



September 17, 2008
DATE (Month, Day, Year)

Hamilton County Board of Commissioners RESOLUTION

No. 908-48

A RESOLUTION TO MAKE CERTAIN FINDINGS RELATING TO WESTINGHOUSE ELECTRIC COMPANY, LLC DELEGATING CERTAIN AUTHORITY TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF HAMILTON, TENNESSEE, AND TO AUTHORIZE THE COUNTY MAYOR TO ENTER INTO AND EXECUTE AN AGREEMENT FOR PAYMENTS IN LIEU OF AD VALOREM TAXES.

WHEREAS, pursuant to Tennessee Code Annotated, Section 7-53-305(b) Hamilton County (the "County") is permitted to delegate to The Industrial Development Board of the County of Hamilton, Tennessee (the "Corporation") the authority to negotiate and accept payments in lieu of ad valorem taxes from lessees of the Corporation upon a finding by the County that such payments are deemed to be in furtherance of the Corporation's public purposes; and,

WHEREAS, Westinghouse Electric Company, LLC (the "Company") is contemplating the purchase, expansion and equipping of improvements to a manufacturing facility in the County, and, because of the substantial economic benefits to the County and the City of Chattanooga resulting from the project, has asked the Corporation and the County Commission to approve payments in lieu of ad valorem taxes; and

WHEREAS, the Commission has determined that payments in lieu of ad valorem taxes from such a project would be in furtherance of the Corporation's public purposes as set forth within Chapter 53 of Title 7 of the Tennessee Code Annotated;

NOW, THEREFORE, BE IT RESOLVED BY THIS COMMISSION:

That we do hereby find that the Westinghouse Electric Company, LLC project referenced above is in the best interest of the County, and that payments in lieu of ad valorem taxes derived therefrom would be in furtherance of the Corporation's public purposes; and,

That, having made such a finding in this instance, we do hereby delegate to the Corporation the authority to negotiate and accept payments in lieu of ad valorem taxes from the Company, it being further noted that this delegation is for this purpose and this project only; and,

That the County Mayor is hereby authorized to enter into an Agreement for Payments In Lieu Of Ad Valorem Taxes in the form attached hereto, with such changes thereto as he shall approve; and,

BE IT FURTHER RESOLVED THAT THIS RESOLUTION TAKE EFFECT FROM AND AFTER ITS PASSAGE, THE PUBLIC WELFARE REQUIRING IT.

MB: 337
PAGE: 540

Approved:

Rejected:

Approved:

Vetoed:

CERTIFICATION OF ACTION

[Signature]
County Clerk

[Signature]
County Mayor

September 17, 2008
Date



**AGREEMENT FOR PAYMENTS IN LIEU
OF AD VALOREM TAXES**

**THIS AGREEMENT FOR PAYMENT IN LIEU OF AD VALOREM
TAXES** (this "Agreement") is made and entered into as of this ___ day of _____, 2008, by and among THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF HAMILTON, TENNESSEE (the "Board"); WESTINGHOUSE ELECTRIC COMPANY LLC, a Delaware limited liability company (the "Company"); the CITY OF CHATTANOOGA (the "City"); and HAMILTON COUNTY (the "County") and is joined in, for, among other reasons, the purposes of evidencing their acceptance of the agency relationship established herein, by CARL E. LEVI and his successors, acting in the capacity of HAMILTON COUNTY TRUSTEE ("Trustee"), and by WILLIAM C. BENNETT and his successors, acting in the capacity of HAMILTON COUNTY ASSESSOR OF PROPERTY ("Assessor").

W I T N E S S E T H:

WHEREAS, the Company is contemplating the purchase, expansion and equipping of an industrial plant on property located in Chattanooga, Hamilton County, Tennessee (the "Project"), resulting in (a) an investment of approximately Sixteen Million Seven Hundred Thousand Dollars (\$16,700,000) in real property and Four Million Five Hundred Thousand Dollars (\$4,500,000) in personal property over a three-year period from February 14, 2008 – February 13, 2011; and (b) an increase of employment of approximately fifty two (52) new, full time jobs having average annual wages, excluding benefits, of Eighty Five Thousand Dollars (\$85,000) over a five-year period from February 14, 2008 – February 13, 2013, (the "Investment and Jobs Projection"), and has requested the Board's assistance in the financing of the Project; and

WHEREAS, substantial economic benefits to the Chattanooga and County economies will be derived from the Project; and

WHEREAS, the Board has agreed to take title to certain real and personal property, as described in Exhibit A attached hereto (the "Property"), which Property is to be owned by the Board and leased or subleased to the Company; and

WHEREAS, because the Property is to be owned by the Board, which is a public corporation organized under the provisions of Tennessee Code Annotated, §7-53-101, et seq., all such property will be exempt from ad valorem property taxes ("Property Taxes") normally paid to the City of Chattanooga, the County and any other taxing bodies, so long as the Property is owned by the Board, pursuant to the provisions of Tennessee Code Annotated, §7-53-305; and

WHEREAS, for the public benefit of the citizens of the City and the County, the Board has requested that the Company make certain payments to the Board in lieu of the payment of Property Taxes that would otherwise be payable on the Property; and

WHEREAS, the Company has agreed to make such payments to the Board in lieu of the Property Taxes otherwise payable on the Property (the "In Lieu Payments"), as more particularly set forth hereinafter; and

WHEREAS, the Board has been authorized to receive the In Lieu Payments in lieu of Property Taxes by resolutions adopted by the City and the County, acting through their duly elected Council and Commission, respectively, which resolutions delegate to the Board the authority to accept the In Lieu Payments upon compliance with certain terms and conditions, including, without limitation, the requirement that the Board collect and expend such payments in furtherance of the public purposes for which the Board was created; and

WHEREAS, the Company and the Board have agreed that all In Lieu Payments made to the Board by the Company shall be paid to the Trustee, who shall disburse such amounts to the general funds of the City and the County in accordance with the requirements specified herein; and

WHEREAS, the Board wishes to designate the Assessor its agent to appraise the Property and assess a percentage of its value, under certain circumstances, in the manner specified herein; and

WHEREAS, the Board wishes to designate the Trustee its agent to receive the In Lieu Payments in accordance with the terms of this Agreement;

NOW, THEREFORE, IN CONSIDERATION OF the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

1. Designation of Assessor; Appraisal and Assessment of Property. The Board hereby designates the Assessor as its agent to appraise and assess the Property. The Assessor shall appraise and assess the Property in accordance with the Constitution and laws of the State of Tennessee as though the Property were subject to property taxes, but shall not, in accordance with Section 11 of this Agreement, create a leasehold assessment for the Property so long as the Board owns the Property. The Assessor shall give the Trustee, the City Treasurer, the Board, and the Company notice of any changes in appraisals of the Property in the same manner that notices are given to owners of taxable property. The Assessor shall make available to the Board and the Company all records relating to the appraisal and assessment of the Property.

