

**TAX INCREMENT FINANCING AGREEMENT**

**BY AND BETWEEN**

**THE TOWN OF WAPOLE, MASSACHUSETTS**

**AND**

**SIEMENS HEALTHCARE DIAGNOSTICS INC.**

**THIS AGREEMENT** is made this \_\_\_ day of \_\_\_\_\_, 2015, by and between the TOWN OF WALPOLE, a municipal corporation duly organized under the laws of the Commonwealth of Massachusetts, having a principal place of business at Town Hall, 135 School Street, Walpole, MA 02081 (hereinafter referred to as the "**Town**") and SIEMENS HEALTHCARE DIAGNOSTICS INC., a corporation organized under the laws of the State of California, having a principal place of business at 511 Benedict Avenue, Tarrytown, NY 10591 (hereinafter referred to as the "**Company**" and collectively with **Town**, the "**Parties**").

**RECITALS**

**A.** The Town has been designated as a member of the I-495/95 South Regional Technology Economic Target Area ("**ETA**"), as that term is used in G.L. c.23A, §3D, by the Massachusetts Economic Assistance Coordinating Council ("**EACC**").

**B.** The Company is planning to (i) renovate and construct improvements within, and to furnish and equip certain portions of, its current facility measuring approximately 180,000 square feet ("**Existing Facility**") designed to facilitate efficiency of operations and/or expanded operations within the Existing Facility, and (ii) construct, furnish and equip expansions of the Existing Facility and two parking garages and certain incidental and supporting facilities on the Property including without limitation ("**Expansion Facilities**" and collectively with the Existing Facility, "**Siemens Facility**"). The Existing Facility is located on the Company's land located at 333 Coney Street, East Walpole, Massachusetts, shown on Walpole's Board of Assessor's Map 29, Lot 69, and Map 28, Lot 186 ("**Property**" and the tax parcel(s) comprising the Property, "**Parcel**"). The undertakings shall hereinafter collectively be referred to as the "**Certified Expansion Project**," which is more particularly defined and described in EXHIBIT A.

**C.** The Certified Expansion Project, when complete, and at full operational capacity, is expected to create up to 700 permanent, full-time jobs, as well as additional contract employees, temporary employees and/or part-time employees.

**D.** The Company anticipates that the Certified Expansion Project will represent a total investment of approximately \$300,000,000, including approximately \$230,000,000 for the work necessary to carry out the Certified Expansion Project and approximately \$70,000,000.00 for machinery, equipment and other personal property.

E. The Company anticipates that the Certified Expansion Project will be completed in various stages with completion of all stages on or before December 2026.

F. The Company is seeking a Tax Increment Financing Exemption from the Town in connection with the renovations and improvements to the Siemens Facility in order to enhance the competitive financial viability of the Certified Expansion Project, in accordance with the Massachusetts Economic Development Incentive Program and Chapter 23A of the Massachusetts General Laws.

G. The Town strongly supports increased economic activity at the Property and within the ETA to provide additional jobs for residents of the Town, to expand business activity within the Town, and to further develop a healthy economy and strong tax base.

H. The Certified Expansion Project will further the economic development goals and the criteria established for the ETA.

## AGREEMENT

**NOW, THEREFORE**, in consideration of the mutual promises of the Parties' contained herein and other good and valuable consideration each to the other, receipt of which is hereby acknowledged, the Parties hereby agree as follows:

### I. TAX INCREMENT FINANCING EXEMPTION

The following provisions shall govern the Tax Increment Financing Exemption:

#### A. Provision and Calculation of the Tax Increment Financing Exemption

1. The Town, acting by and through its Board of Selectmen, as approved by the Town Meeting held on March 7, 2016, hereby enters into this Tax Increment Financing Agreement ("**Agreement**") with the Company for the Certified Expansion Project.
2. A Tax Increment Financing Exemption ("**Exemption**") is hereby granted by the Town to the Company, in accordance with Chapter 23A, Section 3E; Chapter 40, Section 59; and Chapter 59, Section 5 of the Massachusetts General Laws. The Exemption shall be for a period of twenty (20) years ("**Exemption Period**") commencing on July 1, 2017.
3. The amount of the Exemption shall be equal to the Incremental Value multiplied by the applicable Exemption Percentage specified in the chart below. The "**Incremental Value**" shall be the amount by which the assessed value of the Parcel exceeds the product of the Parcel's assessed value for the last fiscal year before the Parcel became eligible for the Exemption under Chapter 59, Section 5 Clause 51 ("**Base Valuation**") multiplied by the adjustment factor determined in accordance with 760 CMR 22.05(4). The Exemption shall be calculated in accordance with the terms of this Agreement and remain unchallenged for each applicable fiscal year.

