



Corpus Christi

REGIONAL ECONOMIC  
DEVELOPMENT CORPORATION

January 4, 2018

M & G Resins USA, LLC  
Mr. Kevin McCarren  
450 Gears Road  
Suite 240  
Houston, Texas 77067

Dear Mr. McCarren:

I am in receipt of your letter dated December 20, 2017 on the status of the projects as of October 25, 2017. M&G and the Corpus Christi Business and Job Development Corporation entered into an incentive agreement on October 25, 2012 (the "Agreement"). The Agreement provided for an incentive of up to \$3 million if M&G met certain conditions. The Agreement expired on October 25, 2017. Based on the information I have received to date, I do not believe that M&G has met the conditions that would entitle it to any payment under the agreement.

Exhibit A of the Agreement provides that M&G shall invested \$751 million to construct a PET and a PTA manufacturing facility and create 220 full-time jobs with an annual salary of at least \$11.7 million per year. The Agreement provides for a reduced incentive if M&G meets at least 70% of the requirement. The letter that I received states the M&G had 125 full-time workers at the facilities as of the expiration date of the Agreement. The claimed jobs account for only 56.8% of the 220 full-time positions required under the Agreement. Because M&G has not shown that it met at least 70% of the performance requirement, M&G is not entitled to any payment under the Agreement at this time.

Regards,

Mike Culbertson