2. Designation of Trustee; Computation and Billing of Payments In Lieu of Taxes. The Board hereby designates the Trustee its agent to compute the amounts of the In Lieu Payments, to receive such payments from the Company and to disburse such payments to the City and the

County. On or about October 1st of said year, the Trustee shall compute the taxes which would be payable on the Property if it were subject to property taxes, in accordance with the Constitution and laws of the State of Tennessee and in accordance with the appraisal and assessment of the Assessor. Each year hereunder, the Trustee shall, not later than December 31, send the Board and the Company a bill for appropriate amounts of In Lieu Payments (the "Tax Bill").

3. Payments in Lieu of Taxes. After receipt of the Tax Bill but no later than March 1 of the year following the year to which the Tax Bill pertains, the Company shall pay to the Trustee the amounts indicated on the Tax Bill in accordance with the amount set forth below in Section 4. The In Lieu Payments shall be made by the Company in lieu of the property taxes which would otherwise be payable on the property if it were subject to Property Taxes.

4. Amount of Payments by the Company. For any period hereunder occurring before January 1, 2009 or after December 31, 2020, with respect to the Property, and, in each case, during which the Property is owned by the Board, the Company shall make In Lieu Payments in an amount, as determined by the Assessor and the Trustee, equal to the taxes that would have been payable on the Property if it were subject to Property Taxes.

With respect to that portion of the Property as described in Exhibit A that constitutes the "Project" (being the newly acquired real and personal property and improvements in connection with the 2008-2011 expansion of its Chattanooga manufacturing facility), the Company shall make In Lieu Payments in an amount equal to the following percentages of the taxes that would have been payable on the Property if it were subject to Property Taxes for the respective years indicated:

<u>Years</u>	<u>Percentage</u>	<u>plus HCDE</u>	<u>Total</u>
2009	0%	29.2%	29.2%
2010	25%	29.2%	54.2%
2011	40%	29.2%	69.2%
2012-2019	50%	29.2%	79.2%

Notwithstanding the foregoing, the percentage amount of taxes to be paid to the Hamilton County Department of Education ("HCDE") (currently 29.2% as of the effective date of this Agreement) shall be adjusted annually in accordance with the respective budgets and tax rates of the City and County.

With respect to the portion of Property other than what is described above as the "Project," the Company shall make In Lieu Payments for the years 2009-2019 in an amount equal to the taxes that would have been payable on said portion of the Property if it were subject to property taxes.

5. Penalties and Late Charges. The Company shall make the In Lieu Payments for each year before March 1 of the following year. All In Lieu Payments shall be subject to penalties, late charges, fees and interest charges as follows:

(a) If the Company fails to make any In Lieu Payment when due, and such failure to pay shall continue and not be fully paid within thirty (30) days after written notice of such non-payment has been provided, then a late charge shall be charged and shall also be immediately due and payable. The late charge shall be in the amount of one and one-half percent (1-1/2%) of the owed amount, for each month that each payment has been unpaid. Such one and one-half

percent (1-1/2%) per month late charge amount shall accumulate each month and be payable so long as there remains any outstanding unpaid amount.

(b) If the Company should fail to pay all amounts and late charges due as provided hereinabove, then the Board, the City or the County must, in order to enforce a lien against the Property as contemplated in Section 9, bring suit in the Chancery Court of Hamilton County to recover the In Lieu Payments due, late charges, expenses and costs of collection in addition to reasonable attorneys' fees.

6. PILOT Projections Reporting.

(a) In order to determine the extent to which the Company achieves the Investment and Jobs Projections upon which the In Lieu Payments have been calculated, Company shall complete and deliver for each calendar year during the term of this Agreement an Annual Report in the form attached hereto as Exhibit B commencing after completion of the first full calendar year during which In Lieu Payments were paid by the Company.

(b) If the Company fails to achieve the Investment and Jobs Projections, then the City and the County reserve the right, after providing to the Company written notice and an opportunity to cure, to terminate the benefits of this Agreement for any years remaining hereunder.

(c) If the Company closes the Project for twelve (12) months or longer or moves it from the County during the term hereof, the City and the County reserve the right to require the partial repayment of amounts that would have been payable on the Property if it were subject to property taxes. Such repayment requirement, if implemented, shall be proportionate to the time period during the term during which the Project was closed or relocated.

7. Disbursements by Trustee. All sums received by the Trustee pursuant to Section 3 shall be disbursed to the general funds of the City and the County in accordance with this Section 7 and in accordance with the normal requirements of law governing the settlement and paying over of taxes to counties and municipalities. All sums received shall be divided into two (2) accounts, one for the use and benefit of the City and the other for the use and benefit of the County. The account for the use and benefit of the City shall be funded with the proportionate amount to which the In Lieu Payments are attributable to Property Taxes which would otherwise be owed to the City, and the account for the use and benefit of the County shall be funded with the proportionate amount to which the In Lieu Payments are attributable to Property Taxes which would otherwise be owed to the County. All disbursements to the general funds of the City and County shall be made by the Trustee subject to the requirement that all funds disbursed may be used by the City and the County only in furtherance of the public purposes of the Board, as described in Tennessee Code Annotated, § 7-53-102.

