

SUMMARY OF BUNGE NORTH AMERICA, INC. CORPORATION
APPLICATION FOR TAX ABATEMENTS

Bunge North America, Inc. (herein "Bunge") has under consideration a major addition to its manufacturing plant in the City of Decatur. At the Decatur site, raw soybeans are used to produce animal feed ingredients as well as soy oil for human consumption and biofuels. The packaging department located at 1500 Church Street, NE handles the packaging and shipment of fully processed oils from the Decatur facility and vegetable oils sourced from other Bunge facilities and third party suppliers. The proposed project will add three new production lines to the existing packaging department. These new production lines will be able to produce products not currently made at the Decatur facility. As a result of this project, the packaging department volume will increase by approximately ten percent (10%).

The question being considered by Bunge is whether or not to make the investment. The estimated cost of the project is \$11,325,000.00. It is estimated the project by 2017 will create approximately 14 new jobs with a total payroll of \$646,600.00 a year, which equates to an average annual wage of \$53,883.33 per employee, without taking into account any benefits. There are 187 employees presently employed by Bunge in Decatur. This project would enhance the security of all jobs on the Bunge site and would help to secure the future of Bunge's operations in Decatur.

Bunge is asking The Industrial Development Board of the City of Decatur to consider tax abatements for this project which would amount to an abatement of approximately \$34,000.00 a year in State of Alabama, Morgan County and City of Decatur non-educational property taxes for ten years. The Project would create new City of Decatur, State of Alabama, Morgan County and City of Hartselle school taxes in the approximate amount of \$42,000.00 a year for the ten year period. Of that amount, it is estimated that the Decatur City School system will receive approximate \$31,500.00 per year. The abated State of Alabama and City of Decatur sales and use taxes requested during the construction period only are in an estimated amount of \$368,000.00. The estimated amount of Morgan County sales and use taxes created during the construction period only are \$46,000.00, which will benefit the Decatur, Hartselle and Morgan County school systems.