the date of Certification issued by the

Company to the City.

V. LEASE

The Company covenants and agrees that on the date of the execution of this Agreement, the Premises are being leased by Company. The term of the lease is for fifteen years. The Company anticipates that Company shall operate a Telecommunications Customer Service Call Center on the Premises.

This Agreement shall be terminated should at any time during this Agreement, the Company's lease on the Premises be terminated.

However, this Agreement shall not be considered terminated if, within 180 calendar days from the date that the Company terminates their lease on the Premises, the Company's new lessee assumes in writing all the obligations of Company regarding an Economic Development Agreement dated April 24, 2001, and approved by the Midland City Council by Resolution No. 2001-130.

VI. BASE VALUE

The Midland Central Appraisal District has established the following taxable values for the Premises as of the January 1, 2001 valuation date.

Account No. 85830-002-0030

<u>Personal Property</u>	- 0 -
<u>Land</u>	\$ 1,442,710.00
<u>Structures</u>	\$ 3,859,790.00

The City and the Company agree that the value of any Tangible Personal Property

added to the Premises before the execution of this Agreement, shall not be abated and shall be fully taxable.

VII. TERM OF ABATEMENT AND AGREEMENT

The City agrees to abate the ad valorem taxes on the Tangible Personal Property in accordance with this Section and Sections VIII and IX. The Abatement shall be effective with the January 1, 2002 valuation date (First Year of Abatement). The Abatement shall continue for up to ten (10) years and expires as of December 31 of such tenth tax year. The years of Abatement provided herein shall in each instance coincide with the tax year commencing on January 1 and expiring on December 31, and in no event shall the Abatement extend beyond December 31 of the tenth tax year. This Abatement shall also cover as Tangible Personal Property that additional Tangible Personal Property installed on the Premises that are added or constructed during the ten (10) year period of Abatement. In no event, however, shall the total Abatement period for such Tangible Personal Property exceed the maximum ten (10) year Abatement period for the entire project as specified herein.

VIII. TAXABILITY

During the period that the Abatement is effective, ad valorem taxes shall be payable as follows:

- (1) The Base Year Value of the Premises shall be fully taxable; and
- (2) The ad valorem taxes on the Real Property are not abated by this Agreement;
and
- (3) The Added Value of the Tangible Personal Property shall be abated as

set forth in Part IX herein; and

- (4) The tax abatement for the Tangible Personal Property will apply only to Tangible Personal Property placed or installed on the Premises after the execution of this Agreement.

IX. AMOUNT OF ABATEMENT

The Abatement provided by this Agreement shall apply only to the Added Value of the Tangible Personal Property due to the placement of new Tangible Personal Property on the premises after the execution of this Agreement.

At the time of execution of this Agreement, the Company reasonably estimates and represents to the City that the Added Value upon installation of the Tangible Personal Property shall be:

\$7,000,000.00 (“Estimated Added Value”).

Ad valorem taxes on the Added Value shall be abated by the City by 710 percent.

This percentage of tax abatement shall be in accordance with the following schedule:

<u>Year of Abatement</u>	<u>Amount of Abatement Percentage to be Received</u>
Year 1 (being 2002)	100%
Year 2 (being 2003)	100%
Year 3 (being 2004)	100%
Year 4 (being 2005)	100%
Year 5 (being 2006)	100%
Year 6 (being 2007)	80%
Year 7 (being 2008)	60%
Year 8 (being 2009)	40%
Year 9 (being 2010)	20%
Year 10 (being 2011)	10%

In the event the Added Value, as determined by the Midland Central Appraisal District, upon completion of the installation of the Tangible Personal Property shall at any time during the term of this Agreement be less than the Estimated Added Value, the amount of Abatement shall not be effected.

X. DEFAULT: RECAPTURE OF TAX REVENUE

In the event that (i) the Tangible Personal Property is not installed in accordance with this Agreement; (ii) Company allows its lease to terminate as provided in Section V; (iii) Company allows its ad valorem taxes or sales taxes owed to the City to become delinquent (provided that the Company retains the right to timely and properly protest and/or contest any such taxes); (iv) Company files for Bankruptcy; (v) Company breaches its employment obligations as described in Section XXXIV. With regard to a breach of Company's employee commitment as provided in paragraph XXXIV below, Company will be in default only if Company does not employ at least 75% of its employee commitment as provided in paragraph XXXIV below; (vi) Company breaches any of the terms and conditions of this Agreement, then Company shall after the expiration of the notice and cure periods described herein, be in default of this Agreement. As liquidated damages in the event of default, the tax abatement provided in the Agreement shall terminate and, Company shall, within thirty (30) days after receiving written notice of termination from the City as set forth in Section XVII herein, pay to the City all ad valorem taxes for the year or years in which the default occurs which otherwise would have been paid to the City without the benefit of tax

