

## PROPOSED COMPLIANCE REPORTING REQUIREMENTS

Within ninety (90) days after the Measurement Date, Tenant shall file or cause to be filed with Landlord the following (collectively, the “Compliance Report”):

(i) a report in the form attached hereto as Exhibit D detailing the information required pursuant to Section 5.06(a) above as of the Measurement Date,

(ii) a certified listing of all full time employees of Tenant employed at the Project as of the Measured Date which includes for each employee their title, date hired, and annual wage (assuming 2060 hours per year for hourly employees) (“Employee Listing”), and attaching (in each case, redacting any personally identifiable information of any employees, as applicable) (A) a copy of Tenant’s most recently filed Form 940, highlighting the information applicable to the employees employed at the Project, (B) a copy of each Form 941 filed by Tenant since such most recently filed Form 940, highlighting the information applicable to the employees employed at the Project, and (D) statements from Tenant’s payroll processor detailing unemployment insurance premiums paid to the state of Tennessee during the Determination Period, together with a copy of Tenant’s most recently filed wage and premium filings with the Department of Labor and Workforce Development for the State of Tennessee and, if applicable, the most recently filed Multiple Worksite Report filed with such department, and

(iii) a certified listing of each invoice paid by Tenant evidencing the Capital Investment of Tenant with respect to the Project as of the Measurement Date which includes for each such invoice the invoice date, date of payment, payee name, amount, and brief description of expenditure/purpose (“Capital Improvements Invoice Listing”), together with copies of each such invoice, and

(iv) such other detail, backup and supporting information requested by Landlord in its sole and absolute discretion which confirms the expenditures evidencing the Capital Investment and the number of Jobs and average Wages, in each case, as of the Measurement Date.

Such Compliance Report shall be certified by an Authorized Tenant Representative. The obligations of Tenant under this Section 5.06(b) shall survive the termination of this Lease. The parties acknowledge that Landlord shall utilize the information required to be provided pursuant to this Section 5.06(b) to assist in determining by Landlord the final length of the term of this Lease pursuant to Sections 4.06 and 4.07 and whether a Recapture Payment is due and payable by Tenant pursuant to Section 9.04(c).

**EXHIBIT D**

**THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE COUNTY OF KNOX**

**PROPERTY TAX INCENTIVE PROGRAM (PTIP)**

***PTIP COMPLIANCE REPORT***

Please complete the following contact information:

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

Local Contact: \_\_\_\_\_

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

Local Address: \_\_\_\_\_

\_\_\_\_\_

Local Phone: \_\_\_\_\_

Local Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Person Responsible for completing Report (If different from the local contact)

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

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

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Please submit completed and signed materials to:

The Development Corporation of Knox County

Attn: Robin Holt

17 Market Square, #201

Knoxville, TN 37902-1405

**DEADLINE:** \_\_\_\_\_

**THE INDUSTRIAL DEVELOPMENT BOARD OF  
THE COUNTY OF KNOX**

**PROPERTY TAX INCENTIVE PROGRAM (PTIP)**

**PTIP COMPLIANCE REPORT**  
as of \_\_\_\_\_, 20\_\_\_\_\_

**Project Data:**

Recipient of Property Tax Incentive (Company Name): \_\_\_\_\_

Address of Property Subject to Payment in Lieu of Tax Transaction (PILOT):

\_\_\_\_\_  
\_\_\_\_\_

**Capital Investment:**

Identify the total Capital Investment in the Project as of \_\_\_\_\_, 20\_\_\_\_\_.

<b>Purpose</b>	<b>Amount</b>
Land Acquisition	\$ _____
Site Development Costs	\$ _____
Building Improvements	\$ _____
Machinery and Equipment	\$ _____

Air Quality/Pollution Control Equipment	\$ _____
Other (please describe)	\$ _____
Total	\$ _____

Capitalized terms not specifically defined will have the meanings assigned to them in the Lease Agreement between the IDB and the Company and in the Policies and Procedures of the PTIP.

