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***INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES***

Mr. John Osborne
Chief Executive Officer
Lubbock Economic Development Alliance, Inc.
1500 Broadway, Suite 600
Lubbock, TX 79401

Dear Mr. Osborne:

We have performed the procedures enumerated in the attached supplement, which were agreed to by you, the specified user, solely to assist you with respect to determining the amounts payable pursuant to the Economic Development Grant Contracts with regard to job creation incentives only, for Monsanto Company. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified user of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures we performed and the findings as a result thereof, are enumerated in the attached supplement which is an integral part of this report.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the specified user listed above and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes.

Robinson Burdette Martin & Seright, L.L.P.

Lubbock, Texas
September 22, 2010

**Lubbock Economic Development Alliance, Inc. Agreement with
Monsanto Company.
For the period from August 2, 2009 through August 2, 2010**

Background:

The Lubbock City Council established the Lubbock Economic Development Alliance, Inc. (hereinafter referred to as LEDA) to promote local economic development and stimulate business and commercial activity in Lubbock and the surrounding area. To this end, LEDA entered into a performance agreement with Monsanto Company (hereinafter referred to as Monsanto) on January 4, 2009.

The terms of the agreement provide incentives to Monsanto for the creation of new jobs. The general terms of the agreement allow Monsanto to receive up to \$117,500 for twenty (20) new or retained full-time jobs in the City of Lubbock beginning August 2, 2009, and maintained through August 1, 2014. Monsanto will earn incentives ranging from \$2,500 to \$10,000 for each job created according to LEDA's sliding scale. The earned incentives are to be paid out in five annual installments.

Objective, Scope and Procedures Performed:

Our objective was to determine if Monsanto met the job creation and maintenance requirements of their agreement with LEDA. A summary of the procedures used is as follows:

- Reviewed the pertinent contract.
- Reviewed employee census data indicating names, dates of hire, dates of termination, work locations and compensation as of August 2, 2009, and August 2, 2010.
- Obtained payroll information for each employee for the quarters ended 9/30/09, 12/31/09, 3/31/10, and 6/30/10, and for the period 7/1/10 – 8/2/10.
- Reviewed wages reported on the payroll reports to verify annual compensation levels and to corroborate dates of hire and/or termination.
- Discussed questions and issues raised as a result of the above steps with Monsanto personnel.
- Discussed agreement interpretations with LEDA personnel.

Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Results and Conclusions:

Per our review of the above data:

- Monsanto had fourteen (14) full-time Lubbock employees as of August 2, 2009.
- Monsanto had eighteen (18) full-time Lubbock employees and seven (7) part-time Lubbock employees as of August 2, 2010.
- Due to the terms of the contract, retained baseline positions as well as any new positions created during the contract period qualify for purposes of the incentive calculation. As such, the following met the specific compensation requirements for the various levels of incentives:

<u>Number of Employees</u>	<u>Incentive per Employee</u>	<u>Total Incentive</u>
5	\$ 10,000	\$ 50,000
2	\$ 7,500	\$ 15,000
1	\$ 5,000	\$ 5,000
8	\$ 4,000	\$ 32,000
2	\$ 3,000	\$ 6,000
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18		\$108,000
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Based on the above, Monsanto is currently entitled to receive the first of five installments of total earned incentives as of August 2, 2010 of \$108,000, or \$21,600.