8. Contest by the Company. The Company shall have the right to contest the appraisal or assessment of the Property by the Assessor and the computation by the Trustee of the amount of the In Lieu Payment. If the Company contests any such appraisal or assessment, then it shall present evidence to the Assessor in favor of its position. Likewise, if the Company contests any such computation, it shall present evidence to the Trustee in favor of its position. If the In Lieu Payments being contested shall be or become due and payable, the Company shall make such payments under protest. The Company and the Assessor or the Trustee, as the case may be, shall negotiate in good faith and with best efforts to resolve within sixty (60) days any disputes as to appraisal, assessment or computation. If the Company and the Assessor or the Trustee are unable to resolve a dispute within such sixty (60) day period (as such period may be extended by

the mutual written agreement of the parties), then the Company may file suit in the Chancery Court of Hamilton County to ask that the provisions of this Agreement, including those covering appraisal, assessment and computation, be construed or applied to the relevant facts by the Chancery Court in order to resolve such dispute. If a court of competent and final jurisdiction finds in favor of the Company and such judgment results in a lower appraisal, assessment or computation, the Company shall be entitled to a refund of In Lieu Payments as appropriate under the circumstances, with interest paid on such refund as if such refund were a refund of property taxes, in accordance with the Constitution, the laws of the State of Tennessee and any applicable local ordinances. If such a refund, including interest, is owed to the Company, the Company, at its option, may elect to forego the refund and take a credit in the amount of the refund (plus interest) against the next subsequent In Lieu payment due.

9. Lien on Property and Right of Redemption. Any amounts which remain payable under this Agreement shall become a lien on the Property, and such lien shall be enforceable against the Property in the event that (i) there has been a judicial finding by a court of competent and final jurisdiction in accordance with Section 5(b) of this Agreement that such payment is owed and has not been timely made in accordance with this Agreement; and (ii) a court of competent and final jurisdiction has issued a ruling allowing for such enforcement of the lien against the Property. The City, County, Trustee and Assessor acknowledge and agree that if a lien is enforced against the Property in accordance with this Section 9, the Company or the Board, as the case may be, shall be re-vested with title to the Property affected by the lien if the Company repays the amount of the lien plus 10% interest no later than one (1) year from the date such lien is enforced.

10. Term. This Agreement shall become effective on the date that the Board attains title to the Property and shall continue for so long as the Board holds title to any of the Property or the Company has made all payments required hereunder, whichever shall later occur.

11. Leasehold Taxation. The parties hereto acknowledge and agree that the acquisition by the Company of a leasehold interest in the Property as is contemplated by this Agreement is not appropriate for the creation of a leasehold assessment in accordance with the Constitution, the laws of Tennessee and any applicable local ordinances. If the leasehold interest of the Company should be subject to ad valorem taxation, then any amounts assessed as taxes thereon shall be credited against any In Lieu Payments due hereunder or, if no such In Lieu Payments are due, then the Company shall be entitled to a refund of any prior In Lieu Payments paid in an amount equal to the ad valorem taxation due attributable to such leasehold assessment.

12. Notices, etc. All notices and other communications provided for hereunder shall be written and mailed via registered or certified mail or delivered via overnight express courier, or sent via facsimile transmission to the following addresses:

If to the City: Mr. Randall L. Nelson
Suite 400, Pioneer Bank Building
Chattanooga, Tennessee 37402

If to the County: Mr. Rheubin M. Taylor
County Attorney
Hamilton County Government
Room 204
County Courthouse
Chattanooga, Tennessee 37402

If to the Board: Mr. Ross I. Schram III
Baker, Donelson
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450

If to the Company: Ms. Michele M. Gutman
Westinghouse Electric Company, LLC
4350 Northern Pike
Monroeville, Pennsylvania 15146-2886

With copy to: Kurt J. Faires
Chambliss, Bahner & Stophel, P.C.
1000 Tallan Building
Two Union Square
Chattanooga, Tennessee 37402

If to the Trustee: Trustee
Hamilton County Courthouse
Chattanooga, Tennessee 37402

If to the Assessor: Assessor
Hamilton County Courthouse
Chattanooga, Tennessee 37402

or, as to each party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall, when mailed by registered and certified mail, return receipt requested, or facsimile, be effective when deposited in the mails or if sent upon facsimile transmission, confirmed electronically, respectively, addressed as aforesaid.

13. No Waiver; Remedies. No failure on the part of any party hereto, and no delay in exercising any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. The remedies provided in this Agreement are cumulative and are not exclusive of any remedies provided by law.

14. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court or jurisdiction, the invalidity of any such clause or provision shall not affect any of the remaining provisions of this Agreement.

15. No Liability of Board's Officers. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any incorporator, member, director or officer, as such, of the Board, whether past, present or future, either directly or through the Board. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, director or officer, as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

16. Binding Effect. This Agreement shall be binding upon and inure to the benefit of each of the parties and signatories hereto and to their respective successors and assigns.

17. Governing Law. The Agreement shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

18. Amendments. This Agreement may be amended only in writing, signed by each of the parties hereto, except that the Trustee and the Assessor shall not be required to join in amendments unless such amendments affect their respective duties hereunder.

(signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE COUNTY OF HAMILTON,
TENNESSEE

BY: _____
Chairman

WESTINGHOUSE ELECTRIC COMPANY LLC

BY: _____
NAME: _____
TITLE: _____

CITY OF CHATTANOOGA, TENNESSEE

BY: _____
Mayor

HAMILTON COUNTY, TENNESSEE

BY: _____
County Mayor

CARL E. LEVI

BY: _____
Hamilton County Trustee

WILLIAM C. BENNETT

BY: _____
Hamilton County Assessor of
Property

EXHIBIT A
TO PILOT AGREEMENT FOR
WESTINGHOUSE ELECTRIC COMPANY LLC

REAL PROPERTY

401 River Terminal Road in the City of Chattanooga, Hamilton County, Tennessee

PERSONAL PROPERTY

All newly-acquired personal property placed by the Company in its manufacturing plant located on the real property described above in connection with its 2008-2011 expansion.

EXHIBIT B



CHATTANOOGA
AREA CHAMBER OF COMMERCE

**Annual Report for Payment-In-Lieu-of-Tax (PILOT) Program
for Chattanooga and Hamilton County Tennessee**

Company Information

Name: _____
Address: _____
City and Zip: _____
Company Contact: _____
Telephone: _____
E-mail: _____
Fax: _____

Company's Commitment (commitment agreement attached)

Real Property Investment Amount: _____
Personal Property Investment Amount: _____
Number of Net New Jobs: _____
Average Wages per New Job: _____

Capital Investment as of December 31, 20

Real Property Investment Amount: _____
Personal Property Investment Amount: _____

Job Creation as of December 31, 20

(Number of jobs at beginning of PILOT: _____)

No. of Net New Jobs Created: _____

Average Wages as of December 31, 20

Average Wages of New Jobs Above¹: _____

¹ Wages may include overtime, but must exclude benefits.

