

SUMMARY
OF
GRANT AWARD AGREEMENT
BETWEEN
TRIUMPH GULF COAST, INC.
AND
WALTON COUNTY SHERIFF'S OFFICE
(Project #98)

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 Walton County Sheriff’s Office (“WCSO”) 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 WCSO, and (b) does not create any binding obligations on Triumph or WCSO 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 Grant Award Agreement (the “**Agreement**”) approved by the Board of Directors of Triumph and WCSO and executed by Triumph and WCSO.

GRANT AMOUNT: Two Million Two Hundred Seventeen Thousand Nine Hundred Sixty Five Dollars (\$2,217,965)

PURPOSE: To provide partial funding for the following projects (collectively, the “**Project**”): (i) design and construction (“**Construction**”) of a driving pad and classrooms on WCSO property that will allow the establishment of a commercial driving license (“**CDL**”) program (the “**WCSO Facility**”), (ii) Construction of pole barn facilities on the campus of Emerald Coast Technical College (“**ECTC**”)to house an enhanced welding classroom, AWS testing facility, and HVAC enhanced classroom (the “**ECTC Facility**”), (iii) instructor salaries for CDL, welding, and HVAC instructors (“**Salaries**”), (iv) capitalized furniture, fixtures, and equipment for classrooms (“**Equipment**”), and (v) non-capitalized computer equipment for instruction and industry certification test preparation and examination delivery (“**Computers**”), all as further described in WCSO’s Application for Funds submitted to Triumph (the “**Grant Application**”), which Grant Application is incorporated herein by reference.

FUNDING:

(a) \$35,000 of the Grant shall be allocated for the Salaries and shall be disbursed within thirty (30) days after the later to occur of (i) full execution of the Agreement, and (ii) WCSO furnishing to Triumph satisfactory evidence that it has committed or otherwise allocated \$110,000 of its own Matching Funds (as described below) for the Salaries. WCSO shall submit to Triumph an Application for Disbursement on the form attached to the Agreement (an “**Application for Disbursement**”).

(b) \$1,043,465 of the Grant shall be allocated for the Construction of the WCSO Facility, and shall be disbursed from time to time as contractor invoices for completed work are submitted to Triumph. WCSO shall submit to Triumph one or more Applications for Disbursement, each for an amount not to exceed 80.7% of the amount of the invoice(s) owing by WCSO to the contractors, materialmen, or vendors under the Contracts (such 80.7% being determined as provided below). Each Application for Disbursement 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. WCSO shall notify the Triumph Program Administrator via email each time an Application for Disbursement is submitted. WCSO shall not submit more than one (1) Application for Disbursement under this subparagraph (b) in any single calendar month, and such Application for Disbursement must be submitted concurrently with any Application for Disbursement for that month under subparagraphs (c), (d) and/or (e). All amounts disbursed to WCSO pursuant to an Application for Disbursement shall then be paid by WCSO to architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts or, to the extent that WCSO has already paid amounts due under Contracts for work or materials described in the Application for Disbursement, such amounts already paid shall be retained by WCSO as a reimbursement for such payments. None of the amounts paid by WCSO in connection with the invoices submitted in an Application 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, WCSO by any contractor, materialman, vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to WCSO 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 WCSO 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 an Application for Disbursement shall be paid to architects, engineers, contractors,

materialmen, and other vendors performing the Construction under Contracts or, to the extent WCSO has already paid amounts due under Contracts, retained by WCSO as a reimbursement for such payments.

(c) \$1,000,000 of the Grant shall be allocated for the Construction of the ECTC Facility, and shall be disbursed from time to time as contractor invoices for completed work are submitted to Triumph. WCSO shall submit to Triumph one or more Applications for Disbursement, each for an amount not to exceed 50.0% of the amount of the invoice(s) owing by WCSO to the contractors, materialmen, or vendors under the Contracts (such 50.0% being determined as provided below). Each Application for Disbursement 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. WCSO shall notify the Triumph Program Administrator via email each time an Application for Disbursement is submitted. WCSO shall not submit more than one (1) Application for Disbursement under this subparagraph (c) in any single calendar month, and such Application for Disbursement must be submitted concurrently with any Application for Disbursement for that month under subparagraphs (b), (d) and/or (e). All amounts disbursed to WCSO pursuant to an Application for Disbursement shall then be paid by WCSO to architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts or, to the extent that WCSO has already paid amounts due under Contracts for work or materials described in the Application for Disbursement, such amounts already paid shall be retained by WCSO as a reimbursement for such payments. None of the amounts paid by WCSO in connection with the invoices submitted in an Application 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, WCSO by any contractor, materialman, vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to WCSO 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 WCSO 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 an Application for Disbursement shall be paid to architects, engineers, contractors, materialmen, and other vendors performing the Construction under Contracts or, to the extent WCSO has already paid amounts due under Contracts, retained by WCSO as a reimbursement for such payments.

