

SUMMARY
OF
GRANT AWARD AGREEMENT
BETWEEN
TRIUMPH GULF COAST, INC.
AND
WAKULLA COUNTY SCHOOL BOARD

This summarizes the basic terms upon which Triumph Gulf Coast, Inc. (“Triumph”) is considering awarding a grant to the Wakulla County School Board (“WCSB”) 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 WCSB, and (b) does not create any binding obligations on Triumph or WCSB 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 must be contained in a definitive grant award agreement (the “Agreement”), approved by the respective Boards of Directors of Triumph and WCSB and executed by Triumph and WCSB.

GRANT AMOUNT: Three Million Nine Hundred Twenty Six Thousand Eight Hundred Sixty Dollars (\$3,926,867)

PURPOSE: To provide partial funding for a project (the “**Project**”) for the (i) design and construction of a new school bus garage in Crawfordville, Florida, (ii) design and renovation of the existing school bus garage at Wakulla High School to be used for a career and technical center supporting automotive repair/technician training programs and HVAC technician training programs, and (iii) purchase computers and other equipment for computer labs in four elementary and two middle schools in the Wakulla County School District, all as further described in WCSB’s Application for Funds submitted to Triumph on February 12, 2018, as amended and supplemented on April 3, 2018 (the “Grant Application”).

BUSINESS

DONATIONS: WCSB shall make reasonable good faith efforts, up until the Completion Deadline (as defined below), to solicit and obtain financial contributions

to support the Project and/or in-kind contributions of services and/or computers and other equipment from businesses and industry that would support the Project (“**Business Donations**”). Such reasonable good faith efforts shall include sending letters to area businesses, building a file or database of business names in area to annually solicit donations, and maintaining records of donations. WCSB shall provide Triumph with documentation and other evidence of such reasonable good faith efforts, which documentation shall include, but not be limited to, WCSB’s good faith estimate of the fair market value of such Business Donations. The maximum amount of the Grant shall be reduced by an amount equal to fifty percent (50%) of the fair market value of any Business Donations. Triumph shall have the right to approve, disapprove, or modify WCSB’s good faith estimate of the fair market value of such Business Donations

FUNDING:

One Hundred Eighty Thousand and 00/100 Dollars (\$180,000.00) of the Grant shall be disbursed to WCSB within thirty (30) days of the effective date (the “Effective Date”) of the Agreement (the “**Initial Disbursement**”). The Initial Disbursement shall be used solely to purchase computers and other equipment for computer labs in four elementary and two middle schools in the Wakulla County School District, all as further described in the Grant Application (the “**Technology Items**”). Within thirty (30) days after WCSB’s actual purchase of the Technology Items, WCSB shall deliver to Triumph copies of receipts and proof of payment. None of the Initial Disbursement shall be used as a reimbursement of items purchased by WCSB prior to the Effective Date.

a) After the Initial Disbursement is made, the remaining balance of the Grant shall be used solely for (i) design and construction of a new school bus garage in Crawfordville, Florida, and (ii) design and renovation of the existing school bus garage at Wakulla High School to be used for a career and technical center supporting automotive repair/technician training programs and HVAC technician training programs, all as more particularly described in the Grant Application (collectively, the “**Construction**”), and shall be disbursed as follows:

- (i) First, before any subsequent disbursements of the Grant are made in accordance with subparagraph (ii) below, WCSB shall have paid all of the \$375,000 matching funds described in the Grant Application (the “**Matching Funds**”) to architects, engineers, contractors, materialmen, and other vendors performing the Construction under contracts for the Construction (each, a “**Contract**,” and collectively, the “**Contracts**”).