Comment on Progress Toward Performance Goals

Submit Completed Information To:

Mr. J. Steven Hiatt, Director of Existing Business
Chattanooga Area Chamber of Commerce
811 Broad Street, Suite 100 • Chattanooga, TN 37402
FAX: (423) 763-4044
EMAIL: shiatt@chattanooga-chamber.com

I certify that the information and attachments provided are true and accurate to the best of my knowledge and belief:

Print name and title of authorized representative of applicant

Signature

Date

Phone

Fax

This Instrument Prepared By:
Chambliss, Bahner & Stophel, P.C. (KJF)
1000 Tallan Building
Two Union Square
Chattanooga, Tennessee 37402

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered as of _____, 2008, by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF HAMILTON, TENNESSEE** (the "Issuer"), a public corporation duly created and existing under the laws of the State of Tennessee, and **WESTINGHOUSE ELECTRIC COMPANY LLC**, a Delaware limited liability company (the "Company").

WITNESSETH:

In consideration of the respective covenants and agreements hereinafter contained, the Issuer and the Company agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. The following terms when used in this Agreement, unless the context shall clearly indicate another or different meaning or intent, shall be construed as follows:

"Act" means the Tennessee Industrial Development Corporations Act of 1955, Chapter 210 of the Public Acts of 1955, as codified in Tennessee Code Annotated Sections 7-53-101 et seq., as heretofore amended and as hereafter amended from time to time.

"Act of Bankruptcy" means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the Company or the Issuer under any applicable bankruptcy, insolvency or similar law as now or hereafter in effect.

"Agreement" means this Lease Agreement as it now exists and as it may hereafter be amended.

"City" means the City of Chattanooga, Tennessee.

"County" means Hamilton County, Tennessee.

The terms "default" and "event of default" mean any occurrence or event specified in Section 10.1 hereof.

"Issuer" means The Industrial Development Board of the County of Hamilton, Tennessee, a public corporation duly created and existing under the Act, and its successors and assigns.

The term "pending" with respect to any proceedings commenced by an Act of Bankruptcy means that such proceedings have not been dismissed, or are subject to further appeal.

"PILOT Agreement" means the Agreement for Payments in Lieu of Ad Valorem Taxes entered into by and among the Issuer, the Company, the City and the County.

"Project" means the Property placed in service in connection with the Company's 2008-2011 purchase and expansion of real property and the equipping of the real property with personal property.

"Property" means the real property, machinery, equipment and related personal property described in Exhibit A attached hereto, together with additions thereto, replacements thereof and substitutions therefor.

ARTICLE 2

CERTIFICATIONS

Section 2.1 Certifications by Issuer. The Issuer makes the following certifications as the basis for the undertakings on its part herein contained:

(a) The Issuer is a public corporation of the State of Tennessee, duly organized and existing under the provisions of the Act. The Act authorizes the Issuer to acquire land, buildings, machinery and equipment and related facilities and to own, lease and dispose of the same for the purpose of maintaining and increasing employment opportunities by promoting industry, trade and commerce and by inducing manufacturing, industrial and commercial enterprises to locate in or remain in the State of Tennessee. The Issuer is authorized to act in furtherance of such purposes in the State of Tennessee.

(b) The Issuer has found and does hereby declare that the acquisition and equipping of the Project and the leasing of the same to the Company will increase employment in the County, and will be in furtherance of the public purposes for which the Issuer was created.

(c) The Issuer has been induced to enter into this undertaking by the promise of the Company to acquire, equip and operate a manufacturing facility in the County.

(d) There are no actions, suits, proceedings, inquiries or investigations pending, or to the knowledge of the Issuer threatened, against or affecting the Issuer in any court or before any governmental authority or arbitration board or tribunal, which involve the possibility of materially and adversely affecting the transactions contemplated by this Agreement or which, in any way, would materially and adversely affect the validity or enforceability of this Agreement

or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby.

Section 2.2 Certifications by Company. The Company makes the following certifications as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company duly formed under the laws of the State of Delaware, is in good standing under its organization documents and the laws of the State of Delaware, has full power and authority to enter into this Agreement and to perform all obligations contained herein and therein, and has, by proper action, been duly authorized to execute and deliver this Agreement and, when executed and delivered by the parties thereto, this Agreement will constitute the valid and binding obligation of the Company enforceable in accordance with its terms.

(b) The agreement of the Issuer to own the Project and lease it to the Company induced the Company to locate the Project in the County, which will increase employment in the County.

(c) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated herein by the Company, nor the fulfillment of or compliance with the terms and conditions of this Agreement, does or will conflict with or result in a breach of the terms, conditions or provisions of any restriction or internal governing document of the Company or any agreement or instrument to which the Company is now a party or by which it is bound, or any existing law, rule, regulation, judgment, order or decree to which it is subject, or constitutes a default under any of the foregoing or, except as contemplated hereby, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the Property under the terms of any instrument or agreement.

(d) There are no proceedings pending, or to the knowledge of the Company threatened, against or affecting the Company in any court or before any governmental authority, arbitration board or tribunal which materially and adversely affect the Property or the Project (financial or otherwise), or the ability of the Company to perform its obligations under this Agreement.

(e) No event has occurred and no condition exists with respect to the Company that would constitute an "event of default" under this Agreement, or which, with the lapse of time or with the giving of notice, or both, would become such an "event of default."

ARTICLE 3

LEASING CLAUSES; WARRANTY OF TITLE

Section 3.1 Lease of Property. The Issuer hereby leases to the Company, and the Company hereby leases from the Issuer, the Property, for the consideration set forth in Section 5.3 hereof and in accordance with the provisions of this Agreement.

Section 3.2 Title. The Issuer will obtain upon the acquisition thereof good and marketable title to the Property.

