

SUMMARY
OF
GRANT AWARD AGREEMENT
BETWEEN
TRIUMPH GULF COAST, INC.
AND
SANTA ROSA COUNTY BOARD OF COUNTY COMMISSIONERS
(Project #331)

This summarizes the basic terms of a Grant Award Agreement (the “**Agreement**”) that has been negotiated between the staffs of Triumph Gulf Coast, Inc. (“**Triumph**”) and Santa Rosa County Board of County Commissioners (“**Grantee**”) under the Triumph Gulf Coast Trust Fund. This summary is intended for notice purposes only and (a) does not constitute a grant, or an approval of a grant, by Triumph to Grantee, and (b) does not create any binding obligations on Triumph or Grantee with respect to (i) any grant, (ii) any approval of a grant, or (iii) engaging in any further discussions or negotiations with respect to a grant. The final terms and conditions of the grant (the “**Grant**”) will be contained in the definitive Agreement approved by the Board of Directors of Triumph and Grantee and executed by Triumph and Grantee.

GRANT AMOUNT: Up to Seven Million One Hundred Sixty Four Thousand and 00/100 Dollars (\$7,164,000) (the “**Grant**”)

PURPOSE: To provide partial for the following project (the “**Project**”): (i) the purchase of a 45+- acre site adjacent to Interstate 10 at Exit 26 for the development of the Bagdad Distribution Center (the “**Property**”), and (ii) infrastructure improvements to the Property, including but not limited to, sewer extension and wetlands mitigation/protection, to allow for the construction of a 380,000+- square foot distribution center (the “**Facility**”) that will be leased to a private sector company (the “**Company**”), to support the operations of the Company, which operations will provide at least 175 Net New Jobs (as defined below) paying an average wage of 115% of the current prevailing average wage in Santa Rosa County, all as further described in Grantee’s Application for Funds submitted to Triumph (the “**Grant Application**”).

**COMPETITIVE
BIDS:**

For contracts and/or purchases exceeding \$325,000, Grantee shall obtain competitive bids when required under the applicable laws, statutes,

ordinances, rules and regulations when purchasing services or commodities, or contracting for construction or renovations to public property, and Grantee shall upload a copy of the applicable standards or procedures to Triumph's SmartSheet system and submit for Triumph review. When awarding contracts according to the applicable laws, statutes, ordinances, rules and regulations, Grantee shall award the contract to the lowest cost qualified responsive bidder considering the selection criteria contained within the solicitation.

FUNDING:

The Grant shall be allocated as more fully shown in the Budget attached hereto as **Exhibit "B"**.

The first Request for Funding (the "**Initial Funding**") shall be in connection with Grantee's purchase of the Property and shall not exceed \$4,364,000. No Grant funds shall be disbursed to Grantee with respect to Grantee's purchase of the Property unless and until the following conditions have been satisfied: (i) Triumph has reviewed and approved the purchase and sale agreement for the Property ("**Purchase Agreement**"), which Purchase Agreement shall provide for, among other things, Grantee to purchase fee simple title to the Property, (ii) the closing and consummation of the purchase and sale of the Property on and subject to the terms set forth in the Purchase Agreement (the "**Closing**") is scheduled for a date certain with a title insurance company or law firm ("**Closing Agent**"), and (iii) Triumph has reviewed and approved the deed and the settlement statement for the closing of the transaction. Grantee shall submit the foregoing information pursuant to a SmartSheet system by Grantee's authorized users. In the event the Closing does not occur for any reason, then any Grant funds funded by Triumph to the Closing Agent shall be to Triumph.