<b>Year</b>	<b>Exemption Percentage</b>	<b>Year</b>	<b>Exemption Percentage</b>
2018	90%	2028	70%
2019	90%	2029	70%
2020	90%	2030	70%
2021	90%	2031	70%
2022	90%	2032	70%
2023	80%	2033	60%
2024	80%	2034	60%
2025	80%	2035	60%
2026	80%	2036	60%
2027	80%	2037	60%

The **Average Exemption Percentage** is 75% which is the average of the Exemption Percentage for each year of the term divided by 20. In the event of a short fall in job creation, the Exemption Percentages above shall be adjusted in accordance with Section I(C)(2) below, and the resulting average shall be the **Adjusted Average Exemption**.

4. The Property shall become eligible for exemption on the July 1<sup>st</sup> following the date on which the EACC approves the TIF Plan, as provided in 760 CMR 22.05(4)(d) (“**Approval Date**”). The exemptions granted pursuant to this Agreement, however, shall not begin when the Property first becomes eligible, but instead shall begin on July 1, 2017 subject to the provisions below. The “**Initial Portion of the Term**” is defined as calendar year 2016 through and including calendar year 2025, and the “**Remaining Portion of the Term**” is defined as the remaining years through and including calendar year 2037. In the event EACC approves this Agreement after June 30, 2017, the Exemption Period, and the fiscal years identified in Section I(A)(3) above shall be adjusted automatically (and the Agreement shall be amended accordingly) solely to the extent necessary to comply with the requirement that the Project become eligible for the Exemption on the July 1 following the Approval Date.

**B. Company Obligations Under the Tax Increment Financing Exemption**

1. Employment

- a. During the Initial Portion of the Term, the Company shall create at the Siemens Facility a total of Four Hundred (400) new positions (“**New Positions**”) above the current established baseline of Six Hundred and Twenty-Nine (629) positions (“**Baseline Positions**”). New Positions shall include new, permanent full-time jobs and new full-time contractor positions at the Siemens Facility. To the extent that the Baseline Positions fall below 629, then new positions created at the Siemens Facility shall first be counted towards the Baseline Positions and not as New Positions. Only those positions exceeding the 629 Baseline Positions shall be qualified as New Positions. A job or position shall be deemed full time if the individual filling such job or position is generally required to work the total number of hours per work week which qualify such individual for those benefits that are provided full time positions at the Siemens Facility.

- b. During the Initial Portion of the Term, Company shall operate its business at the Property and maintain the 629 Baseline Positions and create 400 New Positions. During the Remaining Portion of the Term, Company shall continue to operate a business at the Property and to maintain or exceed the 629 Baseline Positions and 400 New Positions for a total of not less than 1,029 full time positions at the Property. In the event the Company fails to meet its obligations specified in Section I(B)(1)(a), then the provisions of Section I(C)(2) shall apply.

2. Investment and Construction

- a. During the Initial Portion of the Term, Company shall make an investment of approximately \$300,000,000 in the Property, of which (i) approximately \$230,000,000 shall be spent in both hard and soft costs for design, engineering, renovation and construction of improvements and expansion of the Siemens Facility including certain incidental and supporting facilities, all on the Property owned by the Company, and (ii) approximately \$70,000,000 shall be used for machinery, equipment and other personal property at such facilities, all as described in detail in the Certified Expansion Project application submitted to the Town.
- b. A description and summary of the Project is attached as Schedule B-2.

3. Payment of Taxes The Company agrees and commits to timely pay all taxes owed to the Town. Nothing in this Agreement or within this paragraph shall limit (i) any rights the Town may have under state and local law with respect to collection of such taxes and any amounts that might lawfully be added thereto as interest or penalties, or (ii) any rights the Company may have under state and local law to contest, among other things, any assessed value of the Siemens Facility or any determination of the Base Valuation or applicable adjustment factor.