(d) \$109,500 of the Grant shall be allocated for the purchase of the Equipment, and shall be available for disbursement after WCSO has spent all of the \$625,000 of the Matching Funds for the Dump Truck/Heavy Equipment/Simulation Equipment as shown in the Budget. Such \$109,500 portion of the Grant shall be disbursed from time to time as copies of contracts, purchase orders, invoices, or other documentation are submitted to Triumph. WCSO shall submit to Triumph one or more Applications for Disbursement, each for an amount not to exceed 55.6% of the amount of the invoice, contract, or purchase order from a vendor (such 55.6% being determined as provided below). Each Application for Disbursement shall include (A) copies of contracts, purchase orders, invoices, or other documentation relating to the purchase of the Equipment, and (B) such other documents as Triumph shall require in order to determine that the requested disbursement is consistent with the purposes of the Grant. WCSO shall notify the Triumph Program Administrator via email each time an Application for Disbursement is submitted. WCSO shall not submit more than one (1) Application for Disbursement under this subparagraph (d) in any single calendar month, and such Application for Disbursement must be submitted concurrently with any Application for Disbursement for that month under subparagraphs (b), (c) and/or (e). All amounts disbursed to WCSO pursuant to an Application for Disbursement shall then be paid by WCSO to the applicable vendor or, to the extent that WCSO has already paid amounts to the vendor, such amounts already paid shall be retained by WCSO as a reimbursement for such payments. None of the amounts paid by WCSO in connection with the invoices submitted in an Application 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, WCSO by any vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to WCSO 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 WCSO shall not receive payments, refunds, reimbursements, rebates or credits from any sources in amounts collectively exceeding 100% of the invoices for the Equipment. All amounts disbursed pursuant to an Application for Disbursement shall be paid to vendors or, to the extent WCSO has already paid amounts due for the Equipment, retained by WCSO as a reimbursement for such payments.

(e) \$30,000 of the Grant shall be allocated for the purchase of the Computers, and shall be disbursed from time to time as copies of contracts, purchase orders, invoices, or other documentation are submitted to Triumph. WCSO shall submit to Triumph one or more Applications for Disbursement, each for an amount not to exceed 55.6% of the amount of the invoice, contract, or purchase order from a vendor (such 55.6% being determined as provided below). Each Application for Disbursement shall include (A) copies of contracts, purchase orders, invoices, or other

documentation relating to the purchase of the Computers, and (B) such other documents as Triumph shall require in order to determine that the requested disbursement is consistent with the purposes of the Grant. WCSO shall notify the Triumph Program Administrator via email each time an Application for Disbursement is submitted. WCSO shall not submit more than one (1) Application for Disbursement under this subparagraph (e) in any single calendar month, and such Application for Disbursement must be submitted concurrently with any Application for Disbursement for that month under subparagraphs (b), (c) and/or (d). All amounts disbursed to WCSO pursuant to an Application for Disbursement shall then be paid by WCSO to the applicable vendor or, to the extent that WCSO has already paid amounts to the vendor, such amounts already paid shall be retained by WCSO as a reimbursement for such payments. None of the amounts paid by WCSO in connection with the invoices submitted in an Application 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, WCSO by any vendor, or any other person or entity, or (b) paid, reimbursed, returned, refunded, rebated, or otherwise credited to WCSO 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 WCSO shall not receive payments, refunds, reimbursements, rebates or credits from any sources in amounts collectively exceeding 100% of the invoices for the Computers. All amounts disbursed pursuant to an Application for Disbursement shall be paid to vendors or, to the extent WCSO has already paid amounts due for the Computers, retained by WCSO as a reimbursement for such payments.

(f) Each Application for Disbursement shall include a copy of the most recent Project account documentation.