After the Initial Funding, each subsequent Request for Funding may only be submitted after Triumph's approval of the immediately preceding Request for Funding. Grantee shall submit to Triumph a separate Request for Funding for each Budget category in accordance with the Budget and shall submit information pursuant to a SmartSheet system by Grantee's authorized users. Each Request for Funding shall include the following items (A) through (H): (A) completed detailed Project account spreadsheet (i.e., in a tab on the Budget), (B) a completed Expense Itemization Sheet in a form provided by Triumph ("**Expense Itemization Sheet**") for each category of funds requested and a separate form for the Matching Funds category, together with invoices, receipts, or contracts from vendors providing equipment, materials, and services; (C) payroll ledgers, percentage of time dedicated to the Project, and job descriptions as they

relate to the Project, (D) documentation evidencing the completion of the work that is the subject of the requested funding, (E) to the extent that any portion of the current funding request is for reimbursement of amounts already paid by Grantee, copies of front and back of cancelled checks for funding, (F) to the extent that all or any portion of the prior funding was a disbursement for items to be paid rather than a reimbursement of amounts already paid, a completed Expense Itemization Sheet and receipts or other documentation evidencing that the funds disbursed previously were in fact paid in the proper amounts to the proper vendors for such items, including copies of front and back of cancelled checks for funding, (G) copies of the insurance policies required under the Agreement and evidence that such policies are in current force and effect, and (H) such other documents as Triumph shall require in order to determine that the funding is consistent with the purposes of the Grant. Grantee shall notify the Triumph Program Administrator via email each time a Request for Funding is submitted. Other than the final Request for Funding, no single Request for Funding shall be submitted for a funding request amount of less than \$179,100 and matching funds are provided on schedule. In no event shall the cumulative fundings made by Triumph exceed the \$7,164,000 maximum amount of the Grant. Upon Triumph's receipt of (a) notification to the Program Administrator, and (b) a Request for Funding that includes all required supporting documents, Triumph shall have forty-five (45) days from receipt to review and either approve or disapprove of a Request for Funding. If Triumph approves a Request for Funding, then it shall fund the approved amount to Grantee within thirty (30) days after approval. If Triumph disapproves a Request for Funding, Triumph shall deliver a notice of disapproval within such forty-five (45) day period that states the reasons for such disapproval. If the stated reasons for disapproval can be cured by Grantee's submittal of missing or corrective items, Grantee shall have thirty (30) days following receipt of the notice of disapproval to submit such missing or corrective items. If Triumph fails to notify Grantee of its disapproval of the Request for Funding within forty-five (45) days of receipt, such Request for Funding shall be deemed disapproved.

All amounts funded to Grantee pursuant to a Request for Funding shall be paid to Grantee as a reimbursement of amounts Grantee has already paid to vendors supplying equipment, materials, or services, and/or to employees performing work, in each case consistent with the Budget, in which case the Grant funds shall be retained by Grantee.

None of the Grant shall be used as a reimbursement of items purchased by Grantee prior to the date of the Agreement. None of the amounts paid by Grantee in connection with the invoices submitted in a Request for Funding and then funded by Triumph shall also have been or will in the future be in any manner (a) reimbursed, returned, refunded,

rebated, or otherwise credited to, Grantee by any contractor, materialman, vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to Grantee by the State of Florida, the United States, or any agency or instrumentality of any of the foregoing, whether under any grant or loan program or other method of contribution, it being expressly understood and agreed that Grantee shall not receive payments, refunds, reimbursements, rebates or credits from any sources in amounts collectively exceeding 100% of the amounts paid or owing by Grantee. The final funding shall not be funded unless and until Grantee has provided to Triumph satisfactory evidence that all Matching Funds have been expended on the Project.

None of the Grant funds or the Matching Funds shall be used to pay, reimburse, or recover any overhead or other indirect costs, including, but not limited to, general and/or administrative overhead, continuing education fees, and auxiliary fees.

Grantee shall seek funding only for costs of the Project as shown or contemplated under the Budget. All amounts paid by Grantee and/or any private person or entity providing Matching Funds with respect to the Project shall be supported by properly executed invoices, contracts, vouchers, and payroll records evidencing in proper detail the nature and propriety of the charges and use of the Matching Funds. All checks, invoices, contracts, vouchers, orders, payroll records, or other accounting documents pertaining in whole or in part to the Project shall be clearly identified, readily accessible, and, to the extent feasible, kept separate and apart from all other such documents.