- a. *Material Default* In the event that the Company does not tender to the Town all Taxes and Fees owed to the Town within 30 days of the Town's notice to the Company specifying such past due amounts along with any and all late fees, penalties and interest incurred as a result of such late payment (collectively the amounts specified, "Taxes and Fees"), then the Town shall have the right to seek decertification of the Certified Expansion Project.

4. Corporate Citizenship

- a. *Support for Community Projects and Activities* At such reasonable times as requests by the Town are made in writing, the Company shall use good faith commercially reasonable efforts to assist the Town in identifying projects eligible for grants provided by non-profit foundations which are established by Siemens and or its controlled affiliates.
- b. *Local Businesses Utilization* The Company shall use good faith commercially reasonable efforts to include Qualified Local Businesses in the Company's requests for quotations for goods and services to be purchased by the Company for use at the Siemens Facility. A Qualified Local Business shall be defined as businesses located

within Walpole that timely and accurately submits documentation required by the Company to evaluate the potential of that business to become a Siemens business partner.

c. *Civic Associations* The Company shall maintain membership within one or more civic associations either located in the Town or comprised of a group of neighboring towns including the Town (e.g. the Neponset Valley Chamber of Commerce).

d. *Local Hiring* The Company shall make good faith efforts to take the following steps to facilitate the opportunity for local residents to apply for New Positions in each case to the extent that the school, agency or job listing site would be likely to include qualified candidates for the open position:

- i. Provide the Walpole High School student guidance department and the Norfolk County Agricultural High School located in Walpole with a list and description of the types of position openings occurring at the Siemens Facility that would be applicable for students who graduate from such schools who have not yet received a post-secondary degree.
- ii. Post New Position openings with the Massachusetts Division of Career Services (“MDCS”), and
- iii. Post New Position openings on internet job boards accessible within the Town of Walpole.
- iv. Allow the Town to post the link below on the Town of Walpole webpage providing Town residents access to information on job openings at the Siemens Facility and meet with the Town to discuss ways that the Town could coordinate with the MDCS so that the Town could also receive posts of New Positions Openings. [http://www.usa.siemens.com/en/jobs\\_careers.htm](http://www.usa.siemens.com/en/jobs_careers.htm)
- v. Attend an introductory meeting with the Local Career Center serving the residents of the Town of Walpole to discuss potential structures and coordination that could provide Town residents additional access to apply for New Position openings. The “**Local Career Center**” is defined as the One-Stop Career Center (as identified by the Massachusetts Executive Office of Labor and Workforce Development) servicing the Town of Walpole.

The Company shall also use good faith efforts to attend Town Job Fairs that would attract applicants qualified for New Position openings. Town Job Fairs are defined as job fairs hosted by the Town of Walpole for which the Company receives a written invitation in accordance with the notice requirements herein.

5. **Reporting** The Company shall submit to the Town, through its Town Administrator, to the EACC and the ETA by September 30<sup>th</sup> in each year in which the Company is eligible for or receiving an exemption, annual reports in the form attached as SCHEDULE 5 (“**Annual Report**”) on job creation, job retention and investments at the Siemens Facility and such other matters required by G.L. c.40, §59(viii). The Annual Report shall include the number

of both New Positions and Baseline Positions as well as any part time jobs created and the number of individuals filling New Positions who are residents of the Town or who resided within the regional ETA. The report shall reflect such information on both an annual and cumulative basis. The report shall also include the capital investment at the Siemens Facility both annually and on a cumulative basis, and the amount of property taxes paid to the Town, both annually and on a cumulative basis.

6. Garaging If the Company elects to garage its own vehicles for primary use in conjunction with the Certified Expansion Project, it shall undertake commercially reasonable efforts to locate such vehicles at the Siemens Facility or otherwise in the Town, and shall not seek to locate such vehicles in a different municipality for the purposes of avoiding excise taxes collected by the Town.
7. Operations The Company shall not increase the biohazard level at the Siemens Facility as part of the Certified Expansion Project.