**Employee Report / Job Creation & Wages:**

List the following information for all new employees of the Company currently holding positions as a result of the Project. In a separate document list part-time, contract, or seasonal workers who reside in Knox County or a contiguous county and the gross salaries of employees who reside in Knox County or a contiguous county. (These jobs shall be reported in job classifications as required by the Board.) Also indicate the total on-site employment as of \_\_\_\_\_, 20\_\_\_\_.

<b>Position (job classification or title)</b>	<b>Number of Employees (full time equivalent)</b>	<b>Annual Wage (salary without benefits)</b>
<b>TOTALS:</b>		

**TOTAL ON-SITE EMPLOYMENT: \_\_\_\_\_**

**Vendor Support Report:**

The annual and cumulative gross dollars spent locally on supplier and professional service contracts, to demonstrate the amounts by contract awarded and performed by Knox County Persons.

<b>Knox County Suppliers (by type)</b>	<b>Calendar Year Expenditures</b>	<b>Cumulative Expenditures for PILOT Term</b>

**Minority/Small Businesses:**

The dollar amount of contracts awarded to Minority/Small Business for the term of the PILOT.

<b>Minority/Small Business by Type</b>	<b>Amount of Contract</b>
Total	

**Insurance Requirements:**

In accordance with the Lease Agreement provide a certificate of insurance showing insurance coverage in the proper amounts and listing The Industrial Development Board of the County of Knox as an additional insured on all liability policies. The form of the Certificate must comply with the

Lease Agreement. It should provide an obligation on the part of the insurer to provide 30 days' notice of cancellation or a material change in coverage.

The following language normally contained in Accord Certificate 25-S is NOT acceptable:

- (i) the insurer "will endeavor to mail notice to " the certificate holder; and
- (ii) "This certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not amend, extend, or alter the coverage afforded by the policies below."

The Company may provide an insurance binder, a summary of declarations showing the coverage and the notice requirements, or a copy of the actual policies.

**CERTIFICATE**

The undersigned hereby represents, warrants and certifies to The Industrial Development Board of the County of Knox ("IDB") as follows:

- (i) The undersigned is the incumbent holder of the office or official position set forth below and is authorized by the Company to execute and deliver this Compliance Report to the IDB;
- (ii) the undersigned has examined the information contained in this Compliance Report, the accompanying Employee Listing and the accompanying Capital Improvements Invoice Listing and the information is true, complete and accurate as of the date set forth below;
- (iii) no Event of Default has occurred under the Lease Agreement between the Company and the IDB, or would have occurred but for the giving of notice or the passage of time, or both;
- (iv) no circumstance exists that could serve as the basis for an Event of Default referred to above; and
- (v) the Company has performed all of its obligations under the Lease Agreement between the Company and the IDB, as amended, that are required to be performed by it at or prior to the date set forth below.

\_\_\_\_\_

Print name and title of authorized Company representative

\_\_\_\_\_

Signature Date

\_\_\_\_\_

Phone Fax

STATE OF TENNESSEE

COUNTY OF KNOX

Before me, the undersigned authority, a Notary Public in and for said county and state, personally appeared \_\_\_\_\_, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who upon oath acknowledged himself/herself to be the \_\_\_\_\_ of \_\_\_\_\_, the within named bargainor, a \_\_\_\_\_, and that he/she as such \_\_\_\_\_ being authorized so to do, executed the within instrument for the purposes therein contained by signing the name of said \_\_\_\_\_ by himself/herself as such \_\_\_\_\_.

Witness my hand and official seal at office in the aforesaid county, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

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Notary Public

My Commission expires: \_\_\_\_\_

**Please submit completed and signed materials to:**

The Development Corporation of Knox County

Attn: Robin Holt

17 Market Square, #201

Knoxville, TN 37902-1405

**For assistance call: 865-546-5887**