Triumph will honor requests for funding; provided, however, that Triumph may elect by notice in writing not to make a payment if:

(a) There is any missing or incomplete documentation in the Request for Funding;

(b) The Request for Funding seeks funding for items other than as shown in the Budget or seeks funding for more than amounts actually invoiced by contractors, materialmen, or other vendors under any contracts;

(c) The amount requested for funding under the Request for Funding, together with all amounts previously funded under the Grant, would exceed the \$7,164,000 maximum amount of the Grant; or the amount requested for funding under the Request for Funding for a particular Budget category, together with all amounts previously funded for such Budget category, would exceed the maximum amount allocated to such Budget

category; or Grantee failed to use any Grant funds funded to date in the amounts and for the purposes stated in the Budget;

(d) Grantee made a misrepresentation or omission of a material nature in the Grant Application, or any supplement or amendment to the Grant Application, or with respect to any document or data furnished with the Grant Application or pursuant to the Agreement;

(e) There is any pending litigation with respect to the performance by Grantee of any of its duties or obligations which may jeopardize or adversely affect the Project, the Agreement, or funding of the Grant; or a receiver or trustee has been appointed for the Company or a substantial portion of its assets; or any involuntary petition for relief under any bankruptcy or insolvency law has been filed against the Company and has not been dismissed within sixty (60) days; or the Company has voluntarily petitioned for relief under, or otherwise sought the benefit of, any bankruptcy, reorganization, arrangement or insolvency law, or made an assignment for the benefit of creditors;

(f) Grantee has taken any action pertaining to the Project which, under the Agreement, requires the approval of Triumph, and Grantee failed to obtain such approval;

(g) There has been a violation of the prohibited interest provisions of the Agreement;

(h) Grantee is in material violation, default, or breach of or under any provision of the Agreement;

(i) Grantee is in breach of any material representation or warranty contained in the Agreement;

(j) Grantee, the Company, or any federal, state, or local organization or agency (including Grantee) providing financial assistance to the Project has revoked, suspended, or terminated that financial assistance to the Project, including, but not limited to, the Matching Funds;

(k) The Matching Funds are not being used for the intended purposes and in the amounts and at the times as set forth in the Budget, and/or Grantee has failed to provide Triumph with evidence of payment of the Matching Funds toward completion of the Project;

(l) With respect to previous fundings of the Grant and payments under contracts, Grantee has failed to pay, or has failed to provide Triumph with evidence of payment of, the Grant for the purposes of such funding. Such evidence shall include, but not be limited to, payroll ledgers, state and

federal payroll returns, job descriptions, invoices, front and back of cancelled checks, wire transfer confirmations;

(m) Prior to the Completion Deadline (as defined below), Grantee has abandoned or discontinued the Project, or for any reason the commencement, prosecution, or timely completion of the Project by Grantee is rendered improbable, infeasible, impossible, or illegal, or the Company has failed to make substantial progress toward creating not less than 175 Net New Jobs;

(n) All or any portion of the requested funding includes funding for items that are outside the scope of the Project that is contemplated under the Budget;

(o) One or more of the contracts previously approved or deemed approved by Triumph have been modified, amended, or terminated, or have been subject to a change order, without the prior written consent or deemed approval of Triumph; provided, however, that any change order under \$65,000 shall not be subject to approval under the Agreement;

(p) Intentionally omitted;

(q) Without the prior approval of Triumph, the total Project cost as set forth in the Budget, the overall Budget, and/or a particular Budget category, has been cumulatively increased or decreased by more than 5%; and/or the Matching Funds have cumulatively increased or decreased by more than 5%; provided, however, that, not more than twice during the term of the grant and with prior approval of Triumph staff, Grantee may re-allocate Matching Funds among the budget categories for programmatic purposes even if such re-allocation is in excess of 5% of the category amount;

(r) Completion the Project is not on schedule for completion by the Completion Deadline (December 31, 2028)

(s) Grantee has failed to maintain in full force and effect all insurance required under the Agreement;

(t) Grantee is not in compliance with all applicable environmental laws and regulations in accordance with the Agreement;

(u) Grantee is not in compliance with the competitive bidding requirements set forth in the Agreement; and/or

(v) Grantee is not in compliance with the equal employment opportunity and other labor provisions as required by the Agreement.