**C. Events of Default Under the Tax Increment Financing Exemption.**

1. Material Default Defined A material event of default by the Company shall not be deemed to occur unless the Company has first received reasonably detailed written notice from the Town of such default and has not cured such noticed default within 30 days of receipt of such notice. However, if the default would reasonably take longer than 30 days to cure, then no material default shall be deemed to have occurred if Company commences cure within said 30 days and thereafter diligently pursues such cure to completion.
2. Shortfall in Job Creation If the Company fails to create 400 New Positions within the Initial Portion of the Term, then the following provisions will apply:
  - a. **“Job Shortfall Percentage”** shall be defined as the percentage equal to 100% minus the percentage generated by dividing the number of New Positions created during the Initial Portion of the Term by 400.
  - b. If the Job Shortfall Percentage is between 0% and 10% inclusive (“Allowable Tolerance”), then no penalty shall be applied and such shall not be deemed a material default.
  - c. If the Job Shortfall Percentage is greater than 10%, then the Exemption Percentages for all years going forward shall be reduced until cured within the Allowable Tolerance of Section I(C)(2)(b) above so that the Adjusted Average Exemption will equal 75% reduced by the Job Shortfall Percentage.

**The following example is provided for illustration purposes only and assuming no cure:**

Jobs Created: 352  
Job Shortfall Percentage: 12%  
Adjusted Average Exemption: 66% ((75% – (75% x 0.12))  
Exemption Percentages Going Forward:

2026	65.0%	2032	55.0%
2027	65.0%	2033	45.0%
2028	55.0%	2034	45.0%
2029	55.0%	2035	45.0%
2030	55.0%	2036	45.0%
2031	55.0%	2037	45.0%

- d. So long as the Job Shortfall Percentage does not exceed 50%, and a minimum of \$150,000,000 is invested at the Siemens Facility within the Initial Portion of the Term, then the Town agrees that it will not pursue a decertification of the Certified Expansion Project. The provisions of this Section I(C)(2) comprise the Town's sole remedies with respect to the Company's failure to create and maintain the required New Positions.
3. **Investment Shortfall** If the Company fails to invest \$300,000,000 at the Facility within the Initial Portion of the Term, then the following shall apply:
- a. **Investment Shortfall Percentage** shall be defined as the percentage equal to 100% minus the percentage generated by dividing of the total investment at the Siemens Facility during the Initial Portion of the Term by \$300,000,000.
  - b. If the Investment Shortfall Percentage is between 0% and 25% inclusive, then no penalty shall be applied.
  - c. If the Investment Shortfall Percentage is greater than 25%, then the Exemption Percentages for all years going forward shall, until cured, be equitably reduced in the same manner as for a shortfall in job creation.

## II. MASSWORKS FUNDS AND INFRASTRUCTURE IMPROVEMENTS

The following terms shall govern the construction of the Infrastructure Improvements and the MassWorks funding and are included in this Agreement pursuant to G.L. c.40, § 59(v)(c).

**A.** Company anticipates that the Town will require certain infrastructure improvements as a part of the expansion of the Siemens Facility. A list of the anticipated improvements is provided on SCHEDULE C attached hereto.

**B.** The Massachusetts Executive Office of Housing and Economic Development ("EOHED") has committed to provide funding for the improvements out of the MassWorks program. The Town shall act in good faith, using commercially reasonable efforts, to enter into an agreement with the EOHED for the MassWorks funding ("**MassWorks Contract**") and shall construct the improvements identified on SCHEDULE C and such other improvements that it requires as a part of the expansion of the Siemens Facility ("**Infrastructure Improvements**"). The Town's obligation to construct the Infrastructure Improvements shall be contingent on the Town's receipt of either (i) funding for the Infrastructure Improvements from MassWorks or (ii) reasonable

confirmation from MassWorks, as determined by the Town, that the Town will be reimbursed for the costs of the improvements contemplated herein.

C. Though the Company will not be a party to the MassWorks Contract, the Company acknowledges expansion of the Siemens Facility will be a key contingency for MassWorks funding. The Town will not have the obligation to construct the improvements unless Siemens commences expansion of the Siemens Facility. The Company's pursuit of the Certified Expansion Project is subject to the Town's notification to the Company that the Town has received either MassWorks funding or reasonable confirmation that the Town will be reimbursed by MassWorks for the costs of Infrastructure Improvements.

D. The Company will also cooperate with the Town by providing such job creation information as is reasonably required about the creation of New Positions by the MassWorks Contract.