abatement with interest at the statutory rate for delinquent taxes as determined by Section 33.01 of the Texas Tax Code, as amended, but without the addition of penalty other than that authorized by Texas Tax Code Sections 33.01 and 33.07. The parties acknowledge that actual damages in the event of default and termination would be speculative and difficult to determine. The parties further agree that any property tax revenue lost by the City, including interest as a result of this Agreement, shall be recoverable against the Company and shall constitute a tax lien against the Company within thirty (30) days after receipt of written notice of termination.

Upon breach by the Company of any obligations under this Agreement, the City shall notify the Company in writing, and Company shall have thirty (30) days from receipt of the notice in which to cure any such default. If the default cannot reasonably be cured within a thirty (30) day period, and the Company has diligently pursued such remedies as shall be reasonably necessary to cure such default, then the City may extend the period in which the default must be cured for an additional thirty (30) days. It is agreed and understood that the City shall have the independent right to terminate this Agreement without effecting a termination by Another Taxing Unit.

If the Company fails to cure the default within the time provided herein or, as such time period may be extended, then the City shall have the right to terminate this Agreement by written notice to Company.

Upon termination of this Agreement by City all tax abated as a result of this

Agreement for the year or years in which the default occurs shall become a debt to the City as liquidated damages, and shall become due and payable not later than thirty (30) days after receipt of notice of termination. The City shall have all remedies for the collection of the abated tax provided generally in the Texas Tax Code for the collection of delinquent property tax. The computation of tax abated for the purposes of the Agreement shall be based upon the full Taxable Value without tax abatement for the years in which tax abatement hereunder was received with respect to the Tangible Personal Property as determined by the Midland Central Appraisal District, multiplied by the City's tax rate for the years in which tax abatement hereunder was received with respect to the Premises, as determined by the Midland Central Appraisal District. The obligation of Company to pay the liquidated damages shall survive termination of this Agreement.

It is expressly agreed and acknowledged between the parties to this Agreement that nothing in this Agreement shall be deemed or construed to affect the lien for taxes against the property established by Section 32.01 of the Tax Code of the State of Texas. Such lien shall secure the payment of all taxes, penalties and interest ultimately imposed on the property, including any taxes abated and subject to recapture under this Agreement. Any such lien may be fully enforced pursuant to the provisions of the Code. For purposes of this Subsection, "property" refers to the Tangible Personal Property described herein.

XI. ASSIGNMENT

The terms and conditions of this Agreement are binding upon the successors and

assigns of all parties hereto. This Agreement cannot be assigned by Company unless written permission is first granted by the City, which permission shall not be unreasonably withheld by the City.

It is understood and agreed between the parties that the Company, in performing its obligations hereunder, is acting independently, and the City assumes no responsibilities or liabilities in connection therewith to third parties and Company agrees to indemnify and hold harmless City from any and all claims, suits, and causes of actions, including attorneys' fees, of any nature whatsoever arising out of Company's default of its obligations hereunder.

XII. ACCESS

The Company further agrees that the City, its agents and employees, shall have reasonable right (upon reasonable prior notice to Company) to access the Premises to inspect the Tangible Personal Property in order to insure that the installation of the Tangible Personal Property are in accordance with this Agreement and all applicable federal, state, and local laws and regulations. After completion of the Tangible Personal Property, the City shall have the continuing right (upon reasonable prior notice to Company), to inspect the Tangible Personal Property to insure that the Tangible Personal Property is thereafter maintained, operated and occupied in accordance with this Agreement.

XIII. WARRANTY

It is understood and expressly agreed to by the Company that the City does not warrant or guarantee that the grant of Tax Abatement as provided for in this Agreement will be

upheld as valid, lawful, enforceable or constitutional in the event the statutory authority for same or the City's use thereof is challenged by court action. In the event such court action related to the Agreement and the providing of Tax Abatement hereunder is instituted, Company shall be responsible for defending the Company, and the use of Tax Abatement hereunder, at Company's sole cost and expense, including attorney's fees. City agrees to defend the City and this Agreement and to cooperate with Company in such defense. Company agrees to cooperate with City in the defense of any lawsuit. Should such litigation result in the loss of Tax Abatement as provided herein, Company shall be solely responsible for the payment of all taxes due, including all taxes which otherwise would have been paid to the City without the benefit of abatement, without recourse to the City, and without any obligation by the City to reimburse same back to Company and without any right of reduction of Company's obligations hereunder.