ELIGIBLE COSTS/
DOCUMENTATION:

The total cost of the Project is \$41,100,000, of which (i) matching funds are being contributed by Grantee and others in the amount of \$33,936,000 (the “**Matching Funds**”), and (ii) up to \$7,164,000 is being provided by the Grant. The total estimated cost of the Project is based upon the Budget. To the extent that the actual cost of the Project exceeds \$41,100,000, Grantee shall be solely responsible for such excess. Grantee shall monitor the Budget and submit an amended Budget to Triumph in the event that (a) the total cost of the Project cumulatively increases or decreases by greater than five percent (5%), (b) the total Budget cumulatively increases or decreases by greater than five percent (5%), (c) the Budget cumulatively increases or decreases by greater than five percent (5%) within a particular Budget category, and/or (d) Grantee’s portion of the Matching Funds cumulatively increases or decreases by greater than five percent (5%). If Grantee proposes a cumulative increase or decrease by greater than five percent (5%) as described above, such proposal shall be submitted to Triumph in writing along with a proposed amended Budget, and Triumph shall have the right to approve or disapprove both the proposed Budget category increase or decrease and the proposed amended Budget. Triumph shall have sixty (60) days from receipt of the proposed amended budget to notify Grantee of its approval or disapproval. If Triumph fails to approve or disapprove of the proposed amended budget within such sixty (60) day period, the proposed amended budget shall be deemed disapproved. Using the Grant, its own funds, and funds from other sources (including, but not limited to, the Matching Funds), Grantee agrees to bear the entire cost and expense of the Project, including but not limited to, all costs and all expenses in excess of the total estimated cost of the Project, it being expressly understood and agreed that the Grant shall operate only to pay, on and subject to the terms and conditions set forth herein, a portion of the costs and expenses of the Project. Furthermore, Grantee agrees to spend all of the Matching Funds as contemplated in the Budget, and agrees that its failure to do so shall be deemed a material breach of the Agreement.

OWNERSHIP OF
IMPROVEMENTS

Grantee acknowledges and agrees that all improvements constructed with Grant funds shall be owned by Grantee.

RESTRICTIONS
ON LEASE
REVENUE

With respect to the lease revenue received by Grantee with respect to the use of the Facility by a Company (the “**Lease Revenue**”), such Lease Revenue shall be used solely for (i) economic development activities that do not supplant, or otherwise deduct from the funding of, other economic development activities typically funded by Grantee, and (ii) the operation, maintenance, and repair of the Facility. Upon request by Triumph, Grantee shall provide to Triumph records confirming the receipt and use of Lease Revenue as described above.

MAINTENANCE
OF RECORDS:

The Grant shall be subject to audits and/or monitoring by Triumph. Grantee shall on an annual basis on or before October 31 of each year submit to Triumph an activity report which contains, in addition to any other information requested by Triumph (a) the progress of the Project, (b) costs incurred to date, (c) how the Company is progressing toward achieving not less than the 175 Net New Jobs, (d) the use of the Lease Revenue (as defined in Section 5.13 below), and (e) Grantee’s most recent audited financial statements. The Company’s failure to be making substantial progress toward achieving not less than 175 Net New Jobs shall be grounds for suspension or termination of funding any unfunded portion of the Grant. In addition, Triumph shall have the right, at any time and from time to time upon reasonable notice to Grantee, to access the Project and inspect any work being performed or as completed. Grantee shall also make available to Triumph copies of any and all invoices, contracts, plans and specifications, and other documentation relating to the Project.

Grantee shall establish and maintain within its existing accounting system or independently from its accounting system a detailed listing of all expenses related to the project. Records of costs incurred under terms of the Agreement shall be maintained in the listing along with supporting documentation and be made available upon request to Triumph during the period of the Agreement and for seven (7) years after final payment of the Grant is made.