(g) Triumph shall not be obligated to make the final disbursement of the Grant under subparagraphs (d) or (e) above until WCSO provides satisfactory evidence that WCSO has properly and fully expended the \$40,500 of the Matching Funds of Training Materials and \$120,600 of the Matching Funds on Dues/Fees/Tuition Support as provided in the Budget.

Within forty-five (45) days of notification and receipt of an Application for Disbursement that includes all required supporting documents, Triumph shall either approve or disapprove of the Application for Disbursement. If Triumph approves the Application for Disbursement, then it shall disburse the approved amount to WCSO within thirty (30) days after approval. If Triumph disapproves the Application for Disbursement, 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 WCSO's submittal of missing or

corrective items, WCSO shall have thirty (30) days following receipt of the notice of disapproval to submit such missing or corrective items. If Triumph fails to notify WCSO of its disapproval of the Application for Disbursement within forty-five (45) days of receipt, such Application for Disbursement shall be deemed disapproved.

Reasons for disapproving an Application for Disbursement must include one or more of the following:

- (a) Missing or incomplete documentation;
- (b) The Application for Disbursement seeks disbursement for more than the amounts actually invoiced by contractors, materialmen, or vendors under the Contracts;
- (c) The amount requested for disbursement under the Application for Disbursement, together with all amounts previously disbursed under the Grant, would exceed the \$2,217,965 maximum amount of the Grant;
- (d) WCSO 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 WCSO of any of its duties or obligations which may jeopardize or adversely affect the Project, the Agreement, or disbursement of the Grant;
- (f) WCSO has taken any action pertaining to the Project which, under the Agreement, requires the approval of Triumph, and WCSO failed to obtain such approval;
- (g) There has been a violation of the anti-lobbying or prohibited interest provisions of the Agreement;
- (h) WCSO is in material violation, default, or breach of or under any provision of the Agreement;
- (i) WCSO is in breach of any material representation or warranty contained in the Agreement;
- (j) Any federal, state, or local agency (including WCSO) 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 amount and at the times as set forth in a schedule of expenses approved by Triumph;
- (l) With respect to previous disbursements of the Grant, WCSO has failed to pay, or has failed to provide Triumph with evidence of payment of, the Grant for the purposes of such disbursement;
- (m) Prior to the February 28, 2020 (the “Completion Deadline”), WCSO has abandoned or discontinued the Project, or for any reason the commencement, prosecution, or timely completion of the Project by WCSO is rendered improbable, infeasible, impossible, or illegal;
- (n) All or any portion of the requested disbursement includes disbursement for improvements that are outside the scope of the Project that is contemplated under the Budget (as defined below);
- (o) One or more of the Contracts previously approved or deemed approved by Triumph have been modified, amended, or terminated without the actual or deemed prior consent or approval of Triumph; provided, however, that any change order under \$10,000 shall not be subject to approval under the Agreement; or
- (p) WCSO shall have failed to perform its obligations described below with respect to Business Community Involvement, and/or shall have failed to provide Triumph with satisfactory evidence of compliance with such obligations.

**BUSINESS
COMMUNITY
INVOLVEMENT:**

WCSC shall request that ECTC make reasonable good faith efforts to (i) solicit and obtain financial contributions to support the Project and/or in-kind contributions of services and/or tools and other equipment from businesses and industry that would support the Project, and (ii) coordinate and collaborate with the regional Career Source Florida organization to build relationships with local businesses to develop curriculum and generally support the success of the Project (collectively, the “Business Community Involvement”).

ELIGIBLE COSTS/
DOCUMENTATION:

The total cost of the Project is \$4,451,565, of which (i) \$2,233,600 shall be paid by WCSO as matching funds (the "Matching Funds"), and (ii) \$2,217,965 shall be provided by the Grant. The Grant and Matching Funds shall be allocated among the various components of the Project as follows:

Project	Project Cost	Grant Funds/%	Matching Funds/%
Salaries	\$ 145,000	\$ 35,000/24.1%	\$ 110,000/75.9%
WCSO Facility	\$1,293,465	\$1,043,465/80.7%	\$ 250,000/19.3%
ECTC Facility	\$2,000,000	\$1,000,000/50%	\$1,000,000/50%
Dump Truck/ Heavy Equipment/ Simulation Equip- ment/Classroom	\$ 625,000	\$ 0/0%	\$ 625,000/100%
Equipment	\$ 197,000	\$ 109,500/55.6%	\$ 87,500/44.4%
Computers	\$ 30,000	\$ 30,000/100%	\$0/0%
Training Materials	\$ 40,500	\$ 0/0%	\$ 40,500/100%
Dues/Fees/Tuition Support	\$ 120,600	\$ 0/0%	\$ 120,600/100%
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Total:	\$4,451,565	\$2,217,965	\$2,233,600