XIV. CONFLICT OF INTEREST

The City represents and warrants that the Property does not include any property that is owned by a member of its respective councils or boards, agencies, commissions, or other governmental bodies approving, or having responsibility for the approval of this Agreement.

XV. VENUE

This Agreement is performable in Midland County, Texas, and shall be construed under the laws of the State of Texas. Exclusive venue for any lawsuit or claim arising out of the terms or obligations of this Agreement shall be in Midland County, Texas. All

performance under this Agreement shall be deemed to have occurred in Midland County, Texas.

XVI. ADMINISTRATION

The Chief Appraiser of the Midland Central Appraisal District shall annually determine (i) the taxable value of the Tangible Personal Property taking into consideration the Abatement provided by this Agreement, and (ii) the full taxable value without Abatement of the Tangible Personal Property. The Chief Appraiser shall record both the abated taxable value and the full taxable value in the appraisal records. The full taxable value figure listed in the appraisal records shall be used to compute the amount of abated taxes that are required to be recaptured and paid in the event this Agreement is terminated in a manner that results in recapture. Each year the Company shall furnish the Chief Appraiser of the Midland Central Appraisal District with such information as required by the Texas Tax Code, as amended, and such other information as may be necessary for the administration of the Agreement specified herein.

XVII. NOTICE

Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, with the United States Postal Service, addressed to the City or Company at the following addresses. Unless otherwise provided in this Agreement, all notices shall be delivered to the following

addresses:

To the Company: Mr. Steve Mullins
Vice President - Customer Service Operations
5565 Glenridge Connector, 14th Floor
Atlanta, Georgia 30342

To the City: City Manager
City of Midland, Texas
P. O. Box 1152
Midland, Texas 79702

Each party may designate a different address by giving the other party ten (10) days written notice.

XVIII. 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.

XIX. ENTIRE AGREEMENT

This Agreement embodies the complete agreement of the parties hereto regarding tax abatement 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.

XX. ANNUAL APPLICATION FOR TAX EXEMPTION

It shall be the responsibility of the Company, pursuant to Texas Tax Code Section 11.43, as amended, to file an annual exemption application form with the Midland Central Appraisal District.

XXI. ANNUAL CERTIFICATION FOR TAX EXEMPTION

Pursuant to Section 312.205(a)(6) of the Texas Tax Code, the Company shall certify in a written report to the City by June 1 of each year throughout the term of this Agreement that Company is in installation with each applicable term of this Agreement, including but not limited to the completion of the Tangible Personal Property as provided in Section III above, the lease requirements in Section V above, and the payment of ad valorem taxes owed to the City.

XXII. COMPLIANCE

The City may cancel or modify this Agreement if the Company fails to comply with the Agreement.

XXIII. THIRD-PARTY BENEFICIARY

This Agreement does not create a third-party beneficiary. There is no third-party beneficiary to this Agreement. Neither this Agreement, nor any term or provision hereof, nor any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

XXIV. INDEPENDENT CONTRACTOR

It is expressly understood and agreed that Company shall perform all work and services described herein as an independent contractor and not as an officer, agent, servant or employee of the City; that Company shall have exclusive control of and the exclusive right to control the details of their services and work performed hereunder, and all persons

performing the same; and shall be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors; that the doctrine of respondeat superior shall not apply as between City and Company, its officers, agents, employees, contractors and subcontractors; and that nothing herein shall be construed as creating a partnership or joint enterprise between City and Company. No person performing any of the work and services described hereunder for Company shall be considered an officer, agent, servant or employee of the City. Further, it is specifically understood and agreed that nothing in the Agreement is intended or shall be construed as creating a “Community of Pecuniary Interest” or “An Equal Right of Control” which would give rise to vicarious liability under *Texas Department of Transportation v. Luke W. Able, et. al.*, 35 S.W.3d 608 (Tex. 2000).

XXV. ATTORNEY FEES

By executing this Agreement, Company agrees to waive and does hereby waive any claim it has or may have against the City, regarding the award of attorney’s fees, which are in any way related to the Agreement, or the construction, interpretation or breach of the Agreement. The Company specifically agrees that if the Company brings or commences any legal action or proceeding related to this Agreement, the construction, interpretation, validity or breach of this Agreement, including but not limited to any action pursuant to the provisions of the Texas Uniform Declaratory Judgments Act (Texas Civil Practice and Remedies Code Section 37.001, et. seq., as amended), the Company agrees to **waive** and **relinquish** any and all rights to the recovery of attorney’s fees to which Company as the

prevailing party might otherwise be entitled.