AUDITS:

The Grant shall be subject to audits and/or monitoring by Triumph and applicable public records laws.

TERMINATION
OR SUSPENSION
OF PROJECT:

If Grantee abandons, suspends, or discontinues the Project, or fails to complete the Project by the Completion Deadline (subject to *force majeure* events), or for any other reason, the commencement, prosecution, or timely completion of the Project by Grantee is rendered improbable, infeasible, impossible, or illegal, Triumph shall have the right, by written notice to Grantee, to (i) suspend any further disbursements of the Grant and/or any or all of Triumph's other obligations under the Agreement until such time as the event or condition resulting in such abandonment, suspension, or discontinuation has ceased or been corrected, and/or (ii) revoke and terminate the Grant. If Triumph issues a final termination or revocation notice, then Grantee shall, upon written demand by Triumph, repay to Triumph all portions of the Grant theretofore disbursed to and received by Grantee.

APPROVAL OF
CONTRACTS
AND CHANGE
ORDERS:

Triumph shall have the right to review and approve any and all contracts with a value in excess of \$325,000 (including but not limited to continuing service contracts) and/or any and all proposed change orders with a value in excess of \$65,000 before Grantee executes or obligates itself in any manner. Triumph shall have fifteen (15) days from receipt of a proposed contract or change order to notify Grantee of its approval or disapproval. If Triumph fails to approve or disapprove within such fifteen (15) day period, the contract or change order shall be deemed approved.

COMPLIANCE
WITH LAWS:

Grantee shall also comply with all applicable laws regarding third party contracts, labor laws, and civil rights laws. The Agreement also has prohibitions on conflicts of interest.

INSURANCE:

Grantee shall keep and maintain or cause to be maintained casualty insurance on all improvements that constitute the Project, the cost of which was in whole or in part funded using the Grant, but only to the extent that such improvements can in fact be insured. In the event of the loss of such improvements, Grantee shall either replace the improvements or reimburse Triumph to the extent the Grant was used to purchase or such improvements. Grantee shall carry or cause contractors under the contracts to carry and keep in force Worker's Compensation insurance as required for the State of Florida under the Worker's Compensation Law.

PERFORMANCE METRICS:

Any Grant funds disbursed by Triumph to Grantee shall be subject in being repaid ("clawed back") in the event (i) Grantee abandons, suspends or discontinues the Project, or fails to complete the Project by the Completion Deadline, and/or (ii) Grantee made any materially false certification or representation to Triumph in connection with its application for the Grant, under the Agreement, and/or in connection with any request for reimbursement, and/or (iii) Grantee breaches any obligation under the Agreement, and/or (iv) Grantee fails to achieve the Performance Metrics described below

(a) Performance Metric #1: By the date (the "Ramp-Up Deadline") which is the earlier of (i) three (3) years after the date that the construction of the Facility has been substantially completed as evidenced by a certificate of occupancy or other reasonable evidence, or (ii) by December 31, 2028, the Company will have created at least 175 Net New Jobs; and

(b) Performance Metric #2: All of the 175 Net New Jobs shall have been maintained for at least three (3) years after the Ramp-Up Deadline.

As used herein, a "**Net New Job**" shall mean a full-time equivalent (FTE) job with the Company at the Facility which would qualify as being within a designated target industry under Section 288.005(7), Florida Statutes, paying a wage that is at or above 115% of the Santa Rosa County average wage as of the Commencement Date (based on the Florida Commerce incentive wage chart) that (a) was created after May 31, 2024, (b) could not be sustained absent the availability of the Facility, and (c) is performed by a full-time employee or a full-time equivalent employee working at least 35 paid hours per week. Jobs are not considered Net New Jobs if they are (A) moved from one to another business within the Company in Florida,

unless the relocated positions are back-filled with net new-to-Florida full-time-equivalent jobs paying at least the wage of the transferred position(s); or (B) temporary construction jobs involved with the construction of the Facility, or temporary or seasonal jobs associated with cyclical business activities or to substitute for permanent employees on a leave of absence.