Section 3.3 Quiet Enjoyment. The Issuer covenants and agrees that it will warrant and defend the Company in the quiet enjoyment and peaceable possession of the Property, free from all claims of all persons whatsoever, throughout the Lease Term, so long as the Company shall perform the covenants, conditions and agreements to be performed by it hereunder, or so long as the period for remedying any default in such performance shall not have expired. If the Issuer shall at any time be called upon to defend the title to the Property as aforesaid, it shall not be required to incur any costs or expenses in connection therewith unless indemnified to its satisfaction against all such costs and expenses.

ARTICLE 4

CONSTRUCTION, ACQUISITION AND INSTALLATION OF PROJECT

Section 4.1 Agreement to Construct, Acquire and Install Project. The Company agrees that:

- (a) It will cause title in and to the Property to be vested in the Issuer.
- (b) It will construct, acquire and install the Project in the name of and on behalf of the Issuer.
- (c) It will complete the construction, acquisition and equipping of the Project not later than February 13, 2011.

ARTICLE 5

EFFECTIVE DATE; DURATION OF LEASE TERM; CONSIDERATION

Section 5.1 Effective Date of this Agreement; Duration of Lease Term. This Agreement shall become effective upon its delivery, and the leasehold estate created hereunder shall then begin, and, subject to the other provisions of this Agreement, shall expire at midnight, December 31, 2021 (the "Lease Term").

Section 5.2 Delivery and Acceptance of Possession. The Issuer agrees to deliver to the Company sole and exclusive possession of the Property, and the Company agrees to accept possession of the Property upon such delivery.

Section 5.3 Consideration for Lease. In consideration of the lease granted hereunder the Company agrees to:

- (a) Construct, acquire and install the Project as described in Section 4.1 hereof;
- (b) Operate the Project for its own benefit; and

- (c) Make the payments required of it under the PILOT Agreement.

ARTICLE 6

MAINTENANCE: MODIFICATION: TAXES AND INSURANCE

Section 6.1 Maintenance and Modification of Property by Company. The Company agrees that throughout the term of this Agreement it will, at its own expense, keep the Property (i) in as reasonably safe condition as its operations shall permit, and (ii) in good repair and in good operating condition, normal wear and tear and obsolescence excepted, making from time to time all necessary repairs thereto and renewals and replacements thereof.

Section 6.2 Removal of Machinery and Equipment Included in Property. The Issuer shall not be under any obligation to renew, repair or replace any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary machinery or equipment constituting a part of the Property. In any instance where the Company in its sole discretion determines that any items of such machinery or equipment have become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the Company may remove such items of machinery or equipment and (on behalf of the Issuer) sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Issuer therefor.

Section 6.3 Taxes, Other Governmental Charges and Utility Charges. The Issuer and the Company acknowledge that under present law the Property will be exempt from taxation in the State of Tennessee. Notwithstanding the foregoing, the Company will pay, as the same become lawfully due and payable, (i) all taxes and governmental charges of any kind whatsoever upon or with respect to the Property or any machinery, equipment or other property installed or brought by the Company in or on the Property, (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property, and (iii) all assessments and charges made by any governmental body for public improvements that may be secured by lien on the Property.

The Company may, at its own expense and in its own name, in good faith contest any such taxes, assessments or other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. The Issuer will cooperate fully with the Company in any such contest.

Section 6.4 Maintenance of Insurance. Throughout the term of this Agreement, the Company shall keep the Property continuously insured under its corporate commercial general liability policy against such risks as the Company customarily insures all of its other properties and equipment (other than business interruption insurance), paying as the same become due all premiums in respect thereto.

Section 6.5 Indemnification of Issuer. The Company shall and hereby agrees to indemnify and save the Issuer and its officers, directors, agents, servants and employees harmless

from and against all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on, the Property during the term of this Agreement, and against and from all claims arising during the term of this Agreement, from

- (a) any condition of the Property caused by the Company;
- (b) any breach or default on the part of the Company in the performance of any of its obligations under this Agreement; and
- (c) any act of negligence of the Company or of any agents, contractors, servants, employees or licensees of the Company or of any assignee or sublessee of the Company.

The Company shall indemnify and save the Issuer and its officers, directors, agents, servants and employees harmless from and against all costs and expenses incurred in or in connection with any action or proceeding brought thereon, and, upon notice from the Issuer, the Company shall defend the Issuer and any such officer, director, agent, servant or employee or any of them in any such action or proceeding.

Section 6.6 Issuer Expenses. In addition to other payments required to be made by the Company hereunder, the Company shall pay any reasonable expenses not specifically mentioned herein which are incurred by the Issuer in connection with the Property or this Agreement.

Section 6.7 Depreciation and Investment Credit. The Issuer covenants and agrees that depreciation expenses and investment tax credit, if any, with respect to the Property shall be made available to the Company, and the Issuer will fully cooperate with the Company in any effort by the Company to avail itself of any such depreciation expenses or investment tax credit, but the Issuer shall have no responsibility or liability for failure of the Company to receive any such expenses or credits.

ARTICLE 7

DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.1 Damage and Destruction. If during the Lease Term the Property is damaged by fire or other casualty, the Issuer shall cause the proceeds received by it from insurance to be paid to the Company for application in one or both of the following ways, as shall be determined by the Company:

- (a) Repair, rebuilding or restoration of the property damaged.
- (b) Reimbursement to the Company for loss in value of its interest in the Property.

Section 7.2 Condemnation of Property. If title in and to, or the temporary use of, the Property or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Issuer shall cause the proceeds received by it from any award made in such

eminent domain proceeding to be paid to the Company for application in one or more of the following ways, as shall be determined by the Company:

- (a) Restoration of the Property to substantially the same condition as existed prior to the exercise of said power of eminent domain.
- (b) Acquisition, by construction or otherwise, of other property having substantially the same use and utility as the property taken in such proceedings (which property will be deemed a part of the Property available for use by the Company under this Agreement).
- (c) Reimbursement to the Company for loss in value of its interest in the Property.

The Issuer shall cooperate fully with the Company in the handling and conduct of any prospective or pending eminent domain proceeding with respect to the Property or any part thereof and shall, to the extent it may lawfully do so, permit the Company to litigate in any such proceeding in the name and on behalf of the Issuer. In no event will the Issuer voluntarily settle, or consent to the settlement of, any prospective or pending eminent domain proceeding with respect to the Property or any part thereof without the written consent of the Company.