Company agrees that this is the intentional relinquishment of a presently existing known right. Company acknowledges that it understands all terms and conditions of the Agreement.

By execution of the Agreement, Company hereby represents and warrants to the City that Company has read and understood the Agreement.

XXVI. TAX INCREMENT BONDS

The Premises are not in an improvement district or part of a project financed by tax increment bonds.

XXVII. ZONING

The Tangible Personal Property constructed thereon shall at all times be used in the manner (i) that is consistent with the City's Zoning Ordinances, as amended, and (ii) that during the period taxes are abated hereunder, the Tangible Personal Property shall be consistent with the general purposes of encouraging development or redevelopment within City of Midland Reinvestment Zone Number Two.

XXVIII. GUIDELINES AND CRITERIA

The City hereby finds that the terms of this Agreement and the Tangible Personal Property meet the applicable guidelines and criteria adopted by the Midland City Council.

XXIX. SEWER TREATMENT CHARGES

The Company will pay all sewer treatment charges assessed against the Property,

which are normal and customary charges for similar businesses within the City.

XXX. WATER CHARGES

The Company will pay standard water rates which are normal and customary charges for similar businesses in the City.

XXXI. SOLID WASTE

The Company will contract with the City so that the City will provide all solid waste services to the Property. The Company will pay all normal and customary charges for such services to the City.

XXXII. RECORDATION OF AGREEMENT

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

XXXIII. EXECUTION OF AGREEMENT

This Agreement is void if not executed by the Company within thirty calendar days after the date this Agreement is authorized by the City of Midland City Council.

XXXIV. EMPLOYMENT

As a condition of and as further consideration for Tax Abatement pursuant to this Agreement, the Company agrees that on April 1, 2003, and through the term of this Agreement, the Company shall employ at least 750 full-time employees at the Premises.

A full-time employee is defined as an individual who (a) works a minimum of 1,820 hours per year, including allowance for vacation, sick leave, earned time off, or other

Company policies and practices, (b) earns a base hourly wage of at least \$8.00 per hour, and (c) spends a substantial amount of his or her time performing job duties in the Midland area arising out of the operations of the Midland, Texas facility, and is on the payroll of the Company, or its parent, subsidiaries or affiliates (or of a third party contractor of any of such entities, where the employees of such contractor function as employees of any such entity).

XXXVI. SPECIFIC REPAIRS OR IMPROVEMENTS

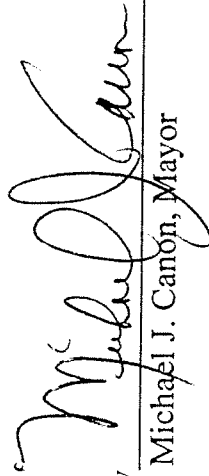
The Company, as required by Senate Bill 985 passed in the 2001, Seventy-Seventh Regular Texas Legislative Session, guarantees that the Company shall make specific repairs or improvements to the Premises and Property. The City and Company agree that the installation and maintenance of the Tangible Personal Property is an improvement to the Premises and Property. The Company agrees to repair the Improvements made to the Premises and Property in a good and workmanlike manner.

XXXVII. EFFECTIVE DATE

The effective date of this Agreement is June 27, 2001.

Executed this 26th day of June, 2001.

CITY OF MIDLAND, TEXAS

By 
Michael J. Canon, Mayor

ATTEST:

Kaylah J. McCord
Kaylah J. McCord, City Secretary

APPROVED AS TO FORM:

Keith Stretcher
Keith Stretcher, City Attorney

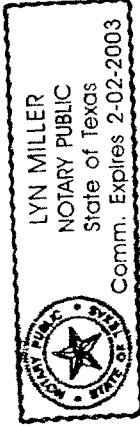
SOUTHWESTERN BELL WIRELESS, LLC, a
Delaware Limited Liability Company D/B/A
Cingular Wireless

By Mark Feidler
Mark Feidler, President - Wireless Service

THE STATE OF TEXAS §
 §
 §
COUNTY OF MIDLAND

BEFORE ME, the undersigned authority, on this day personally appeared Michael J. Canon, Mayor of the City of Midland, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 26th day of July, 2001.



Lyn Miller
Notary Public, State of Texas

My Commission Expires ~~February 18, 2003~~

THE STATE OF Georgia §
COUNTY OF DeKalb §
§

BEFORE ME, the undersigned authority, on this day personally appeared Mark Feidler, President - Wireless Service, 5565 Glenridge Connector, 20th Floor, Atlanta, Georgia 30342 known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of said corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 5th day of July, 2001.

Susan L. Rattleff
Notary Public, State of Georgia

My Commission Expires February 18, 2003