The calculation of the number of Net New Jobs shall be made by Rick Harper or another similarly qualified economist or analyst selected by Triumph.

CLAWBACKS:

Upon the occurrence of any of the events described in items (i), (ii), or (iii) above under Performance Metrics, then, upon written demand by Triumph, Grantee shall upon demand repay to Triumph all amounts of the Grant that were theretofore funded to and received by Grantee, together with interest at a rate not to exceed the rate allowed per Section 687.02, Florida Statutes, on such amounts to be repaid. Such interest shall accrue commencing on the date of such written demand by Triumph and shall continue to accrue until the amount demanded is repaid in full.

In the event the Performance Metrics are not timely achieved as described above, then Grantee shall repay to Triumph an amount of the Grant proportional to the jobs shortfall, based on \$40,937 per job (see the basis for this number below). For example, if there is a shortfall of 1 job (174 jobs created or maintained instead of 175), then the amount owed would be \$40,937 (1 x 40,937), and if there is a shortfall of 25 jobs (150 jobs created or maintained instead of 175), then the amount owed would be \$1,023,425 (25 x \$40,937). The \$40,937 per job amount is determined by dividing the \$7,164,000 Grant amount by the 175 promised jobs. Upon written demand by Triumph, Grantee shall repay to Triumph the amount due, together with interest at a rate not to exceed the rate allowed per Section 687.02, Florida Statutes, on such amounts to be repaid.

Notwithstanding the foregoing, Triumph shall have the discretion to waive, reduce, extend, or defer any amounts due under if it determines in its sole and absolute discretion that (i) a breach of a representation and warranty herein or in the Grant Application, or a breach, violation, or default of or under any other provision of the Agreement, was not material in nature, (ii) based on quantitative evidence, the creation of not less than 175 Net New Jobs was not achieved due to negative economic conditions beyond Grantee's reasonable control, (iii) the Company made a good faith effort to create not less than 175 Net New Jobs, and/or (iv) based on quantitative evidence, the effects of a named hurricane or tropical storm, or specific acts of terrorism, adversely affected the Company's ability to create not

less than 175 Net New Jobs. In no event shall the total amount clawed back exceed the total amount of the Grant actually disbursed to Grantee.

OTHER TERMS
AND
CONDITIONS:

This is a summary only. The Agreement contains such other covenants, representations and warranties, and other terms and conditions as agreed to by Triumph and Grantee.

EXHIBIT "B"

BUDGET

[see attached]

Exhibit B

Bagdad Distribution Center Spec Building
 Estimated construction start date

		Design	Closing Cost	Land Acquisition	Construction	Total
Project Total	Pre-Award	300,000.00				300,000.00
	2024	-	50,000.00	4,700,000.00	1,400,000.00	6,150,000.00
	2025	-	-	-	14,475,000.00	14,475,000.00
	2026	-	-	-	11,900,000.00	11,900,000.00
	2027	-	-	-	8,275,000.00	8,275,000.00
	2028	-	-	-	-	-
Project Total		300,000.00	50,000.00	4,700,000.00	36,050,000.00	41,100,000.00
Triumph	2024			4,364,000.00	1,400,000.00	5,764,000.00
	2025				1,375,000.00	1,375,000.00
	2026					
	2027				25,000.00	25,000.00
	2028					
Triumph Total				4,364,000.00	2,800,000.00	7,164,000.00
Grantee	2024			336,000.00		336,000.00
	2025					
	2026					
	2027					
	2028					
Grantee Total				336,000.00	-	336,000.00
Company	Pre-Award	300,000.00				300,000.00
	2024		50,000.00			50,000.00
	2025				13,100,000.00	13,100,000.00
	2026				11,900,000.00	11,900,000.00
	2027				8,250,000.00	8,250,000.00
	2028					
Match Source 1 Total		300,000.00	50,000.00	-	33,250,000.00	33,600,000.00