ARTICLE 8

SPECIAL COVENANTS

Section 8.1 No Warranty of Condition or Suitability by Issuer. The Issuer makes no warranty, either express or implied, as to the condition of the Property or that it will be suitable for the purposes or needs of the Company. The Company releases the Issuer from, agrees that the Issuer shall not be liable for, and agrees to hold the Issuer and its officers, directors, agents, servants and employees harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Property or the use thereof. The members of the Board of Directors of the Issuer shall incur no liability either individually or collectively by reason of the obligations undertaken by the Issuer hereunder.

Section 8.2 Identification of Machinery and Equipment Included in Project. The Company will at all times maintain in its permanent records a complete list of the machinery and equipment constituting the Project, which will specifically identify each item of such machinery and equipment as being property of the Issuer.

ARTICLE 9

ASSIGNMENT, SUBLEASING, PLEDGING AND SELLING

Section 9.1 Assignment or Subleasing. This Agreement may be assigned and the Property be subleased, as a whole or in part, by the Company without the prior written consent of the Issuer provided that:

(a) No assignment shall relieve the Company from primary liability for any of its obligations hereunder, and, in the event of any such assignment, the Company shall continue to remain primarily liable for performance and observance of the agreements on its part herein provided to be performed and observed by it to the same extent as though no assignment had been made.

(b) The assignee or sublessee shall assume the obligations of the Company hereunder to the extent of the interest assigned or subleased.

(c) The Company shall, within thirty (30) days after the execution and delivery thereof, furnish or cause to be furnished to the Issuer a true and complete copy of each such assignment, sublease and assumption of obligation, as the case may be.

Section 9.2 Restrictions on Sale of Property by Issuer. The Issuer agrees that, except for transactions effected in accordance with Section 11.3 hereof, it will not sell, assign, mortgage, transfer or convey the Property during the Lease Term or create or suffer to be created any debt, lien or charge on the rents, revenues or receipts arising out of or in connection with its ownership of the Property, and it will not take any other action which may reasonably be construed as tending to cause or induce the levy or assessment of ad valorem taxes; provided, that if the laws of the State of Tennessee at the time shall permit, nothing contained in this Section shall prevent the consolidation of the Issuer with, or merger into, or transfer of the Property as an entirety to, any public corporation whose property and income are not subject to taxation and which has corporate authority to carry on the business of owning, leasing and selling of the Property; provided that such consolidation, merger or transfer shall be authorized by the governing body of the County.

ARTICLE 10

EVENTS OF DEFAULT AND REMEDIES

Section 10.1 Events of Default Defined. The following shall be "events of default" under this Agreement, and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by the Issuer or the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to one party by the other, unless the one giving notice shall agree in writing to an extension of such time prior to its expiration. If a failure under this Section 10.1(a) is such that it can be corrected but not within the applicable period, it shall not constitute an event of default if corrective action is instituted within the applicable period and diligently pursued until the default is corrected.

(b) A voluntary Act of Bankruptcy or an Act of Bankruptcy which, if resulting from the filing or commencement of involuntary proceedings against the Company or the Issuer, is not dismissed or discharged within sixty (60) days of the filing or commencement thereof.

The foregoing provisions of Section 10.1(a) are subject to the following limitations: if by reasons of force majeure, the Issuer or the Company is unable in whole or in part to carry out the agreements on its part herein referred to, the failure to perform such agreements due to such inability shall not constitute an event of default nor shall it become an event of default upon appropriate notification or the passage of this stated period of time. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the State of Tennessee or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires, hurricanes, tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Issuer or the Company. The Issuer and the Company agree, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Issuer or the Company, as the case may be and the Issuer and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Issuer or the Company, unfavorable to it.

Section 10.2 Remedies on Default. Whenever any event of default referred to in Section 10.1 hereof shall have occurred and be subsisting, the Issuer or the Company, as the case may be, may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

ARTICLE 11

OPTIONS IN FAVOR OF COMPANY

Section 11.1 Options to Terminate. The Company shall have the following options to cancel or terminate the term of this Agreement:

(a) At any time, the Company may terminate the Lease Term by giving written notice to the Issuer of such termination.

(b) At any time, the Company may terminate this Agreement as to a part of the Property by giving written notice to the Issuer of such termination, and such termination shall forthwith become effective as to that part of the Property.

Section 11.2 Option to Purchase Property. Upon termination or expiration of the Lease Term or termination of this Agreement as to a part of the Property, the Company shall have, and is hereby granted, the option to purchase the Property or that part of the Property as to which the Agreement has been terminated, as the case may be, for the purchase price, in each case, of One Dollar (\$1.00). This option may be exercised whether or not the Company is in default

hereunder; provided, however, that if at the time of exercise of this option there is pending against the Issuer any environmental action in connection with Issuer's ownership of the Property, for which the Company has indemnified the Issuer hereunder, then the Company shall cause such action to be dismissed or shall otherwise provide adequate assurances of indemnification to the reasonable satisfaction of the Issuer before title must be conveyed to the Company.

Section 11.3 Conveyance on Exercise of Option. Upon exercise of the option granted in Section 11.2, the Issuer will, upon receipt of the purchase price, deliver to the Company documents conveying to the Company title to the Property or part of the Property, as the case shall be, by appropriate deeds and bills of sale, subject only to

(a) those liens and encumbrances, if any, to which title to the Property was subject when conveyed to the Issuer;

(b) those liens and encumbrances created by or with the consent of the Company; and

(c) those liens and encumbrances resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Agreement.

ARTICLE 12

MISCELLANEOUS

Section 12.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by first class United States mail, postage prepaid, or sent by facsimile transmission or telex addressed as follows:

Issuer: The Industrial Development Board of the County of
Hamilton, Tennessee
c/o Ross I. Schram III, Esquire
Baker, Donelson, Bearman, Caldwell & Berkowitz PC
633 Chestnut Street, Suite 1800
Chattanooga, Tennessee 37450

Company: Westinghouse Electric Company LLC
4350 Northern Pike
Monroeville, Pennsylvania 15146-2886
Attention: Michele M. Gutman

With Copies To: Chambliss, Bahner & Stophel, P.C.
1000 Tallan Building
Two Union Square
Chattanooga, Tennessee 37402
Attention: Kurt J. Faires

Any such person may, by notice given hereunder, designate any further or different addresses to which subsequent notices; certificates or other communication shall be sent.