- (ii) Thereafter, WCSB shall submit to Triumph one or more Requests for Disbursement, which shall include (A) invoices from architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts; (B) documentation evidencing the completion of the work that is the subject of the invoices, and (C) such other documents as Triumph shall require in order to determine that the requested disbursement is consistent with the purposes of the Grant, including, with respect to the first Request for Disbursement, evidence that WCSB paid the entire Matching Funds to architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts. WCSB shall not submit more than four (4) Requests for Disbursement in any single calendar month. All amounts disbursed to WCSB pursuant to a Request for Disbursement shall then be paid by WCSB to architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts or, to the extent that WCSB has already paid amounts due under Contracts for work or materials described in the Request for Disbursement, such amounts already paid shall be retained by WCSB as a reimbursement for such payments. None of the amounts paid by WCSB in connection with the invoices submitted in an Request for Disbursement and then disbursed by Triumph shall also have been or will in the future be in any manner (a) reimbursed, returned, refunded, rebated, or otherwise credited to, WCSB by any contractor, materialman, vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to WCSB 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 WCSB shall not receive payments, refunds, reimbursements, rebates or credits from any sources in amounts collectively exceeding 100% of the invoices under each Contract. All amounts disbursed pursuant to a Request for Disbursement shall be paid to architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts or, to the extent WCSB has already paid amounts due under Contracts, retained by WCSB as a reimbursement for such payments.

Triumph will honor requests for reimbursement to WCSB; however, Triumph may elect by notice in writing not to make a payment if, among other things:

- (a) Missing or incomplete documentation;
- (b) The Request for Disbursement seeks reimbursement for more than amounts actually invoiced by contractors, materialmen, or vendors under the Contracts;
- (c) The amount requested for disbursement under the Request for Disbursement, together with all amounts previously disbursed under the Grant, would exceed the \$3,926,867 maximum amount of the Grant;
- (d) WCSB 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 WCSB of any of its duties or obligations which may jeopardize or adversely affect the Project, the Agreement, or disbursement of the Grant;
- (f) WCSB has taken any action pertaining to the Project which, under the Agreement, requires the approval of Triumph, and WCSB failed to obtain such approval;
- (g) There has been a violation of the prohibited interests provisions of the Agreement;
- (h) WCSB is in violation, default, or breach of or under any provision of the Agreement;
- (i) WCSB is in breach of any representation or warranty contained in the Agreement;
- (j) Any federal, state, or local agency (including WCSB) 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) WCSB has failed to pay, and failed to provide Triumph with evidence of payment of the Matching Funds toward completion of the Project;
- (l) Prior to November 30, 2021 (the “**Completion Deadline**”), WCSB has abandoned or discontinued the Project, or for any reason the commencement, prosecution, or timely completion of the Project by WCSB is rendered improbable, infeasible, impossible, or illegal;
- (m) All or any portion of the requested reimbursement includes reimbursement for improvements that are outside the scope of the Project that is contemplated under the Budget (as defined below); or
- (n) One or more of the Contracts have been modified, amended, or terminated without the prior consent or approval of (i) Triumph, or (ii) the State of Florida, or (iii) any executive agency thereof that is subject to budget oversight authority of the Florida Legislature; provided, however, that any change order under \$10,000 shall not be subject to approval under the Agreement;
- (o) WCSB shall have failed to make reasonable good faith efforts to obtain Business Donations, and/or shall have failed to provide Triumph with satisfactory evidence of such efforts. Such evidence shall include a

spreadsheet listing the Business Donations, the donors, and WCSB's determination of the fair market value of the Business Donations, together with the latest sample form of letter or other communication requesting such Business Donations

ELIGIBLE COSTS/
DOCUMENT-
ATION:

The total estimated cost of the Project is \$ \$4,121,867, of which WCSB shall pay using the \$375,000 in Matching Funds and \$3,926,867 shall be provided by the Grant. The total estimated cost of the Project is based upon the budget attached to the Agreement (the "**Budget**"). WCSB shall monitor the Budget and submit an amended Budget to Triumph in the event that the Budget increases or decreases by greater than five percent (5%) in the aggregate of the total cost of the Project. Any increase or decrease by greater than five percent (5%) in the aggregate of the total cost of the Project as compared to the most recently approved Budget shall require approval of Triumph. Triumph shall have fifteen (15) days from the receipt of a proposed amended Budget to notify WCSB of its approval or disapproval of such change. If Triumph fails to approve or disapprove the amended Budget within such fifteen (15) day period, the amended Budget shall be deemed approved as submitted. If WCSB fails to obtain Triumph's approval or deemed approval, that failure shall be sufficient cause for nonpayment by Triumph as provided in Section 3.2(f). Using its own funds and funds from other grants, WCSB 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 disburse to WCSB, on and subject to the terms and conditions set forth herein, a portion of the costs and expenses to be paid by WCSB at the time(s) of such disbursement. The schedule of completion of the Project shall be developed by Triumph and WCSB as Contracts and change orders are approved as provided herein, and executed by WCSB, such schedule shall be updated and revised from time to time by Triumph and WCSB (the "**Completion Schedule**"). WCSB shall take all steps reasonably necessary to maintain the Completion Schedule. WCSB shall notify Triumph of any anticipated changes to the Completion Schedule and shall work with Triumph to update and revise the Completion Schedule such that it reflects the anticipated schedule of completion of the Project.

MAINTENANCE
OF RECORDS:

WCSB shall submit to Triumph such data, reports, records, contracts and other documents relating to the Project as Triumph may require. During the Construction portion of the Project, WCSB shall on a quarterly basis submit to Triumph an activity report which outlines the progress of Construction and the cost of the Project incurred to date. Upon completion of the Project, WCSB shall send Triumph a notice certifying that the Project was completed in accordance with the plans and specifications, the Contracts, and all applicable standards, statutes, rules and regulations, including all applicable laws regarding public records, labor laws, and civil rights laws. Within thirty (30) days after receipt of certification of completion, Triumph and/or its agents, engineers, and consultants shall have the right to inspect the Project to determine if it was in fact completed in accordance with the plans and specifications. If so, and subject to Triumph's receipt of an approved Request for Disbursement, Triumph shall disburse final payment of the Grant to WCSB; if not, no Grant funds shall be disbursed unless and until WCSB promptly corrects any deficiencies and Triumph thereafter determines that it was finally completed in accordance with the plans and specifications. In connection with its inspection of the Project, WCSB shall make available to Triumph copies of any and all invoices, contracts, plans and specifications, and other documentation relating to the construction and completion of the Project. Once construction is completed and Triumph has approved such completion, and until such time as WCSB has achieved at least one of the performance metrics described below, WCSB shall, on an annual basis within thirty (30) days of the end of its fiscal year, submit to Triumph an activity report on the operations of the Project and the progress of satisfaction of the performance metrics, which reports shall include, among other things, its most recent audited financial statements. Triumph shall have the right, at any time and from time to time upon reasonable notice to WCSB, to access the Project and inspect the work being performed or as completed.

WCSB shall establish separate accounts to be maintained within its existing accounting system or establish independent accounts with respect to the Project. Such accounts are referred to herein collectively as the "**Project account.**" Records of costs incurred under terms of the Agreement shall be maintained in the Project account and made available upon request to Triumph at all times during the period of the Agreement and for eight (8)

years after final payment of the Grant is made. Copies of these documents and records shall be made available to Triumph upon request. Records of costs incurred include WCSB's general accounting records and the Project records, together with supporting documents and records, of WCSB and all consultants performing work on the Project and all other records of WCSB and consultants considered necessary by Triumph for a proper audit of costs. If any litigation, claim, or audit is started before the expiration of the eight (8) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

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

TERMINATION
OR SUSPENSION
OF PROJECT:

If WCSB 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 WCSB is rendered improbable, infeasible, impossible, or illegal, Triumph shall have the right, by written notice to WCSB, 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 WCSB shall, upon written demand by Triumph, repay to Triumph all portions of the Grant theretofore disbursed to and received by WCSB

APPROVAL OF
CONTRACTS:

Triumph shall have the right to review and approve any and all proposed Contracts and any proposed change orders to said Contracts before WCSB executes or obligates itself in any manner; provided, however, that any Contract or change order that was approved by either (i) the State of Florida, or (ii) any executive agency thereof that is subject to budget oversight authority of the Florida Legislature shall not require Triumph's approval. Any change order to any Contract under \$10,000 shall also not be subject to approval under the Agreement. Triumph shall have fifteen (15) days from receipt of a proposed Contract or change order to notify

WCSB of its approval or disapproval of such Contract or change order. If Triumph fails to approve or disapprove of a Contract or change order within such fifteen (15) day period, the subject Contract or change order shall be deemed approved. If WCSB fails to obtain approval from Triumph or the State of Florida or any executive agency thereof that is subject to budget oversight authority of the Florida Legislature, that failure shall be sufficient cause for nonpayment by Triumph. Triumph also reserves unto itself the right to review the qualifications of any consultant or contractor and to approve or disapprove the employment of same.

COMPLIANCE
WITH LAWS:

WCSB shall also comply with all applicable laws regarding third party contracts, labor laws, and civil rights laws. The Contract shall also have prohibitions on conflicts of interest.

INSURANCE:

At all times during the term of the Contract, WCSB shall maintain or cause to be maintained casualty insurance on all improvements, the cost of which was in whole or in part was reimbursed using Triumph grant funds, to the extent such improvements can in fact be insured. In the event of the loss of such equipment or improvements, WCSB shall either replace the equipment or improvements or reimburse Triumph to the extent the Grant was used to purchase or construct such equipment or improvements.

CLAWBACK:

Any grant funds disbursed by Triumph to WCSB shall be subject in being repaid (“clawed back”) in the event (i) WCSB abandons, suspends or discontinues the Project, or fails to complete the Project by Completion Deadline, and/or (ii) WCSB made any materially false certification or representation to Triumph in connection with its application for the grant, under the Contract, and/or in connection with any request for reimbursement, and/or (iii) WCSB breaches any obligation under the Contract, and/or (iv) WCSB fails to achieve at least one of the following performance metrics:

1. **Performance Metric #1:** For the 2022-2023 school year, there shall have been issued at least 300 certifications in K-5 digital tools, 50 certifications in grades 6 - 8 digital tools, 30 certifications in HVAC, and 30 certifications in Automotive.
2. **Performance Metric #2:** Between the beginning of the 2019-2020 school year and the end of the 2021-2022 school year, in the aggregate at least seventy percent (70%) of those enrolled in

the K-5 digital tools, grades 6 - 8 digital tools, HVAC, and Automotive certification program actually complete the program and obtain a certificate.

3. **Performance Metric #3:** Based on State of Florida datasets on wages paid to individuals (adjusted for regional cost of living differences), between the beginning of the 2019-2020 school year and the end of the 2022-2023 school year with respect to those students that have graduated from the post-secondary program and for whom employment wage data is available from the State of Florida, one year after certification, or within three (3) months after data becomes available with the Department of Education, at least one-half of the students, shall have wages (appropriately de-identified) equal to or greater than the average entry-level wage for that occupation in this geographic area as identified by CareerSource Florida or a similar source approved for this purpose by Triumph.

The calculation of the number of certifications and the other performance metrics shall be made by Rick Harper or another similarly qualified economist or analyst selected by Triumph.

Triumph shall have the discretion to waive, reduce, extend, or defer any clawback amounts due 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 this Agreement, was not material in nature, (ii) based on quantitative evidence, the performance metrics were not achieved due to negative economic conditions beyond WCSB's reasonable control, (iii) WCSB made a good faith effort to achieve full performance of at least one of the performance metrics and its failure to do so does not substantially frustrate the general purpose of the Grant, and/or (iv) based on quantitative evidence, the effects of a named hurricane or tropical storm, or specific acts of terrorism, adversely affected WCSB's ability to achieve at least one of the performance metrics.

OTHER TERMS
AND
CONDITIONS:

This is a summary only. The Contract shall contain such other covenants, representations and warranties, and other terms and conditions as required by Triumph and its counsel.