E. Construction of the Infrastructure Improvements will not be funded through betterments or special assessments or any incremental tax assessments but by MassWorks funds. As such, construction of the Infrastructure Improvements shall not be deemed public construction under G.L. c. 40, §Section 59(ii) but other benefits and responsibilities under G.L. c. 40, §Section 59(v)(c)

### III. EXPEDITED PERMITTING AND BUILDING PERMIT FEES

The following terms shall govern the approvals, permitting inspections and issuance of certificates and related fees and charges:

A. **Company Obligations:** The Company assumes the following obligations in consideration of the incentives described in Section III(B) below:

(1) *Provide Traffic Impact Analysis:* The Company shall, at its sole expense, engage an engineering consultant to perform an appropriately comprehensive traffic study, to evaluate the expected traffic impact the Certified Expansion Project could have upon the immediate vicinity within the Town of Walpole, including the expected traffic impact upon the following intersections with Coney Street

- Route 1
- Walpole Mall Driveway Entrance
- I-95 NB On Ramp
- Edge Hill Road/High Plain Street
- Summer Street/Rustic Road,
- Hale Road,
- Sandra Road,
- Joseph Lane, and
- Killeen Road/Park Lane

The Company shall deliver that study to the Town.

(2) *Tender One Time Fee:* The Company shall tender \$250,000 (“Total Fee”) to the Town at such time as it first submits the proposed site and construction plans to the Town for formal review and approval .

**B. Local Incentive:**

1. In consideration of the Company tendering the Total Fee to the Town, the Town agrees, excluding only water and sewer fees which are addressed below, that all other fees, charges, costs that could be charged by the Town related to the planning, permitting, approval, construction, inspection and issuance of certificates in connection with the Certified Expansion Project and/or with the renovation, expansion, and/or construction of the Siemens Facility are hereby deemed satisfied and/or waived. Such waived fees shall include without limitation all fees related to building, electrical and plumbing or site plans.
2. Water and sewer fees shall be determined by the Walpole Sewer and Water Commissioners consistent with their ordinary and usual practices and applicable regulations and shall be paid in the normal course.
3. The Town will provide full support to facilitate expedited permitting for, and approval of, the plans and construction of the Certified Expansion Project, including requiring such full time Town staff with tasks related to the project’s permitting and approvals (“Town Staff”) to prioritize such related tasks. In order to expedite and resolve permitting, zoning and/or other local code and land use issues, the Town Administrator will facilitate periodic meetings between the Company and the applicable local Town officials to discuss and address any issues associated with the new construction and/or renovations.

**IV. Reimbursements of Specified Costs**

A. Within 75 days after approval of this Agreement at a Town Meeting, the Company shall reimburse the Town in an amount up to \$30,000 for the reasonable out of pocket costs the Town incurred (i) in legal expenses related to this Agreement and (ii) for consultant expenses related to development and presentation of an economic impact analysis of this project.

B. Within 75 days after the Special Town Meeting vote on this Agreement, the Company shall reimburse the Town for the reasonable out of pocket cost of holding a Special Town Meeting up to \$6,100.

C. The Town may engage an engineering firm to perform a peer review of the traffic impact study to be provided by the Company pursuant to Section III (A) above. Within 75 days after receipt of an invoice including reasonable documentation of the Town’s reasonable out of pocket costs for such peer review, the Company shall reimburse the Town for such cost up to \$10,000.

D. The obligations in this Section IV shall survive the expiration or termination of this Agreement.

## V. DESIGNATED CONTRIBUTIONS

The Company understands it is under no legal obligation to pay to the Town fees or costs in connection with the permitting of the Certified Expansion Project other than as specified in Article III above, however, as a part of its desire to reinforce its good relationship with the Town and its residents, as well as independently affirm its status as a good corporate citizen and neighbor, Siemens elects to provide the following designated contributions within the time periods provided below:

- (1) A designated contribution in the amount of \$100,000 to be applied towards the costs of constructing and equipping playing fields within a new Town park to be built near the borderline of the Town of Walpole and the Town of Norfolk on land the Town will acquire from the State prior to December 31, 2017.
- (2) A designated contribution in the amount of \$160,000 to be applied towards the costs of snow removal and handling equipment prior to December 31, 2018.
- (3) A designated contribution in the amount of \$250,000 to be applied towards the cost of a new ladder truck for the Walpole Fire Department prior to December 31, 2018.

## VI. GENERAL PROVISIONS

A. Pursuant to 760 CMR 22.05(8)(d), this Agreement shall be binding upon all Parties to it, and be binding upon the Company and its successors and assigns and shall inure to the benefit of successors and other affiliates of the Company so long as the Certified Expansion Project has not been decertified by the EACC. Should this Agreement be assigned, the Company shall provide notice to the Town in accordance with the provisions of Section IV(C).