The total estimated cost of the Project and the allocation of Matching Funds is based upon the budget set forth in Exhibit "B" attached to and incorporated into the Agreement (the "Budget"). WCSO 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 WCSO 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 WCSO fails to obtain Triumph's approval or deemed approval, that failure shall be sufficient cause for nonpayment by Triumph. Using the Grant, its own funds, and funds from other grants, if any, WCSO 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.

MAINTENANCE OF RECORDS:

WCSO shall submit to Triumph such data, reports, records, contracts and other documents relating to the Project as Triumph may require, which reports shall include, among other things, its most recent audited financial statements. WCSO shall on an annual basis submit to Triumph an activity report which outlines the progress of the Project, costs incurred to date, and the progress of satisfaction of the performance metrics described below. In connection with its inspection of the Project, WCSO shall make available to Triumph copies of any and all invoices, contracts, plans and specifications, and other documentation relating to the Project. Triumph shall have the right, at any time and from time to time upon reasonable notice to WCSO, to access the Project and inspect any Equipment and work being performed or as completed.

WCSO shall establish separate accounts to be maintained within its existing accounting system or establish independent accounts with respect to the Project, including, but not limited to, payroll records, class schedules, and job descriptions with respect to personnel used in connection with the Matching Funds. 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 WCSO's general accounting records and the Project records, together with supporting documents and records, of WCSO and all consultants performing work on the Project and all other records of WCSO 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 WCSO 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 WCSO is rendered improbable, infeasible, impossible, or illegal, Triumph shall have the right, by written notice to WCSO, 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 WCSO shall, upon written demand by Triumph, repay to Triumph all portions of the Grant theretofore disbursed to and received by WCSO

APPROVAL OF
CONTRACTS:

Triumph shall have the right to review and approve any and all proposed contracts in connection with the Project (each, a "Contract," and collectively, the "Contracts") and any proposed changes to the Contracts before WCSO executes or obligates itself in any manner. Triumph shall have fifteen (15) days from receipt of a proposed Contract or change order to notify WCSO 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. 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:

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

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

CLAWBACK: Any Grant funds disbursed by Triumph to WCSO shall be subject in being repaid (“clawed back”) in the event (i) WCSO abandons, suspends or discontinues the Project, or fails to complete the Project by Completion Deadline, and/or (ii) WCSO 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) WCSO breaches any obligation under the Agreement, and/or (iv) WCSO fails to achieve at least one of the following performance metrics:

- (a) Performance Metric #1: That between the beginning of the 2020-2021 school year and the end of the 2023-2024 school year, there shall have been issued at least 502 certifications/licenses in Class B Commercial Driver Licenses (CDL), Welding Technology, HVAC, or Career and Professional Education NS Industry Certification such as Certified Internet Web (CIW) Specialist, Autodesk, Adobe, and Microsoft.
- (b) Performance Metric #2: That between the beginning of the 2020-2021 school year and the end of the 2023-2024 school year, at least seventy percent (70%) of those enrolled in a certification/licensing program that take a certification/licensing exam actually pass the exam.
- (c) 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 2023-2024 school year with respect to those students that have graduated from the program and for whom employment wage data is available from the State of Florida, one year after certification/licensing, 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 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 the Agreement, was not material in nature, (ii) based on quantitative evidence, the performance metrics were not achieved due to negative economic conditions beyond WCSO's reasonable control, (iii) WCSO 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 WCSO's ability to achieve at least one of the performance metrics.

EVALUATION
OF PROJECT BY
FSU:

Within one (1) year after the final Grant funds have been disbursed, WCSO shall submit or cause to be submitted to Triumph, a report of the program to be supported by the Project prepared by the Florida State University College of Criminology and Criminal Justice ("FSU") that evaluates the success of the program to be supported by the Project and makes recommendations for enhancing policies and practices that will help improve the program's future outcomes. The report shall be prepared as described in that certain letter from FSU to WCSO dated January 2, 2018 and submitted with the Grant Application. WCSO shall work cooperatively and collaboratively with FSU in connection with the preparation of the report and shall provide such data and other information as FSU shall require.

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 WCSO.