Section 12.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Company, the Issuer, and their respective successors and assigns.

Section 12.3 Severability. If 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 12.4 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.5 Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope, extent or intent of any provision or Section hereof.

Section 12.6 Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Tennessee.

IN WITNESS WHEREOF, the Issuer and the Company have caused this Agreement to be duly executed in their respective names, all as of the date first above written

ISSUER:

**THE INDUSTRIAL DEVELOPMENT BOARD
OF THE COUNTY OF HAMILTON,
TENNESSEE**

By: _____
Chairman

COMPANY:

**WESTINGHOUSE ELECTRIC COMPANY
LLC**

By: _____
Title: _____

**STATE OF TENNESSEE
COUNTY OF HAMILTON**

Personally appeared before me, _____, Notary Public,
_____ with whom I am personally acquainted (or proved to me on the
basis of satisfactory evidence), and who acknowledged that s/he executed the within instrument
for the purposes therein contained, and who further acknowledged that s/he is the
_____ of **THE INDUSTRIAL DEVELOPMENT BOARD OF THE
COUNTY OF HAMILTON, TENNESSEE** ("Board"), duly created and existing under the
laws of the State of Tennessee, and is authorized by the Board to execute this instrument on
behalf of the Board.

WITNESS my hand, at office, this _____ day of _____, 2008.

Notary Public

My Commission Expires: _____

**STATE OF _____
COUNTY OF _____**

Personally appeared before me, _____, Notary Public,
_____ with whom I am personally acquainted (or proved to me on the
basis of satisfactory evidence), and who acknowledged that s/he executed the within instrument
for the purposes therein contained, and who further acknowledged that s/he is the
_____ of **WESTINGHOUSE ELECTRIC COMPANY LLC**, a limited
liability company ("Company") duly created and existing under the laws of the State of
Delaware, and is authorized by the Company to execute this instrument on behalf of the
Company.

WITNESS my hand, at office, this _____ day of _____, 2008.

Notary Public

My Commission Expires: _____

EXHIBIT A

PROPERTY

REAL PROPERTY

401 River Terminal Road in the City of Chattanooga, Hamilton County, Tennessee.

PERSONAL PROPERTY

All newly-acquired personal property placed by the Company in its manufacturing plant located on the real property described above in connection with its 2008-2011 expansion.

Cost Versus Benefit Analysis for Payment In Lieu of Ad Valorem Tax

Date: **September 11, 2008**

Person Completing Form: **Steve Hiatt**

Title: **Ghattanooga Area Chamber of Commerce**

Lessor: **The Industrial Development Board of the County of Hamilton Tennessee**

Lessee: **Westinghouse Electric Company - Nuclear Services Business Unit**

Lease Term	Term Beginning Date	January 1, 2009	Total Term Ending Date	December 31, 2019								
Step 1	52	x	\$85,000	=	\$4,420,000	x	2.0	=	\$8,840,000			
	Number of New Jobs		Average Annual Company		Direct Income		See Note 1		Direct & Indirect Income			
Step 2	\$4,420,000	+	\$34,784.00	=	127.1							
	Indirect Income		See Note 1		Number Indirect Jobs							
Step 3	\$8,840,000	x	0.107	=	\$945,880	x	0.647	=	\$611,984	x	0.282	\$172,580
	Direct & Indirect Income		See Note 1		New Total Annual State Tax		See Note 1		New Annual State Sales Tax		See Note 1	New Annual Local Sales Tax

Calculation Summary:

Additional comments and information about costs or benefits associated with the project may be attached.

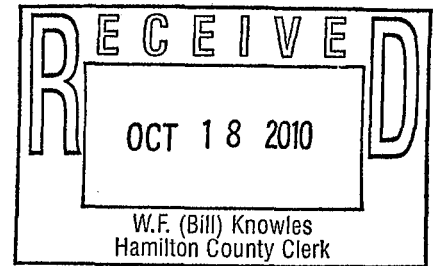
Total of New and Indirect Jobs	179.1
Total of Direct and Indirect Income	\$8,840,000
Total of New Annual State Sales Tax and New Annual Local Sales Tax	\$784,564
Market Value of Leased Real Property Improvements	\$16,700,000
Market Value of Leased Machinery & Equipment	\$4,500,000
Market Value of Leased Land	0

First Year PILOT Payment County:	\$34,664.00
First year PILOT Payment City:	0
Total First Year PILOT:	\$34,664.00

To be completed by Comptroller of Treasury

Total Appraised Value: **\$21,200,000**
 Total Assessed Value: **\$8,030,000**

FIRST AMENDMENT TO
AGREEMENT FOR PAYMENTS IN LIEU
OF AD VALOREM TAXES



THIS FIRST AMENDMENT is made and entered into as of the 1st day of October, 2010 (the "Effective Date"), by and among THE INDUSTRIAL DEVELOPMENT BOARD OF THE COUNTY OF HAMILTON, TENNESSEE (the "Board"); the CITY OF CHATTANOOGA (the "City"); HAMILTON COUNTY (the "County"); and WESTINGHOUSE ELECTRIC COMPANY, LLC, a Delaware corporation (the "Company"); and is joined in, for the purpose of evidencing their acceptance of the agency relationship established herein, by CARL E. LEVI and his successors, acting in the capacity of Hamilton County Trustee ("Trustee"), and by WILLIAM C. BENNETT and his successors, acting in the capacity of Hamilton County Assessor of Property ("Assessor").