B. If any provision of this Agreement shall be found invalid for any reason, such invalidity shall be construed as narrowly as possible and the balance of this Agreement shall be deemed to be amended to the minimum extent necessary to provide to the Town and the Company substantially the benefits set forth in this Agreement.

C. All notices permitted or required under the provisions of the Agreement shall be in writing, and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier to the addresses listed below or at such other address as may be specified by a party in writing and served upon the other in accordance with this section. All such notices shall be addressed as follows:

**If to the Town:**  
Town Administrator  
Walpole Town Hall  
135 School Street  
Walpole, MA 02081  
Fax: (508) 660-7303  
Email: [jjohnson@walpole-ma.gov](mailto:jjohnson@walpole-ma.gov)

**If to the Company:**

Siemens Healthcare Diagnostics Inc.,  
511 Benedict Ave.  
Tarrytown, NY 10591  
Attn: Chief Executive Officer, Siemens Healthcare Diagnostics Inc.,

With copies to: Siemens Healthcare Diagnostics Inc.,  
511 Benedict Ave.  
Tarrytown, NY 10591  
Attn: General Counsel

Siemens Healthcare Diagnostics Inc.,  
333 Coney Street, East  
Walpole, Massachusetts  
Attn: Site Head

and

Siemens Healthcare Diagnostics Inc.,  
333 Coney Street, East  
Walpole, Massachusetts  
Attn: Senior Counsel

D. If and to the extent that any party is prevented from performing its obligations hereunder by an event of force majeure, such party shall, except as may otherwise be required by law, be excused from performing hereunder and shall not be liable in damages or otherwise, for so long as the force majeure event shall continue, and the Parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof. For purposes of the Agreement, the term force majeure shall mean any supervening cause beyond the reasonable control of the affected party, including without limitation, requirement of statute or regulation; actions of any court, explosion, actions of the elements, war, terrorism, riots, mob violence, actions of regulatory authority, or public authority having jurisdiction; acts of God, fire, earthquake, floods, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, actions of labor unions, condemnation, laws or orders of governmental or military authorities, denial of, refusal to grant or appeals of any permit, approval or action of any public or quasi-public authority, official, agency or subdivision and any litigation relating thereto, or any other cause similar to the foregoing, not within the control of such party obligated to perform such obligation.

E. Except to the extent this Agreement provides otherwise, this Agreement may be amended or modified only by a written instrument signed by a duly authorized agent of each Party.

F. The Company may terminate this Agreement without liability for any reason or no reason upon thirty (30) days written notice to the Town, provided that upon termination, the Company

shall have an obligation thereafter to pay personal property and other taxes as otherwise required by law.

G. The Company acknowledges that the Massachusetts Public Records Law, G.L. c.66, §10, G.L. c.4, §7, clause 26<sup>th</sup>, and 950 CMR 32.00 et seq., governs the retention of this Agreement and all other related materials fitting the description of public records in accordance with G.L. c.4, §7, clause 26<sup>th</sup>, and therefore that this Agreement and such related materials may constitute public records subject to disclosure under the law.

H. This Agreement is subject to G.L. c.23A, Sections 3A through 3F, inclusive, G.L. c.40, §59, and G.L. c.49, §5, cl.51, and all regulations promulgated thereunder.

I. Nothing in this Agreement shall be construed to prohibit the Company from additional expansion and/or renovation of its physical structures, processes, or product lines as may be allowed under applicable local, state, or federal regulations, by-laws, or statutes.

J. If it is later determined by the Town and the Commonwealth of Massachusetts that the Company is not legally entitled under G.L. c.40, §59(i) to the Exemption provided for herein, then the Town shall issue a tax bill to the Company for the total amount owed under the Massachusetts General Laws. Under such circumstances, neither the Town nor the Company shall waive any other remedies available to them with respect to billing, payment, abatement or collection of such taxes.

K. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts, without regard to conflicts of law. Any and all proceedings or actions relating to subject matter herein shall be brought and maintained in the courts of the Commonwealth, Norfolk County, or the federal district court sitting in the Commonwealth, which shall have exclusive jurisdiction thereof.