WITNESSETH:

WHEREAS, the Company has entered into an Agreement for Payments in Lieu of Ad Valorem Taxes with the County and the other parties listed above dated December 17, 2009 ("Agreement"); and

WHEREAS, the Company originally planned approximately a Five Million Dollar (\$5,000,000) expansion project (the "Project") with not fewer than fifty (50) new jobs with an average wage of Eighty-Five Thousand Dollars (\$85,000); and

WHEREAS, the Company later increased the size of the Project fourfold to in excess of Twenty-One Million Dollars (\$21,000,000), which is the amount approved by the parties in the Agreement; and

WHEREAS, the expansion of the Project extended the completion date beyond the commencement date of the Agreement; and

WHEREAS, the Company has shared its expanded Project with the Mayors of the City and County who have agreed that the Company should receive the full benefit of previously approved payments in lieu of ad valorem taxes by changing the term from 2009-2019 to 2010-2020, but with no other changes whatsoever in any economic or other benefits to the Company; and

WHEREAS, the Board has indicated its willingness to remain a party to the Agreement; and

NOW, THEREFORE, IN CONSIDERATION OF the mutual covenants and agreements set forth herein, the parties hereto agree to amend the Agreement as follows:

1. Amount of Payments by the Company is deleted in its entirety and replaced with the following:

4. Amount of Payments by the Company. For any period hereunder occurring before January 1, 2010 or after December 31,

2020, with respect to the Property, and, in each case, during which the Property is owned by the Board, the Company shall make In Lieu Payments in an amount, as determined by the Assessor and the Trustee, equal to the taxes that would have been payable on the Property if it were subject to Property Taxes.

With respect to that portion of the Property as described in Exhibit A that constitutes the Project (being the newly acquired real and personal property and improvements in connection with the 2008-2011 expansion of its Chattanooga manufacturing facility), the Company shall make In Lieu Payments in an amount equal to the following percentages of the taxes that would have been payable on the Property if it were subject to Property Taxes for the respective years indicated:

Years	Percentage	<u>plus HCDE</u>	Total
2010	0%	29.2%	29.2%
2011	25%	29.2%	54.2%
2012	40%	29.2%	69.2%
2013-2020	50%	29.2%	79.2%

Notwithstanding the foregoing, the percentage amount of taxes to be paid to the Hamilton County Department of Education ("HCDE") (currently 29.2% as of the effective date of this Agreement) shall be adjusted annually in accordance with the respective budgets and tax rates of the City and County.

With respect to the portion of Property other than what is described above as the Project, the Company shall make In Lieu Payments for the years 2010-2020 in an amount equal to the taxes that would have been payable on said portion of the Property if it were subject to property taxes.

2. Section 12 Notices, etc. is deleted in its entirety and replaced with the following:

12. Notices, etc. All notices and other communications provided for hereunder shall be written and mailed via registered or certified mail or delivered via overnight express courier, or sent via facsimile transmission to the following addresses:

If to the City: Mr. Michael A. McMahan
100 East 11th Street, Suite 200

Chattanooga, Tennessee 37402

If to the County: Mr. Rheubin M. Taylor
County Attorney
Hamilton County Government
Room 204 County Courthouse
Chattanooga, Tennessee 37402

If to the Board: Mr. Ross I. Schram, III
Baker, Donelson
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450

If to the Company: Ms. Michele M. Gutman
Westinghouse Electric Company, LLC
4350 Northern Pike
Monroeville, Pennsylvania 15146-2886

With copy to: Mr. Kurt J. Faires
Chambliss, Bahner & Stophel, P.C.
1000 Tallan Building
Two Union Square
Chattanooga, Tennessee 37402

If to the Trustee: Trustee
Hamilton County Courthouse
Chattanooga, Tennessee 37402

If to the Assessor: Assessor
Hamilton County Courthouse
Chattanooga, Tennessee 37402

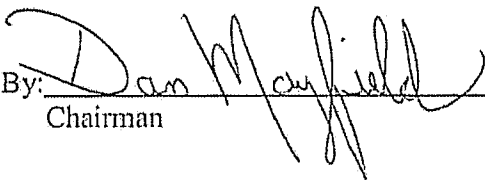
or, as to each party, at such other address as shall be designated by such party in a written notice to the other party. All such notices and communications shall, when mailed by registered and certified mail, return receipt requested, or facsimile, be effective when deposited in the mails or if sent upon facsimile transmission, confirmed electronically, respectively, addressed as aforesaid.

3. The Parties agree that the Agreement remains in full force and effect except to the extent that it is modified by this First Amendment. In the event of any conflict between the Agreement and this First Amendment, the terms and conditions of this First Amendment shall control.

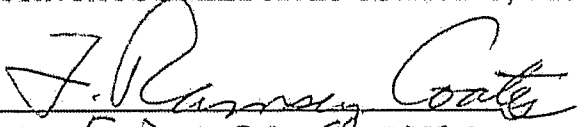
(EXECUTION PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.

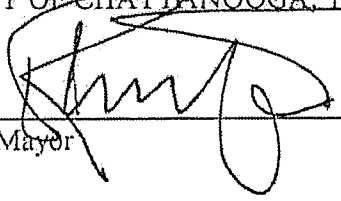
THE INDUSTRIAL DEVELOPMENT
BOARD OF THE COUNTY OF HAMILTON,
TENNESSEE

By: 
Chairman

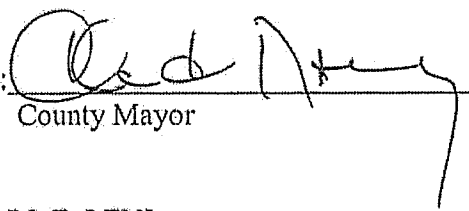
WESTINGHOUSE ELECTRIC COMPANY, LLC

By: 
Name: F. RAMSEY COATES
Title: SECRETARY

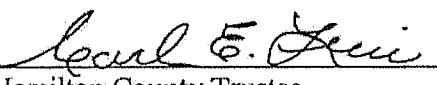
CITY OF CHATTANOOGA, TENNESSEE

By: 
Mayor

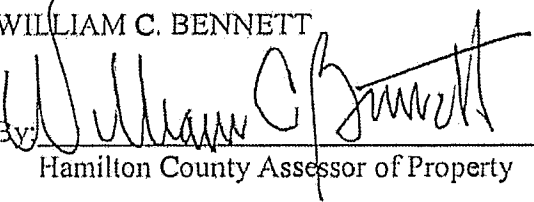
HAMILTON COUNTY, TENNESSEE

By: 
County Mayor

CARL E. LEVI

By: 
Hamilton County Trustee

WILLIAM C. BENNETT

By: 
Hamilton County Assessor of Property