[[signatures on the following pages]]

Signed this \_\_\_\_ day of \_\_\_\_\_, 2016

Town of Walpole, by and through

Its Board of Selectmen

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Siemens Healthcare Diagnostics Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

And by: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Exhibit A and Schedule B-2

The Certified Expansion Project is defined as the private construction by the Company of renovations and improvements to the Company's Existing Facility located at 333 Coney Street, East Walpole, Massachusetts, shown on Walpole's Board of Assessor's Map 29, Lot 69, and Map 28, Lot 186, and furnishing and equipping of such renovations and improvements for the purpose of facilitating efficiency of operations and/or expanding operations at the referenced site. The Certified Expansion Project excludes the area currently in existence at the Existing Facility which has been designed to Biosafety Level 3 standards. The Certified Expansion Project would be constructed in various phases with completion occurring on or before December 31, 2025 and include, without limitation, the following types of construction: construction and renovation of office space, lab space, warehouse space including without limitation cold storage warehouse space, cafeteria space, parking areas and garages, common areas and infrastructure, paved areas and landscaping to support the newly constructed and renovated areas. More specifically the first phase of the Certified Expansion Project has been projected to include, without limitation, the following:

Category	Estimated Square Footage
<b>New Construction:</b>	
• Office Space	135,403 s.f.
• Manufacturing / Lab Space	70,693 s.f.
• Warehouse Space	23,313 s.f.
• Mechanical Space (Mech. Penthouses and Server Rooms)	77,583 s.f.
• Cafeteria	9,700 s.f.
• Building Shell (Unfinished)	90,118 s.f.
• Parking Garages	276,000 s.f.
• Support Functions (Locker Facilities, Bathrooms, Stairs, Elevators, Security, Wellness, Fitness, etc.)	25,890 s.f.
<b>Total New Construction:</b>	<b>708,700 s.f.</b>
<b>Demolition and Renovations:</b>	
• Demolition (Office, Manufacturing / Lab Space, Warehouse Space, Mechanical Space, Cafeteria Space)	112,810 s.f.
• Renovations to portions of Demolished Space (Offices, Manufacturing / Lab Space, and Mechanical Space)	77,535 s.f.

NOTE: There are additional renovations that involve upgrading existing spaces / uses (but do not require demolition and maintain the same use) that are not included in the above s.f. estimates. These renovations are included in the overall investment figure for the Certified Expansion Project.

All estimates provided above are preliminary only and will change as the engineering and architectural plans for the project develop. Also, the aforesaid are all subject to modification as the Certified Expansion Project goes through the permitting process in the Town of Walpole.

## Schedule 5

The attached form unless a different and/or updated form is required and/or approved by the EACC and the Massachusetts Office of Business Development, and then such form so required and/or approved



**ECONOMIC DEVELOPMENT LOCAL INCENTIVE ONLY**

ANNUAL REPORT

GOVERNOR

This report is provided pursuant to the Tax Increment Financing Agreement dated \_\_\_\_\_ 2016, between Siemens Healthcare Diagnostics Inc., and the Town of Walpole, Massachusetts (“TIF Agreement”). Capitalize terms shall have the definition provided them in the TIF Agreement, except “Project” shall be a reference to the Certified Expansion Project as such is defined in the TIF Agreement. A reference to the fiscal year shall be a reference to the fiscal year of the Town of Walpole.

**1. Project Information**

Business name:  
FEIN number:  
Municipality of Project:  
Date of TIF approval by the EACC:  
Baseline Positions to be retained at Project location:  
New Positions to be created at Project Location by December 31, 2025:

**2. Contact Information**

Contact Name:  
Address:  
City and State and Zip Code:  
Telephone Number:  
Email Address:

**3. Full-Time Permanent Employment at Project Location**

Total New Positions created though [[\_\_\_\_]]:  
Total Baseline Positions maintained through [[\_\_\_\_]]:

**4. Investment at Project Location**

Expected investment listed in TIF application:  
Total investment at Project location since TIF approval through [[ \_\_\_\_ ]]:  
Current construction status: (Please provide information on the status of the project to date and information on construction and purchases in both construction materials and equipment and other fixtures and personal property)

**5. Local Incentives**

Duration of TIF Incentive:  
Years remaining in TIF:  
Assessed value of Siemens Facility in prior fiscal year:  
Real property taxes paid on Siemens Facility in prior fiscal year:  
Total real property taxes on Siemens Facility paid since July 1, 2017:  
Real property taxes exempted by 2016 TIF in prior fiscal year:  
Total real property exempted under 2016 since July 1, 2017: