

GRANT AWARD AGREEMENT
(Project Spinner #338)

THIS GRANT AWARD AGREEMENT (this "**Agreement**") is made and entered into effective as of the date set forth on the signature page below (the "**Effective Date**"), by and between TRIUMPH GULF COAST, INC., a Florida not-for-profit corporation ("**Triumph**"), and the PANAMA CITY-BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT, an independent district of the state of Florida ("**Grantee**").

WITNESSETH:

WHEREAS, pursuant to its authority under Section 288.8017, Florida Statutes, Triumph has agreed to make a Grant (as defined below) to Grantee, on and subject to the terms and conditions set forth in this Agreement, to provide partial funding for the following project (the "**Project**"): design, engineering, construction renovation, and purchase of equipment by Grantee at the Northwest Florida Beaches International Airport (the "**Airport**") of a 120,000+- sq.ft. facility (the "**Facility**") to expand existing operations of IAG AERO GROUP, LLC (the "**Company**") that performs aircraft engine maintenance, repair, and overhaul ("MRO") services, which operations will provide at least 500 Net New Jobs (as defined below) in the aggregate between all qualifying employment at the Facility and at two other facilities owned or leased by the Company (one also at the Airport (the "**Test Facility**") and one in Lynn Haven, Florida (the "**Lynn Haven Facility**")) (the Facility, together with the Test Facility and the Lynn Haven Facility, are referred to herein as the "**Combined Facilities**")) paying an average wage of \$60,000 per year, all as further described in Grantee's Application for Funds submitted to Triumph (the "**Grant Application**"), which Grant Application is incorporated herein by reference.

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations herein, the parties agree as follows:

1. **Purpose of Agreement.** The purpose of this Agreement is to (i) award the Grant, (ii) state the terms and conditions upon which the Grant will be funded, and (iii) set forth certain requirements as to the manner in which the Project will be undertaken and completed.
2. **Grant Award.** On and subject to the terms and conditions set forth herein, Triumph hereby agrees to make a grant to Grantee in the aggregate maximum amount of up to Twenty-Five Million Dollars (\$25,000,000) (the "**Grant**") to provide partial funding for the Project. The estimated total cost of the Project is \$107,500,000, as more fully shown in the Budget attached hereto as **Exhibit "B"** and incorporated herein (the "**Budget**"), with the Grant providing \$25,000,000 of that amount, and by the Company providing matching funds in the amount of \$82,500,000 (the "**Matching Funds**").
3. **Contingencies for Grant.** Triumph's approval of the Grant and any obligation to disburse the Grant or any portion thereof are expressly conditioned and contingent upon the following (collectively, the "**Contingencies**"):
 - 3.1 **Matching Funds.** No Grant funds shall be disbursed to Grantee, and Grantee shall

not commence work on the Project, unless there are Matching Funds commitments from the Company as described in the Budget totaling not less than \$82,500,000 to be used exclusively toward completion of the Combined Facilities and the purchase of equipment as shown in the Budget.

3.2 **Lease.** No Grant funds shall be disbursed to Grantee, and Grantee shall not commence work on the Project, unless Grantee, as lessor, and the Company, as lessee, shall have entered into a binding and enforceable lease agreement (the "**Lease**"), pursuant to which Grantee agrees to lease the land and the Facility (i) for a term of not less than thirty (30) years, (ii) with a provision that incorporates the Company's obligations under the Performance Agreement (as defined below) in the event the Performance Metrics (as defined below) are not satisfied, and (iii) with a provision that, upon expiration or earlier termination of the Lease, the Facility and all other improvements on the leased land shall be owned by Grantee. Triumph shall have forty-five (45) days from receipt of the Lease to approve or disapprove it, and Triumph's failure to either approve or disapprove the Lease within such forty-five (45) day period shall be deemed disapproval.

3.3 **Performance Agreement.** No Grant funds shall be disbursed to Grantee, and Grantee shall not commence work on the Project, unless and until (i) Grantee has delivered Triumph and Grantee, concurrently with the execution of this Agreement, a Performance Guaranty Agreement ("**Performance Agreement**") in the form attached hereto as **Exhibit "D"**, executed by the Company, pursuant to which the Company agrees to assume the liability and obligation for the satisfaction of the Performance Metrics and the payment of the Performance Metric Clawback Amount (as defined below), and (ii) Triumph approves, in its sole and absolute discretion, such Performance Agreement which shall be provided promptly to Grantee.

3.4 **Intentionally Omitted.**

3.5 **Competitive Bids.** The contract for the construction of the Facility (the "**Construction Contract**") shall be between Grantee and a qualified contractor or a construction manager at risk ("**CMAR**") with a guaranteed maximum price of which Triumph will not fund not more than \$25,000,000. For the Construction Contract and all other 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 the Construction Contract and other contracts according to the applicable laws, statutes, ordinances, rules, and regulations, Grantee shall award the Construction Contract and the other contracts to the lowest cost qualified responsive bidder considering the selection criteria contained within the solicitation. Triumph shall have the right to review and approve the Construction Contract and all other contracts and/or purchases exceeding \$325,000, which shall not be unreasonably withheld. For any disapproval, Triumph shall state the grounds for disapproval.

3.6 **Spending of a Portion of Matching Funds.** No Grant funds shall be disbursed to Grantee, and Grantee shall not commence work on the Project, unless and until Grantee has provided satisfactory evidence to Triumph that the Company has spent not less than Ten Million

Dollars (\$10,000,000) of the Matching Funds on (i) the purchase of equipment, (ii) the purchase of the Lynn Haven Facility, and (iii) construction and/or renovations of the Lynn Haven Facility and/or the Test Facility, as provided in the Budget.

4. Funding of Grant:

4.1 **General Allocation of Grant in Budget Categories.** The Grant shall be allocated as more fully shown in the Budget.

4.2 **Funding of the Grant.** Upon satisfaction of all of the Contingencies set forth in Section 3 above, Grantee shall submit to Triumph a separate Request for Funding for each Budget category in the form attached as **Exhibit "A"** (the "**Request for Funding**") in accordance with the Budget and shall submit information pursuant to a SmartSheet system by Grantee's authorized users. After the first Request for Funding, each subsequent Request for Funding may only be submitted after Triumph's approval of the immediately preceding Request for Funding. 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 for Matching Funds category, together with invoices, receipts, or contracts from vendors providing equipment, materials, labor, 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 when 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 \$625,000. In no event shall the cumulative fundings made by Triumph exceed the \$25,000,000 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 approved.

None of the Grant shall be used as a reimbursement of items purchased by Grantee prior to the Effective Date of this Agreement. None of the amounts paid by Grantee in connection with the 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.

None of the Grant 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, facilities overhead, continuing education fees, and auxiliary fees.

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

(a) Any of the conditions and contingencies described in Section 3 above have not been satisfied, and/or there is missing or incomplete documentation;

(b) The Request for Funding seeks funding for goods and services other than within the approved scope(s) of work related to the Project and validly procured pursuant to the terms of this Agreement;

(c) The amount requested for funding under the Request for Funding exceeds the \$25,000,000 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 this Agreement;

(e) There is any pending litigation which may jeopardize or adversely affect the Project, this Agreement, or funding of the Grant; or a receiver or trustee has been appointed for Grantee and/or the Company or a substantial portion of their respective assets; or any involuntary petition for relief under any bankruptcy or insolvency law has been filed against Grantee and/or the Company and has not been dismissed within sixty (60) days; or Grantee and/or the Company has voluntary 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 this Agreement, requires the approval of Triumph, and Grantee failed to obtain such approval;

(g) There has been a violation of Sections 9.1, 9.4, or 9.5 (the prohibited interests provisions) of this Agreement;

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

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

(j) Grantee, the Company, and/or any federal, state, or local government, organization or agency 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 were not used for the intended purposes and in the amounts and at the times as set forth in the Budget, and 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, cancelled checks, wire transfer confirmations;

(m) Prior to the Completion Deadline (as defined below), Grantee and/or the Company has abandoned or discontinued the Project, or for any reason the commencement, prosecution, or timely completion of the Project by Grantee and/or the Company is rendered improbable, infeasible, impossible, or illegal, or the Company has failed to make substantial progress toward achieving not less than 500 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 this 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%;

(r) Completion of the Project is not on schedule for completion by the Completion Deadline, it is objectively unlikely that the Project will be completed by the Completion Deadline, and Triumph has not approved any extension of the Completion Deadline;

(s) Grantee has failed to maintain, or has failed to cause to be maintained the insurance required under this Agreement;

(t) The Facility is not in compliance with all applicable environmental laws and regulations in accordance with this Agreement;

(u) Grantee failed to comply with the competitive bidding and proposal requirements described above; and/or

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

4.3 Grantee shall submit a Request for Funding and satisfactory evidence of the expenditures of Matching Funds no less frequently than once during each twelve (12) month period ending on October 31, unless the Budget did not require that any Grant Funds or Matching Funds be spent during such period. If no Grant funds are expended or requested for a twelve (12) month period ending on October 31, Grantee shall provide a written explanation or update of such circumstance in the Grantee's annual report submitted pursuant to Section 5.3 below. Invoices, proof of payment, payroll records or other evidence of expenditures may not be submitted if they are older than eighteen (18) months. Any invoices, proof of payment, payroll records or expenditures that are older than eighteen (18) months may not be reimbursed with Grant funds or counted as Matching Funds, except for any pre-award Matching Funds described in this Agreement an/or in the Budget. The final Request for Funding and satisfactory evidence of the expenditure of all Matching Funds shall be submitted by Grantee no later than one hundred eighty (180) days following the Completion Deadline.

5. Completion of the Project:

5.1 **General Requirements.** Grantee shall commence, and complete the Facility with all practical dispatch, in a sound, economical, and efficient manner, and in accordance with the provisions of this Agreement and all applicable laws. Grantee agrees to complete the Project on or before December 31, 2032 (the "**Completion Deadline**"). Grantee agrees to complete the

construction of the Facility on or before December 31, 2028 (the "**Construction Completion Deadline**"). Grantee shall notify the Triumph Program Administrator by email within thirty (30) days after each of (i) commencement of any construction activities, (ii) upon completion of the construction of the Facility, and (iii) completion of the Project. If the Project is not complete by the Completion Deadline, or if the construction of the Facility is not completed by the Construction Completion Deadline, Triumph's obligation to make the Grant will expire unless an extension of the time period is requested by Grantee and granted in writing by Triumph prior to such expiration date. Notwithstanding the foregoing, the Completion Deadline and the Construction Completion Deadline shall be extended on a day-for-day basis by reason of *force majeure* events. The term "*force majeure*" as used herein shall mean that which is beyond the control of Grantee, including, but not limited to, strikes, lockouts or other industrial disturbances, acts of the public enemy, orders of any kind of the Government of the United States, or of the state or any civil or military authority, insurrections, riots, arrest, restraining of government and people, civil disturbances, explosions, partial or entire failure of utilities, shortages of labor, material, supplies, or any acts or omissions of third parties not under Grantee's control, and other such events or circumstances which are beyond the control of Grantee despite all reasonable efforts to prevent, avoid, delay, or mitigate such causes, and to include acts of God (such as epidemics, landslides, lightning, earthquakes, fire, hurricanes, storms, floods, washouts, droughts and adverse weather conditions).

5.2 Total Project Cost. The total estimated cost of the Project is \$107,500,000. To the extent that the actual cost of the Project exceeds \$107,500,000, the Company shall be responsible for such excess, not Triumph and not Grantee. 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 as described above, such proposal shall be submitted to Triumph in writing along with a proposed amended Budget which shall, and Triumph shall have the right to approve or disapprove both the proposed Budget category increase or decrease and the proposed amended Budget. In the event that the proposed amended Budget includes a budget increase as described above, Grantee shall include a detailed statement regarding the revenue source to fund the proposed Budget increase. Triumph shall have sixty (60) days from receipt of the proposed amended budget to notify Grantee of its approval or disapproval and shall state the specific reasons for 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. 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 Amended Budget within sixty (60) days of receipt, such Request for Funding shall be deemed disapproved.

5.3 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, or cause the Company 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 this Agreement.

5.4 Requirement to Provide Reports/Triumph Right to Inspect. Grantee shall on a quarterly basis on or before each April 30, July 31, October 31, and January 31 of each year until construction of the Facility is completed, submit to Triumph (x) reports uploaded to SmartSheet detailing the progress of construction of the Facility, and (y) reports uploaded to SmartSheet evidencing the payment of Grant funds toward construction of the Facility and/or the payment of Matching Funds toward the construction of the Test Facility, which reports shall include copies of invoices, receipts, or contracts from vendors providing labor, materials and other in connection with the construction of the Facility, together with any of the other items listed in (A) – (H) of Section 4.2 above (collectively, the “**Reports**”). Upon completion of construction of the Facility, Grantee shall provide Triumph with (a) a certificate of occupancy for the Facility issued by the applicable governmental agency, and (b) a certificate from the architect of the Facility certifying that the Facility has been completed substantially in accordance with, and without material deviation from, the Plans and Specifications and that the Facility complies with all applicable laws and ordinances, including but not limited to, applicable building, health, and safety codes, and development orders, and is in all respects ready for occupancy. Triumph shall have the right to cease further funding of the Grant in the event that (x) Grantee has not timely provided the Reports and the certificates described above, (y) Grantee is in default under the terms of this Agreement, and/or (z) the commencement, prosecution, or timely completion of the Project by Grantee and/or the Company has been rendered improbable, infeasible, impossible, or illegal. Upon demand by Triumph in connection with any of the events described in the foregoing (x), (y), and/or (z), shall return any unused Grant funds to Triumph. Triumph shall have the right, at any time and from time to time upon reasonable notice to Grantee to access the Facility and inspect any work being performed. Grantee shall also make available to Triumph copies of any and all invoices, contracts, Plans and Specifications, and other documentation relating to the Project. Once construction of the Facility is completed, 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) how the Company is progressing toward achieving the Performance Metrics, (c) the Grantee’s most recent audited financial statements, and (d) such other documents as Triumph shall reasonably require in order to determine that the Grant funds previously disbursed and Matching Funds used to date are consistent with the purposes of the Grant. Triumph shall have the right, at any time and from time to time upon reasonable notice to the Company, to access the Project and inspect any work being performed or as completed.

5.5 Insurance. Grantee shall keep and maintain or shall cause to be kept or maintained, the insurance required in the Lease for the Facility.

5.6 Compliance with Applicable Laws, Including Environmental Regulations. Grantee shall ensure that all clearances and permits required for the Project are obtained from the appropriate permitting authorities. Grantee covenants and agrees that the Project will be completed in conformance with all applicable federal, state and local statutes, rules and regulations, and standards, including, but not limited to, applicable environmental laws and regulations including the securing of any applicable permits.

5.7 **Plans and Specifications.** Grantee shall upload to SmartSheet for Triumph's review and approval of the plans and specifications for the Facility (the "**Plans and Specifications**") and any proposed changes to said plans and specifications. Triumph shall have fifteen (15) days from receipt of the plans and specifications or proposed change to notify Grantee of its approval or disapproval. Upon any disapproval, Grantee shall have ten (10) days to revise plans and specifications or proposed change ("**Revised Plans**") for resubmission for approval or disapproval by Triumph. Triumph shall have fifteen (15) days from receipt of the Revised Plans and specifications or proposed change to notify Grantee of its approval or disapproval of Revised Plans. If Triumph fails to approve or disapprove of the plans and specifications or proposed change within such fifteen (15) day period, the plans and specifications or proposed change shall be deemed approved. If Grantee fails to upload and notify Triumph, that failure shall be sufficient cause for nonpayment by Triumph.

5.8 **Changes to Contracts.** Once Triumph approves the Lease, and until such time as a Performance Metrics Achievement Letter (as defined below) has been delivered to Grantee, Triumph shall have the right to review and approve any and all proposed Lease amendments, modifications, or other written changes thereto before Grantee executes or obligates itself in any manner. Triumph shall have fifteen (15) days from receipt of a proposed amendment, modification, waiver, or other change to notify Grantee of its approval or disapproval. If Triumph fails to approve or disapprove within such fifteen (15) day period, the proposed amendment, modification, or other written change shall be deemed approved. In addition, Triumph shall have the right to review and approve any and all contracts and/or 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. If Grantee fails to upload and notify Triumph, that failure shall be sufficient cause for nonpayment by Triumph.

5.9 **Compliance with Consultants' Competitive Negotiation Act.** Grantee shall be deemed an "Agency" under, and shall comply in full with, the provisions of Chapter 287.055, Florida Statutes, Consultants' Competitive Negotiation Act with respect to engineering, architecture or surveying services, and shall certify to Triumph that all selections have been accomplished in compliance with said statute.

5.10 **Grantee Responsible for Payments.** Grantee expressly assumes any and all liability for payment to its agents, employees, contractors, subcontractors, consultants, and subconsultants, and to contractors under the contracts. Nothing in this Agreement shall be construed as consent by Grantee to be sued by third parties in any matter arising out of or related to this or any other agreement.

5.11 **Worker's Compensation Insurance.** 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.

5.12 **Contractual Indemnities.** Grantee shall include or cause to be included the following indemnification in the contracts and all other contracts with contractors, subcontractors,

consultants, and subconsultants, who perform work in connection with this Agreement:

“The contractor/subcontractor/consultant/subconsultant shall indemnify, defend, save and hold harmless Triumph Gulf Coast, Inc., a Florida not-for-profit corporation, Grantee, a public body corporate, and all of its officers, directors, agents and employees from all suits, actions, claims, demands, liability of any nature whatsoever arising out of, because of, or due to any negligent act or occurrence of omission or commission of the contractor / subcontractor/ consultant/ and its officers, agents or employees.”

5.13 Ownership of Improvements. Grantee acknowledges and agrees that all improvements constructed with Grant funds shall be owned by the Grantee.

6. Representations and Warranties

(a) **Representations and Warranties of Triumph:** Triumph hereby makes the following representations and warranties to Grantee, each of which shall be deemed to be a separate representation and warranty, all of which have been made for the purpose of inducing Grantee to enter into this Agreement, and in reliance on which Grantee has entered into this Agreement, and such representations and warranties shall be deemed made as of the date hereof, as of the dates on which Triumph funds the Grant:

- (i) **Organization, Power and Authority.** Triumph is a not-for-profit corporation and has all requisite power and authority to fund the Grant pursuant to the terms of this Agreement.
- (ii) **Authorization and Binding Obligation.** Triumph has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Triumph. This Agreement has been duly executed and delivered by Triumph and, assuming the due authorization, execution, and delivery of this Agreement by Grantee, constitutes the legal, valid, and binding obligation of Triumph, enforceable against Grantee in accordance with its terms. This Agreement and the funding of the Grant by Triumph pursuant to the terms of this Agreement complies with applicable laws and regulations, including, without limitation, Sections 288.80 – 288.8018, Florida Statutes.
- (iii) **No Violations.** The execution and delivery by Triumph of this Agreement and the performance by it of the transactions contemplated hereby does not (i) conflict with or result in a breach of any provision of Triumph’s corporate documents, or (ii) violate any applicable law or regulation.

(b) **Representations and Warranties of Grantee:** Grantee hereby makes the following representations and warranties to Triumph, each of which shall be deemed to be a separate representation and warranty, all of which have been made for the purpose of inducing Triumph to enter into this Agreement, and in reliance on which Triumph has entered into this Agreement, and such representations and warranties shall be deemed made as of the date hereof, as of the dates on which Grantee submits the Request for Funding, and as of the dates on which Grantee receives any funding of the Grant:

(i) **Organization; Power and Authority.** Grantee has all requisite power and authority to own, lease, and operate its properties and to carry on its affairs as currently conducted. Grantee is an independent special district, body politic and corporate, and subdivision of the State of Florida.

(ii) **Authorization and Binding Obligation.** Grantee has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Grantee. This Agreement has been duly executed and delivered by Grantee.

(iii) **No Violations.** The execution and delivery by Grantee of this Agreement and the performance by it of the transactions contemplated hereby does not knowingly (i) conflict with or result in a breach of any provision of Grantee's charter or other corporate document, (ii) result in violation or breach of or constitute a default (or an event which, with or without notice or lapse of time or both, would constitute a default) under, or result in the termination, modification, cancellation or acceleration under the terms, conditions, or provisions of any of Grantee's loan agreements, indentures, material agreements or other material instruments or (iii) violate any applicable law or regulation. Grantee has not been convicted of a "public entity crime" (as such term is defined in Section 287.133 of the Florida Statutes) nor has Grantee been placed on the "discriminatory vendor list" (as such term is defined in Section 287.134 of the Florida Statutes). Neither Grantee nor any person or entity that possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of Grantee is listed on the Specially Designated Nationals List or the Foreign Sanctions Evaders List, in each case, as maintained by the United States Department of the Treasury. To the best of Grantee's knowledge, neither Grantee nor its officers, directors, agents, distributors, employees, or other persons or entities acting on its

behalf has taken any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of the payment, directly or indirectly, of any gift, money or anything of value to a government official or to obtain or retain business for any person or entity in violation of applicable law.

- (iv) **No Material Adverse Change.** No event, change or condition has occurred that has had, or would reasonably be expected to have, a material adverse effect on the assets, operations or financial condition of Grantee or the Project, in each case, since the date of the Grant Application.
- (v) **Litigation; Compliance with Laws.** No litigation, investigation, claim, criminal prosecution, civil investigative demand, imposition of criminal or civil fines and penalties, or any other proceeding of or before any arbitrator or governmental agency is pending or, to the knowledge of Grantee, threatened by or against Grantee or against any of its properties or assets, which, individually or in the aggregate, could reasonably be expected to result in a material and adverse effect on the assets, operations, or financial condition of Grantee, the Project, or Grantee's ability to perform its obligations under this Agreement. No litigation, investigation, claim, criminal prosecution, civil investigative demand, imposition of criminal or civil fines and penalties, or any other proceeding of the Office of the Attorney General of the State of Florida, any State Attorney in the State of Florida, any other prosecutorial or law enforcement authority in the State of Florida, or any regulatory body in the State of Florida is pending or, to the knowledge of Grantee, threatened by or against Grantee in, or with respect to any conduct in, the State of Florida. No permanent injunction, temporary restraining order or similar decree has been issued against Grantee which, individually or in the aggregate, could reasonably be expected to have a material and adverse effect on the assets, operations, or financial condition of Grantee, the Project, or Grantee's ability to perform its obligations under this Agreement. Neither Grantee nor any of its material properties or assets has in the last three years been in violation of, nor will the continued operations of its material properties and assets as currently conducted, violate any law, rule, or regulation applicable to them (including any zoning or building ordinance, code or approval, or any building permit where such violation or default would be material to the Project), or is in default with respect to any judgment, writ, injunction, decree, or order applicable to Grantee of any governmental agency, in each case, where such violation or default could, individually or in the aggregate, reasonably be expected to result in a material and adverse effect on the assets, operations, or financial condition of Grantee, the Project, or Grantee's ability to perform its obligations

under this or constitutes a crime under the laws of the United States, Florida, or any other state or territory of the United States.

- (vi) **Express Representations and Warranties: No Material Misstatements.** All statements made by Grantee in the Grant Application were true, complete, and correct. No information, report, financial statement, exhibit or schedule (other than forward-looking statements and projections) furnished by Grantee to Triumph in connection with the Grant Application and/or the negotiation of this Agreement, or delivered pursuant to this Agreement, when taken together, contained or contains any material misstatement of fact or omitted or omits to state any material fact necessary to make the statements contained herein or therein, in the light of the circumstances under which they were made, not misleading.
- (vii) **Intentionally omitted.**
- (viii) **Bonus or Commission.** Grantee has not paid, and agrees not to pay, any bonus or commission for the purpose of obtaining an approval of the Grant Application or the entering into of this Agreement.

7. Accounting, Audits, and Records:

7.1 **Establishment and Maintenance of Accounting Records.** 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 this Agreement shall be maintained in the listing along with supporting documentation and be made available upon request to Triumph during the period of this Agreement and for five (5) years after final payment of the Grant is made.

7.2 **Audits.** The administration of the Grant with respect to the Project shall be subject to audits and/or monitoring by Triumph, the Chief Financial Officer of the State of Florida, the Auditor General of the State of Florida, the Florida Office of Program Policy Analysis and Government Accountability, and other state agencies, and by the federal government and agencies and representatives thereof. Without limiting the generality of the foregoing, Grantee shall comply with all audit and audit reporting requirements as specified below, and such requirements do not limit the authority of Triumph to conduct or arrange for the conduct of additional audits or evaluations of the Grant and federal, state, or local awards or funding, or limit the authority of Triumph or any state or federal official.

- (a) In addition to reviews of audits conducted in accordance with Chapter 218, Florida Statutes, monitoring procedures to monitor Grantee's use of the Grant may include but not be limited to on-site visits by Triumph and/or other procedures including, reviewing any required performance and financial reports,

following up, ensuring corrective action, and issuing management decisions on weaknesses found through audits when those findings pertain to the Grant awarded by Triumph by this Agreement. By entering into this Agreement, Grantee agrees to comply and cooperate fully with any monitoring procedures/processes deemed appropriate by Triumph. Grantee further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by Triumph, the Florida Department of Financial Services (DFS), or the State of Florida Auditor General.

(b) Grantee may also be subject to the following requirements:

(i) Chapter 218, Florida Statutes; applicable rules of the Department of Financial Services (DFS); and applicable of the Rules of the Auditor General. Regardless if Section 10.550 Rules of the Auditor General are applicable or not, Grantee shall provide as part of its Audit for any fiscal year in which funds related to the Deepwater Horizon oil spill are received or expended, a report that includes an opinion (or disclaimer of opinion) as to whether the schedule of receipts and expenditures of such funds is presented fairly in all material respects in relation to the financial statements taken as a whole. The report shall be prepared in accordance with *AICPA Professional Standards*, AU-C Section 725, promulgated by the American Institute of Certified Public Accountants.

(ii) Upon receipt, and within six months, Triumph may review Grantee's corrective action plans and management letters, to the extent necessary to determine whether timely and appropriate corrective action on all deficiencies has been taken pertaining to the Grant provided through Triumph by this Agreement. If Grantee fails to have an audit conducted consistent with Chapter 218, Florida Statutes, Triumph may take appropriate corrective actions to enforce compliance.

(iii) Grantee shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five (5) years from the date the audit report is issued and shall allow Triumph, or its designee, DFS or State of Florida Auditor General access to such records upon request. Grantee shall ensure that the audit working papers are made available to Triumph, or its designee, DFS or State of Florida Auditor General upon request for a period of five (5) years from the date the audit report is issued unless extended in writing by Triumph.

7.3 **Public Records.** The parties acknowledge that each are public entities and, as such, are obligated to comply with the provisions of Chapter 119 of the Florida Statutes applicable to this Agreement as the same may be limited or construed by other applicable law. In the event that either party receives a request for a "public record" (as such term is defined in Section 119.011 of the Florida Statutes) in connection with this Agreement, that party shall provide written notice to the other party of such request as soon as practicable after that party's receipt of such request. If either party submits records to the other party that are confidential and exempt from public disclosure as trade secrets pursuant to Section 288.075(3) of the Florida Statutes or proprietary confidential business information pursuant to Section 288.075(4) of the Florida Statutes, such records should be marked accordingly by the submitting party prior to submittal to the other party. In the event that either party's claim of exemption asserted in response to the submitting party's assertion of confidentiality is challenged in a court of law, the submitting party shall defend, assume and be responsible for all fees, costs and expenses in connection with such challenge. It is expressly understood and agreed that all Back-up Data (as defined in Section 8 below) and Performance Metrics under Section 8.3 below shall be deemed "public records" under Section 119.011 of the Florida Statutes.

8. Abandonment or Failure to Timely Construct the Facility/Breach of Agreement/Failure to Achieve Performance Metrics/Clawback of Grant:

8.1 Abandonment or Failure to Timely Construct the Facility.

If Grantee and/or the Company abandons, suspends, or discontinues the construction of the Facility, or fails to complete the Facility by the Construction Completion Deadline set forth in Section 5.1 above (subject to *force majeure* events), or for any other reason, the commencement, prosecution, or timely completion of the Project by Grantee and/or the Company is rendered infeasible, impossible, or illegal, Triumph shall have the right, by written notice to Grantee to terminate the Grant.

8.2 Breach of Agreement.

(a) In the event Grantee shall (i) have made any misrepresentation 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 this Agreement, (ii) have breached a representation or warranty of a material nature made in this Agreement, and/or (iii) have materially breached, violated, or defaulted under any of its obligations under this Agreement, and Grantee fails to cure such misrepresentation, breach, violation or default within thirty (30) days after notice from Triumph to Grantee specifying the facts constituting such misrepresentation, breach, violation or default, or if the misrepresentation, violation, breach or default is not reasonably capable of being cured within such thirty (30) day period, then for such longer period of time as long as Grantee is diligently prosecuting the cure of such default, then in accordance with Section 8.4 below Grantee shall, upon written demand by Triumph repay to Triumph all portions of the Grant theretofore funded.

(b) In the event Triumph shall (i) have breached a representation or warranty of a material nature made in this Agreement, and/or (ii) have materially breached, violated, or defaulted under any of its obligations under this Agreement, and Triumph fails to cure such misrepresentation, breach, violation or default within thirty (30) days after notice from Grantee to Triumph specifying the facts constituting such misrepresentation, breach, violation or default, or if the misrepresentation, violation, breach or default is not reasonably capable of being cured within such thirty (30) day period, then for such longer period of time as long as Triumph is diligently prosecuting the cure of such default, Grantee shall have all remedies available at law and in equity.

8.3 Performance Metrics. In the event both of the following performance metrics (the “**Performance Metrics**”) set forth in subparagraphs (a) and (b) below are not achieved, then in accordance with Section 8.4 below, pursuant to the Performance Agreement the Company shall be solely liable to repay to Triumph the Performance Metric Clawback Amount:

(a) **Performance Metric #1:** By the date (the “**Ramp-Up Deadline**”) which is the earlier of (i) five (5) years after the date that the construction of the improvements for the Facility have been substantially completed as evidenced by a certificate of occupancy or other reasonable evidence, or (ii) by December 31, 2032, the Company will have created at least 500 Net New Jobs; and

(b) **Performance Metric #2:** All of the 500 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 not less than \$60,000 annually (i.e., a wage that is at or above 115% of the Panama City MSA average wage as of the Commencement Date (based on the Florida Commerce incentive wage chart)) that (a) was created after August 22, 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. Upon Triumph’s determination that the Performance Metrics have been achieved, Triumph shall deliver to Grantee a letter or other notice confirming Triumph’s acknowledgement and agreement that the Performance Metrics have been achieved (the “**Performance Metrics Achievement Letter**”).

At any time and from time to time, upon written request by Triumph, Grantee shall, and shall cause the Company to, within thirty (30) days of such request, deliver to Triumph such data, reports, payroll ledgers, state and federal payroll returns, financial statements and reporting, and other documents, instruments, and information, as well as its State of Florida employment reporting forms (collectively, "**Back-up Data**") as Triumph reasonably requires in order to determine whether the Company achieved any or all of the above Performance Metrics. Grantee's refusal or failure to timely provide, or cause to be provided, any requested Back-up Data shall be deemed the Company's failure to timely achieve the above Performance Metrics.

8.4 Clawback of Grant under Section 8.2 and under the Performance Agreement. Upon the occurrence of any of the events described in Section 8.2 above, which are not cured pursuant to the terms thereof, then Grantee shall pay to Triumph, within thirty (30) days of demand therefor, all amounts of the Grant that were actually theretofore funded. The amount due is referred to herein as the "**Grantee Clawback Amount**." Notwithstanding the foregoing, Triumph shall have the discretion to waive, reduce, extend, or defer any Grantee Clawback Amount due if it determines in its sole and absolute discretion that 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.

8.5 In the event the Company fails to timely achieve the Performance Metrics described above, then, upon written demand by Triumph, pursuant to the Performance Agreement, the Company shall repay to Triumph an amount of the Grant proportional to the jobs shortfall, based on \$50,000 per job (see the basis for this number below). For example, if there is a shortfall of 1 job (499 jobs created or maintained instead of 500), then the amount owed would be \$50,000 ($1 \times \$50,000$), and if there is a shortfall of 25 jobs (475 jobs created or maintained instead of 500), then the amount owed would be \$1,250,000 ($25 \times \$50,000$). The \$50,000 per job amount is determined by dividing the \$25,000,000 Grant amount by the 500 promised jobs. All amounts owed shall be repaid with interest at the rate *Wall Street Journal Prime Rate* plus three percent (3%) per annum 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. The amount due, including interest thereon, is referred to herein as the "**Clawback Amount**". The amount due, including interest thereon, is referred to herein as the "**Clawback Amount**". Grantee shall (i) bear fifty percent (50%) of the reasonable cost of Triumph's attorneys' fees and costs incurred in connection with any enforcement actions under the Performance Agreement against the Company; and (ii) cooperate in all reasonable respects with Triumph's efforts to enforce the clawbacks under the Performance Agreement; provided that (a) Triumph shall provide to Grantee copies of invoices for such attorneys' fees and costs as and when received by Triumph, (b) Triumph shall provide to Grantee copies of all documents, correspondence and pleadings related to such enforcement actions, unless such documents are subject to attorney-client privilege, and (c) Triumph shall, upon Grantee's request from time to time, provide to Grantee verbal briefings by Triumph and its attorneys concerning the status and progress of such enforcement actions.

8.6 Maximum Grantee Clawback Amount for Sections 8.1 and 8.2. In no event

shall the total amount clawed back as the Grantee Clawback Amount for events described in Sections 8.1 and 8.2 above exceed the total amount of the Grant actually funded to Grantee, plus interest at the rate *Wall Street Journal Prime Rate* plus three percent (3%) per annum on such amounts to be repaid and attorneys' fees and costs incurred by Triumph in connection with enforcing this Agreement. Grantee and Triumph acknowledge and agree that any amounts clawed back under Section 8.4 above are intended as a repayment of Grant funds conditionally funded to Grantee and are due and payable to Triumph as a result of the occurrence of any of the events described in Sections 8.1 or 8.2. Such amounts are not intended as and shall not be deemed damages or a penalty. Notwithstanding the foregoing, to the extent that for any reason such amounts are deemed damages, Grantee and Triumph agree that (i) such amounts shall constitute liquidated damages, (ii) the actual damages suffered by Triumph would be unreasonably difficult to determine, (iii) Triumph would not have a convenient and adequate alternative to the liquidated damages, (iv) the amounts due Triumph bear a reasonable relationship to any anticipated harm and is a genuine pre-estimate suffered by Triumph, and (v) Grantee irrevocably waives any right that it may have to raise as a defense that any such liquidated damages are excessive or punitive.

9. Other Covenants, Restrictions, Prohibitions, Controls, and Labor Provisions:

9.1 **No Lobbying/Gifts.** Pursuant to Sections 11.062 and 216.347 of the Florida Statutes, Grantee shall use no portion of the Grant for the purpose of lobbying the Florida Legislature, executive branch, judicial branch, any state agency, or Triumph. Grantee shall not, in connection with this or any other agreement, directly or indirectly: (1) offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for any Triumph or State officer or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty; or (2) offer, give, or agree to give to anyone any gratuity for the benefit of, or at the direction or request of, any Triumph or State officer or employee. For purposes of clause (2), "gratuity" means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. Upon request of Triumph or any authorized State official, Grantee shall provide any type of information Triumph or such official deems relevant to Grantee's integrity or responsibility. Such information may include, but shall not be limited to, Grantee's business or financial records, documents, or files of any type or form that refer to or relate to this Agreement.

9.2 **Costs of Investigations.** Grantee shall reimburse the State of Florida for the reasonable costs of investigation incurred by the Auditor General or other authorized State official for investigations of Grantee's compliance with the terms of this Agreement which results in breach of disallowed expenditures. Such reasonable costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. Grantee understands and will comply with the requirements of s. 20.055(5), F.S., including but not necessarily limited to, the duty of Grantee and any of its respective subcontractors to cooperate with the inspector general in any investigation, audit, inspection, review, or hearing pursuant to s. 20.055, F.S.

9.3 **Equal Employment Opportunity/Labor Laws.** In connection with the carrying out of the Project, Grantee shall not discriminate against any employee or applicant for

employment because of race, age, creed, color, sex or national origin. Grantee will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, age, creed, color, sex, or national origin. In addition, Grantee shall comply with all other applicable labor and employment laws and regulations, including, but not limited to, wage and hour and workplace safety laws and regulations.

9.4 Prohibited Interests. Except as otherwise permitted under Section 112.313(12), Florida Statutes, Grantee shall not enter into a contract or arrangement in connection with the Project or any property included or planned to be included in the Project, with any officer, director or employee of Grantee, or any entity of which the officer, director or employee or the officer's, director's or employee's spouse or child is an officer, partner, director, or proprietor or in which such officer, director or employee or the officer's, director's or employee's spouse or child, or any combination of them, has a material interest.

(a) "Material Interest" means direct or indirect ownership of more than 5% of the total assets or capital stock of any business entity.

(b) Grantee shall not enter into any contract or arrangement in connection with the Project or any property included or planned to be included in the Project, with any person or entity who was represented before Grantee by any person who at any time during the immediately preceding two (2) years was an officer, director or employee of Grantee.

(c) The provisions of this subsection shall not be applicable to any agreement between Grantee and its fiscal depositories, any agreement for utility services the rates for which are fixed or controlled by the government, or any agreement between Grantee, and an agency of state government.

9.5 Interest of Members of, or Delegates to, Congress or Legislature. No member or delegate to the Congress of the United States, or member of the State of Florida legislature, or any director, staff member, or consultant of Triumph, shall be permitted to share in or be a part of this Agreement or any benefit arising hereunder.

9.6 Grant Funds. Grantee acknowledges and agrees that the funds for the Grant are not and shall not be deemed a general obligation of the State of Florida, nor is the Grant or this Agreement backed by the full faith and credit of the State of Florida. Triumph's obligation to fund the Grant or any portion thereof is expressly contingent upon Triumph having sufficient funds on hand to fund the Grant. If for any reason such funds are not retained by Triumph, are depleted, are frozen or sequestered, or are in any manner unavailable for full or partial funding to Grantee and/or other awardees of grants, Triumph shall not be obligated to make fundings hereunder and shall therefore not be deemed to be in breach of this Agreement. To the extent some funds are available for funding to Grantee and other awardees of grants, Triumph shall allocate such funds among Grantee and such other awardees in such amounts as it shall determine in its sole and absolute discretion and shall not be deemed to be in breach of this Agreement for failure to fully fund the Grant.

10. Miscellaneous Provisions:

10.1 Triumph Not Obligated to Third Parties. Triumph shall not be obligated or liable hereunder to any party other than Grantee. Without limiting the generality of the foregoing, neither the Company nor any person or entity providing other funding to the Project, nor any vendor, contractor, subcontractor, or materialman, shall be a third-party beneficiary under this Agreement.

10.2 When Rights and Remedies Not Waived. In no event shall the making by Triumph of any payment to Grantee constitute or be construed as a waiver by Triumph of any breach of covenant or any default which may then exist, on the part of Grantee, and the making of such payment by Triumph while any such breach or default shall exist shall in no way impair or prejudice any right or remedy available to Triumph with respect to such breach or default.

10.3 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance the remainder would then continue to conform to the terms and requirements of applicable law.

10.4 Sovereign Immunity. Nothing in this Agreement shall be construed as a waiver by Grantee of any sovereign immunity protections that may be provided by Section 768.28, Florida Statutes. When Triumph receives a notice of claim for damages that may have been caused by the gross negligence or willful misconduct of Grantee in the performance of services required under this Agreement, Triumph will immediately forward the claim to Grantee. Grantee and Triumph will evaluate the claim and report their findings to each other within fourteen (14) working days and will jointly discuss options in defending the claim. After reviewing the claim, Triumph will determine whether to require the participation of Grantee in the defense of the claim or to require that Grantee defend Triumph in such claim as described in this Section 10.4. Triumph, Grantee will pay its own expenses for the evaluation, settlement negotiations, and trial, if any. Notwithstanding anything to the contrary herein, should it be determined that Grantee was not responsible for the claim, loss, damage, cost, charge, or expense for which Triumph asserted its rights under this Section, Triumph shall immediately reimburse Grantee for its costs incurred pursuant to this Section.

10.5 Limitations of Liability. Neither Grantee nor Triumph shall be liable to the other for any special, indirect, punitive, or consequential damages, even if the other party has been advised that such damages are possible. Neither Grantee nor Triumph shall be liable for lost profits, lost revenue, or lost institutional operating savings. In addition, Triumph shall not assume or incur any liability related to its approval or deemed approval of any contractor, any contract, any plans or specifications for the Project, or any other matter for which Triumph has the right or obligation to review and/or approve under this Agreement

10.6 Non-Assignment. Grantee shall not assign, subcontract, or otherwise transfer its rights, duties, or obligations under this Agreement, by operation of law or otherwise, without the prior written consent of Triumph, which consent may be withheld in Triumph's sole and absolute discretion. Triumph shall at all times without the consent of Grantee be entitled to assign or transfer its rights, duties, or obligations under this Agreement to any other person or entity, or to another governmental entity in the State of Florida, upon giving prior written notice to Grantee. Any attempted assignment of this Agreement or any of the rights hereunder in violation of this provision shall be void *ab initio*. Any attempted assignment of this Agreement or any of the rights hereunder

in violation of this provision shall be void *ab initio*.

10.7 Intentionally Omitted.

10.8 Construction: Interpretation. The title of and the section and paragraph headings in this Agreement are for convenience of reference only and shall not govern or affect the interpretation of any of the terms or provisions of this Agreement. The term "this Agreement" means this Agreement together with all Exhibits hereto, as the same may from time to time be amended, modified, supplemented, or restated in accordance with the terms hereof. All words used in this Agreement in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. The use in this Agreement of the term "including" and other words of similar import mean "including, without limitation" and where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit, or restrict in any manner the construction of the general statement to which it relates. The word "or" is not exclusive and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole, including any Exhibits, and not to any particular section, subsection, paragraph, subparagraph, or clause contained in this Agreement. The recitals of this Agreement are incorporated herein by reference and shall apply to the terms and provisions of this Agreement and the parties hereto. Time is of the essence with respect to the performance of all obligations under this Agreement. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

10.9 Preservation of Remedies; Severability. No delay or omission to exercise any right, power, or remedy accruing to either party hereto upon breach or default by either party hereto under this Agreement, will impair any such right, power, or remedy of either party; nor will such delay or omission be construed as a waiver of any breach or default or any similar breach or default. If any term or provision of this Agreement is found to be illegal, invalid, or unenforceable, such term or provision will be deemed stricken, and the remainder of this Agreement will remain in full force and effect.

10.10 Entire Agreement; Amendment; Waiver. This Agreement embodies the entire agreement of the parties hereto with respect to the subject matter hereof. There are no provisions, terms, conditions, or obligations other than those contained in this Agreement; and this Agreement supersedes all previous communications, representations, or agreements, either verbal or written, between the parties. No amendment will be effective unless reduced to writing and signed by an authorized officer of Grantee and the authorized officer of Triumph. No waiver by a party hereto of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party hereto shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the

exercise of any other right, remedy, power or privilege.

10.11 **Notices.** All notices and demands to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (i) when personally delivered, (ii) the day following the day (except if not a business day then the next business day) on which the same has been delivered prepaid to a reputable national overnight air courier service, or (iii) the third business day following the day on which the same is sent by certified or registered mail, postage prepaid. Notices and shall be sent to the applicable address set forth below, unless another address has been previously specified in writing in accordance with this Section 10.11:

If to Triumph:

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317
Attention: Executive Director

If to Grantee:



Email for Triumph's Program Administrator:

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IN ALL CASES WHERE TRIUMPH IS REQUIRED OR HAS THE RIGHT TO REVIEW, APPROVE, TAKE ACTION, OR RECEIVE REQUESTS FOR FUNDING AND OTHER NOTICES, ALL OF GRANTEE'S SUCH REQUESTS FOR REVIEW, APPROVAL, ACTION, REQUESTS FOR FUNDING, AND OTHER NOTICES TO TRIUMPH MUST ALSO BE DELIVERED VIA EMAIL TO THE TRIUMPH PROGRAM ADMINISTRATOR. NO TIME PERIODS OR OTHER DEADLINES APPLICABLE TO TRIUMPH SHALL COMMENCE UNLESS AND UNTIL THE TRIUMPH PROGRAM ADMINISTRATOR RECEIVES SUCH EMAIL AND CONFIRMS THE COMPLETENESS OF THE REQUEST. ONCE THE TRIUMPH PROGRAM ADMINISTRATOR HAS CONFIRMED THE COMPLETENESS OF THE REQUEST, ANY TIME PERIODS OR OTHER DEADLINES SHALL BE DEEMED TO HAVE COMMENCED AS OF THE DATE GRANTEE FIRST SUBMITTED THE FULLY COMPLETE REQUEST.

10.12 **Attorneys Fees.** In the event litigation arises (at the trial or appellate level) in connection with this Agreement, the prevailing party will be entitled to be reimbursed for all costs incurred in connection with such litigation, including without limitation reasonable attorneys' fees and costs.

10.13 TO THE FULLEST EXTENT LEGALLY PERMISSIBLE, THE PARTIES HERETO WAIVE TRIAL BY JURY IN RESPECT OF ANY CLAIM, DISPUTE OR ACTION ARISING OUT OF, RELATED OR PERTAINING TO THIS AGREEMENT, THE GRANT APPLICATION, AND/OR THE GRANT. THIS WAIVER IS KNOWINGLY, WILLINGLY

AND VOLUNTARILY MADE AND EACH PARTY HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT. EACH PARTY IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

10.14 **Governing Law.** The laws of the State of Florida shall govern the construction, enforcement and interpretation of this Agreement, regardless of and without reference to whether any applicable conflicts of laws principles may point to the application of the laws of another jurisdiction. The exclusive personal jurisdiction and venue to resolve any and all disputes between them including, without limitation, any disputes arising out of or relating to this Agreement shall be in the state courts of the State of Florida in Escambia County. The parties expressly consent to the exclusive personal jurisdiction and venue in any state court located in Escambia County, Florida, and waive any defense of forum non conveniens, lack of personal jurisdiction, or like defense, and further agree that any and all disputes between them shall be solely in the State of Florida. Should any term of this Agreement conflict with any applicable law, rule, or regulation, the applicable law, rule, or regulation shall control over the provisions of this Agreement.

10.15 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

10.16 **Electronic Signatures.** The execution of this Agreement, any amendments or modifications hereto, and any document delivered in connection herewith, may be made by facsimile or electronic transmission. Receipt of the electronic or facsimile transmission shall, for purposes of this Agreement, be deemed to be an original, including signatures thereto.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date below.

GRANTEE:

PANAMA CITY - BAY COUNTY
AIRPORT AND INDUSTRIAL DISTRICT

By: [Signature]
Print Name: MARK SHELTON
Title: CHM R

ATTEST:

By: [Signature]
Print Name: PARSON MACLELLAN
Title: EXECUTIVE DIRECTOR

TRIUMPH:

TRIUMPH GULF COAST, INC., a Florida
not-for-profit corporation

By: Jay Trumbull
Print Name: _____
Title: Chairman

By: Leslie Weiss
Print Name: Leslie Weiss
Title: Treasurer

ATTEST:

By: [Signature]
Print Name: Susan Skelton
Title: Secretary

Effective Date: August 26, 2025

EXHIBIT "A"

Form of

Request for Funding of Grant

(Project Spinner/#338)

Budget Category: _____

Funding Request #: _____

Pursuant to Section 4.2 of that certain Grant Award Agreement dated _____, 2025 (the "Agreement"), by and between Panama City - Bay County Airport and Industrial District ("Grantee"), and Triumph Gulf Coast, Inc., a Florida not-for-profit corporation ("Triumph"), Grantee hereby requests a funding from the Grant (as defined in the Agreement) as follows (all capitalized terms herein shall have the same meanings ascribed to them as set forth in the Agreement):

1. Amount of Grant Funding Requested \$25,000,000
2. Intentionally omitted.
3. Attached hereto are (1) a true, correct, and complete Expense Itemization Sheet, together with true, correct, and complete copies of the receipts, invoices and other supporting documentation referenced therein, (2) photographs and/or reports evidencing the completion of the Facility, (3) evidence of use of Matching Funds for their intended purpose, and (4) Project account documentation under Section 7.1 of the Agreement.
4. None of the amounts paid by Grantee in connection with the receipts, invoices and other supporting documentation referenced in the Expense Itemization Sheet for which funding is requested hereunder 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.
5. None of the contracts under which amounts paid by Grantee in connection with the receipts, invoices and other supporting documentation referenced in the Expense Itemization Sheet have heretofore been modified, amended, or terminated, except as otherwise approved by

Triumph.

6. Grantee hereby certifies, represents, and warrants to Triumph that the following statements are true and correct:

- (a) All of the conditions and contingencies described in Section 3 of the Agreement have been satisfied and there is no missing or incomplete documentation;
- (b) The Request for Funding does not seek funding for items other than items related to the construction of the Facility;
- (c) The amount requested for funding under the Request for Funding does not exceed the \$25,000,000 maximum amount of the Grant; 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, does not exceed the maximum amount allocated to such Budget category; and Grantee has used all Grant funds funded to date in the amounts and for the purposes stated in the Budget;
- (d) Grantee has not made any misrepresentation or omission of a material nature in the Grant Application, or in 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 no pending litigation with respect to the performance by Grantee and/or the Company of any of their respective duties or obligations which may jeopardize or adversely affect the Project, this Agreement, or funding of the Grant; no receiver or trustee has been appointed for Grantee and/or the Company or a substantial portion of their respective assets; no involuntary petition for relief under any bankruptcy or insolvency law has been filed against Grantee and/or the Company that has not been dismissed within sixty (60) days; and neither Grantee nor 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 not taken any action pertaining to the Project which, under this Agreement, requires the approval of Triumph, and Grantee failed to obtain such approval;
- (g) There have been no violations of Sections 9.1, 9.4, or 9.5 (the prohibited interests provisions) of the Agreement;
- (h) Grantee is not in material violation, default, or breach of or under any provision of the Agreement;
- (i) Grantee has not breached any material representation or warranty contained in the Agreement;

- (j) Neither Grantee, the Company nor any federal, state, or local government, organization or agency 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 being used for the intended purposes and in the amounts and at the times as set forth in the Budget, and Grantee has provided 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 paid, or has provided Triumph with evidence of payment of, the Grant for the purposes of such funding;
- (m) Neither Grantee nor the Company has abandoned or discontinued the Project, and the commencement, prosecution, and timely completion of the Project by Grantee and the Company has not been rendered improbable, infeasible, impossible, or illegal;
- (n) None of the requested funding includes funding for items that are outside the scope of the Project that is contemplated under the Budget;
- (o) None 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;
- (p) Intentionally omitted;
- (q) Without the prior approval of Triumph, the total Project cost has not increased or decreased by more than 5%; and/or the Matching Funds have not increased or decreased by more than 5%;
- (r) Completion of the Project is on schedule for completion by the Completion Deadline (as defined in the Agreement) and it is objectively likely that the Project will be completed by the Completion Deadline;
- (s) All insurance required under this Agreement is being maintained;
- (t) Grantee is in compliance with all applicable environmental laws and regulations in accordance with the Agreement;
- (u) Grantee is in compliance with the competitive bidding requirements described in the Agreement; and/or
- (v) Grantee is in compliance with the equal employment opportunity and other labor provisions as required by the Agreement.

The undersigned, in his/her capacity as _____
of _____, hereby certifies to Triumph that the above statements are true
and correct. The undersigned also agrees to provide Triumph with such other documents as
Triumph shall require in order to determine that the requested funding is consistent with the
purposes of the Grant

Date: _____

Print Name:

EXHIBIT "B"

BUDGET

[see attached]

Project #, name	Project # 338	Spinner
Budget	\$107,500,000	
Estimated construction start date if applicable	Q 3 2025	
Estimated education component start date if applicable	N/A	

	Design, Engineering, Renovation, Construction & Equipment	Building Purchase	Total
--	--	-------------------	-------

Please change year # to actual year

Project Total

Pre-award		7,000,000.00	7,000,000.00
2024			
2025	5,500,000.00		5,500,000.00
2026	49,500,000.00		49,500,000.00
2027	37,000,000.00		37,000,000.00
2028	8,500,000.00		8,500,000.00
	100,500,000.00	7,000,000.00	107,500,000.00

Project Total

Triumph

Pre-award		
2024		
2025	2,500,000.00	2,500,000.00
2026	17,500,000.00	17,500,000.00
2027	5,000,000.00	5,000,000.00
2028		
	25,000,000.00	25,000,000.00

Triumph Total

Grantee

Pre-award		
2024		
2025		
2026		
2027		
2028		

Grantee Total

Company

Pre-award		7,000,000.00	7,000,000.00
2024			
2025	3,000,000.00		3,000,000.00
2026	32,000,000.00		32,000,000.00
2027	32,000,000.00		32,000,000.00
2028	8,500,000.00		8,500,000.00
	75,500,000.00	7,000,000.00	82,500,000.00

Match Source 1 Total

EXHIBIT "C"

SmartSheet Authorized Users

Date _____

Name	Title	Email address	User Type (check one)*
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1.	_____	View Only
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	_____	Edit
--	-------	------

2.	_____	View Only
----	-------	-----------

	_____	Edit
--	-------	------

Future changes to Authorized Users of SmartSheet (additions and deletions) must be delivered via a revised Exhibit "C" uploaded to SmartSheet and via email to the Program Administrator.

*User Types:

View Only – users with view only rights will be able to click and read all attachments and notes but will not be able to comment, upload or edit documents.

Edit - users with Edit rights will be able to upload documents and make notes/comment in the sheet.

PLEASE NOTE: IN ALL CASES WHERE TRIUMPH IS REQUIRED OR HAS THE RIGHT TO REVIEW, APPROVE, TAKE ACTION, OR RECEIVE REQUESTS FOR FUNDING AND OTHER NOTICES, ALL OF GRANTEE'S SUCH REQUESTS FOR REVIEW, APPROVAL, ACTION, REQUESTS FOR FUNDING, AND OTHER NOTICES TO TRIUMPH MUST ALSO BE DELIVERED VIA EMAIL TO THE TRIUMPH PROGRAM ADMINISTRATOR. NO TIME PERIODS OR OTHER DEADLINES APPLICABLE TO TRIUMPH SHALL COMMENCE UNLESS AND UNTIL THE TRIUMPH PROGRAM ADMINISTRATOR RECEIVES SUCH EMAIL AND CONFIRMS THE COMPLETENESS OF THE REQUEST. ONCE THE TRIUMPH PROGRAM ADMINISTRATOR HAS CONFIRMED THE COMPLETENESS OF THE REQUEST, ANY TIME PERIODS OR OTHER DEADLINES SHALL BE DEEMED TO HAVE COMMENCED AS OF THE DATE THAT GRANTEE FIRST SUBMITTED THE FULLY COMPLETE REQUEST.

EXHIBIT “D”

Performance Guaranty Agreement

[see attached]

PERFORMANCE GUARANTY AGREEMENT

This Performance Guaranty Agreement (this "**Agreement**") is made and entered into as of August 26, 2025 (the "**Effective Date**"), by IAG AERO GROUP, LLC (the "**Company**") in favor of and for the benefit of Triumph Gulf Coast, Inc., a Florida not-for-profit corporation ("**Triumph**").

RECITALS:

WHEREAS, Triumph and Panama City – Bay County Airport and Industrial District ("**Grantee**"), are parties to that certain Grant Award Agreement dated August 26, 2025 (the "**Grant Agreement**").

WHEREAS, pursuant to the Grant Agreement, and subject to the terms and conditions therein, Triumph has agreed to make a grant to Grantee in the maximum amount of up to \$25,000,000 (the "**Grant**") to provide partial funding for funding for the following project (the "**Project**"): construction by Grantee at the Northwest Florida Beaches International Airport (the "**Airport**") of a 120,000+- sq.ft. facility (the "**Facility**") to expand existing operations of the Company, which operations will provide at least 500 Net New Jobs (as defined below) in the aggregate between all qualifying employment at the Facility and at two other facilities owned or leased by the Company (one also at the Airport (the "**Test Facility**") and one in Lynn Haven, Florida (the "**Lynn Haven Facility**")) (the Facility, together with the Test Facility and the Lynn Haven Facility, are referred to herein as the "**Combined Facilities**") paying an average wage of \$60,000 per year.

WHEREAS, it is a condition to Triumph's obligation to make and fund the Grant to Grantee that the Company agree to perform, achieve and satisfy the Performance Metrics (as defined below) and pay the Performance Metric Clawback Amounts (as defined as defined below) in the event that the Performance Metrics are not satisfied.

WHEREAS, the Company has agreed to enter into this Agreement, pursuant to which, among other things, the Company agrees to perform, achieve and satisfy the Performance Metrics and pay to Triumph the Performance Metric Clawback Amount in the event that the Performance Metrics are not satisfied.

WHEREAS, the Company will derive a substantial benefit from the making of the Grant to Grantee and the completion of the Project, and thus the Company has received and will receive good and valuable consideration for entering into this Agreement.

NOW, THEREFORE, for and in consideration of the covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company agrees as follows:

1. Accuracy of Recitals. The Company acknowledges and agrees that the foregoing Recitals are true and accurate.

2. Review and Understanding of Grant Agreement and this Agreement. The Company acknowledges and agrees that it (i) has been provided with and has reviewed a fully-executed copy of the Grant Agreement, and (ii) has had an opportunity to consult with its own legal counsel regarding its rights and obligations under this Agreement, including, but not limited to, rights and obligation that arise under this Agreement as they relate to the Grant Agreement.

3. Performance Metrics. The Company hereby agrees to perform, achieve and satisfy both of the following performance metrics (the "Performance Metrics"):

(a) **Performance Metric #1:** By the date (the "Ramp-Up Deadline") which is the earlier of (i) five (5) years after the date that the construction of the improvements for the Facility have been substantially completed as evidenced by a certificate of occupancy or other reasonable evidence, or (ii) by December 31, 2032, the Company will have created at least 500 Net New Jobs (as defined below); and

(b) **Performance Metric #2:** All of the 500 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 not less than \$60,000 annually (i.e., a wage that is at or above 115% of the Panama City MSA average wage as of the Commencement Date (based on the Florida Commerce incentive wage chart)) that (a) was created after August 22, 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.

At any time and from time to time, upon written request by Triumph, the Company shall within thirty (30) days of such request, deliver to Triumph such data, reports, payroll ledgers, state and federal payroll returns, financial statements and reporting, and other documents, instruments, and information, as well as its State of Florida employment reporting forms (collectively, "Back-up Data") as Triumph requires in order to determine whether the Company achieved of any or all of the above Performance Metrics. The Company's refusal or failure to timely provide any requested Back-up Data shall be deemed the Company's failure to timely achieve the above

Performance Metrics. Notwithstanding the foregoing, so long as the Company is making diligent efforts to obtain the Back-up Data from third parties, the thirty (30) day deadline described above shall be reasonably extended with respect to any Back-up Data needed to be obtained from third parties.

In the event the Company fails to timely achieve the Performance Metrics described above, then, upon written demand by Triumph, pursuant to the Performance Agreement, the Company shall repay to Triumph an amount of the Grant proportional to the jobs shortfall, based on \$50,000 per job (see the basis for this number below). For example, if there is a shortfall of 1 job (499 jobs created or maintained instead of 500), then the amount owed would be \$50,000 ($1 \times \$50,000$), and if there is a shortfall of 25 jobs (475 jobs created or maintained instead of 500), then the amount owed would be \$1,250,000 ($25 \times \$50,000$). The \$50,000 per job amount is determined by dividing the \$25,000,000 Grant amount by the 500 promised jobs. All amounts owed shall be repaid with interest at the rate *Wall Street Journal Prime Rate* plus three percent (3%) per annum 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. The amount due, including interest thereon, is referred to herein as the "Clawback Amount". The amount due, including interest thereon, is referred to herein as the "Clawback Amount".

4. **Financial Statements.** The Company 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) how the Company is progressing toward achieving the Performance Metrics, (c) the Company's most recent audited financial statements, and (d) such other documents as Triumph shall reasonably require in order to determine that the Grant funds previously disbursed and Matching Funds used to date are consistent with the purposes of the Grant. Triumph shall have the right, at any time and from time to time upon reasonable notice to the Company, to access the Project and inspect any work being performed or as completed.

5. **Conditional Nature of Grant.** The Company acknowledges and agrees that any amounts set forth in Section 3 to be paid by the Company are intended as a third-party repayment of Grant funds conditionally disbursed to Grantee and are due and payable to Triumph as a result of the Company's failure to timely satisfy the Performance Metrics. Such amounts are not intended as and shall not be deemed damages or a penalty. Notwithstanding the foregoing, to the extent that for any reason such amounts are deemed damages, the Company agrees that (i) such amounts shall constitute liquidated damages, (ii) the actual damages suffered by Triumph would be unreasonably difficult to determine and that Triumph would not have a convenient and adequate alternative to the liquidated damages, (iii) the amounts due Triumph bear a reasonable relationship to any anticipated harm and is a genuine pre-estimate suffered by Triumph, and (iv) the Company irrevocably waives any right that it may have to raise as a defense that any such liquidated damages are excessive or punitive.

6. **Term of Agreement.** This Agreement and the Company's obligations hereunder shall remain in full force and effect until the later to occur of (i) all obligations of Grantee under the Grant Agreement have been satisfied, or (ii) all Performance Metric Clawback Amounts due and payable under this Agreement have been paid in full and no additional

Performance Metric Clawback Amount can thereafter arise under this Agreement.

7. **Representations and Warranties of the Company.** The Company hereby makes the following representations and warranties to Triumph:

(a) **Organization; Power and Authority.** The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of ~~Florida~~ and is duly qualified to do business in and is in good standing in the State of Florida, and has all requisite power and authority to own, lease, and operate its properties and to carry on its affairs as currently conducted.

(b) **Authorization and Binding Obligation.** The Company has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid, and binding obligation of the Company, enforceable against the Company in accordance with its terms (subject to applicable bankruptcy, insolvency, moratorium, reorganization, or similar laws affecting the rights of creditors generally and the availability of equitable remedies).

(c) **No Violations.** The execution and delivery by the Company of this Agreement and the performance by it of the transactions contemplated hereby does not (i) conflict with or result in a breach of any provision of the Company's articles/certificate of incorporation, certificate of formation, bylaws, or similar corporate document, (ii) result in violation or breach of or constitute a default (or an event which, with or without notice or lapse of time or both, would constitute a default) under, or result in the termination, modification, cancellation or acceleration under the terms, conditions, or provisions of any of the Company's loan agreements, indentures, material agreements or other material instruments or (iii) violate any applicable law or regulation. The Company has not been convicted of a "public entity crime" (as such term is defined in Section 287.133 of the Florida Statutes) nor has the Company been placed on the "discriminatory vendor list" (as such term is defined in Section 287.134 of the Florida Statutes). Neither the Company nor any person or entity that possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the Company, is listed on the Specially Designated Nationals List or the Foreign Sanctions Evaders List, in each case, as maintained by the United States Department of the Treasury. Neither the Company nor its officers, directors, agents, distributors, employees, or other persons or entities acting on its behalf has taken any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of the payment, directly or indirectly, of any gift, money or anything of value to a government official or to obtain or retain business for any person or entity in violation of applicable law.

(d) **Litigation; Compliance with Laws.** No litigation, investigation, claim, criminal prosecution, civil investigative demand, imposition of criminal or civil fines and penalties, or any other proceeding of or before any arbitrator or governmental agency is pending or, to the knowledge of the Company, threatened by or against the Company or against any of its

properties or assets, which, individually or in the aggregate, could reasonably be expected to result in a material and adverse effect on the assets, operations, or financial condition of the Company or the Company's ability to perform its obligations under this Agreement. No state or federal criminal investigation, criminal prosecution, civil investigative demand, imposition of criminal or civil fines and penalties, or any other proceeding of the Office of the Attorney General of the State of Florida, any State Attorney in the State of Florida, the United States Department of Justice, or any other prosecutorial or law enforcement authority is pending or, to the knowledge of the Company, threatened by or against the Company or any of its officers. No permanent injunction, temporary restraining order or similar decree has been issued against the Company which, individually or in the aggregate, could reasonably be expected to have a material and adverse effect on the assets, operations, or financial condition of the Company or the Company's ability to perform its obligations under this Agreement.

8. Miscellaneous Provisions:

8.1 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected. In such an instance the remainder would then continue to conform to the terms and requirements of applicable law.

8.2 Non-Assignment. The Company shall not assign, subcontract, or otherwise transfer its rights, duties, or obligations under this Agreement, by operation of law or otherwise, without the prior written consent of Triumph, which consent may be withheld in Triumph's sole and absolute discretion. Triumph shall at all times be entitled to assign or transfer its rights, duties, or obligations under this Agreement to another person or entity upon giving prior written notice to the Company. Any attempted assignment of this Agreement or any of the rights hereunder in violation of this provision shall be void *ab initio*.

8.3 Construction: Interpretation. The title of and the section and paragraph headings in this Agreement are for convenience of reference only and shall not govern or affect the interpretation of any of the terms or provisions of this Agreement. The term "this Agreement" means this Agreement, as the same may from time to time be amended, modified, supplemented, or restated in accordance with the terms hereof. All words used in this Agreement in the singular form shall extend to and include the plural. All words used in the plural form shall extend to and include the singular. The use in this Agreement of the term "including" and other words of similar import mean "including, without limitation" and where specific language is used to clarify by example a general statement contained herein, such specific language shall not be deemed to modify, limit, or restrict in any manner the construction of the general statement to which it relates. The word "or" is not exclusive and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole, and not to any particular section, subsection, paragraph, subparagraph, or clause contained in this Agreement. Time is of the essence with respect to the performance of all obligations under this Agreement. The Company and Triumph have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Company and Triumph, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

8.4 **Preservation of Remedies; Severability.** No delay or omission to exercise any right, power, or remedy accruing to either party hereto upon breach or default by either party hereto under this Agreement, will impair any such right, power, or remedy of either party; nor will such delay or omission be construed as a waiver of any breach or default or any similar breach or default. If any term or provision of this Agreement is found to be illegal, invalid, or unenforceable, such term or provision will be deemed stricken, and the remainder of this Agreement will remain in full force and effect.

8.5 **Entire Agreement; Amendment; Waiver.** This Agreement embodies the entire agreement of the Company and Triumph other than those contained in this Agreement; and this Agreement supersedes all previous communications, representations, or agreements, either verbal or written, between the Company and Triumph. No amendment will be effective unless reduced to writing and signed by an authorized officer of the Company and the authorized officer of Triumph. No waiver by a party hereto of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party hereto shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.


8.6 **Notices.** All notices and demands to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (i) when personally delivered, (ii) the day following the day (except if not a business day then the next business day) on which the same has been delivered prepaid to a reputable national overnight air courier service, or (iii) the third business day following the day on which the same is sent by certified or registered mail, postage prepaid. Notices and shall be sent to the applicable address set forth below, unless another address has been previously specified in writing in accordance with this Section 8.6:

If to Triumph:

Triumph Gulf Coast, Inc.
P.O. Box 12007
Tallahassee, FL 32317
Attention: Executive Director

If to the Company:

LAG AERO GROUP, LLC



8.7 **Attorney's Fees.** In the event litigation arises (at the trial or appellate level) in connection with this Agreement, the prevailing party will be entitled to be reimbursed for all costs incurred in connection with such litigation, including without limitation reasonable attorneys' fees and costs.

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8.8 TO THE FULLEST EXTENT LEGALLY PERMISSIBLE, THE COMPANY AND, BY ITS ACCEPTANCE OF THIS AGREEMENT, TRIUMPH, HERETO WAIVE TRIAL BY JURY IN RESPECT OF ANY CLAIM, DISPUTE OR ACTION ARISING OUT OF, RELATED OR PERTAINING TO THIS AGREEMENT, THE GRANT APPLICATION, AND/OR THE GRANT. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE AND THE COMPANY AND, BY ITS ACCEPTANCE OF THIS AGREEMENT, TRIUMPH, HEREBY REPRESENTS THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE COMPANY AND, BY ITS ACCEPTANCE OF THIS AGREEMENT, TRIUMPH, ENTERING INTO THIS AGREEMENT. EACH OF THE COMPANY AND, BY ITS ACCEPTANCE OF THIS AGREEMENT, TRIUMPH, IS HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. EACH OF THE COMPANY AND, BY ITS ACCEPTANCE OF THIS AGREEMENT, TRIUMPH, REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

8.9 **Governing Law.** The laws of the State of Florida shall govern the construction, enforcement and interpretation of this Agreement, regardless of and without reference to whether any applicable conflicts of laws principles may point to the application of the laws of another jurisdiction. The exclusive personal jurisdiction and venue to resolve any and all disputes between them including, without limitation, any disputes arising out of or relating to this Agreement shall be in the state courts of the State of Florida in Escambia County. The Company expressly consents to the exclusive personal jurisdiction and venue in any state court located in Escambia County, Florida, and waives any defense of forum non conveniens, lack of personal jurisdiction, or like defense, and further agree that any and all disputes between the Company and Triumph shall be solely in the State of Florida. Should any term of this Agreement conflict with any applicable law, rule, or regulation, the applicable law, rule, or regulation shall control over the provisions of this Agreement. In the event of any conflict between this Agreement and the Grant Agreement, the provisions of this Agreement shall control.

8.10 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the Company caused this Agreement be executed as of the day and year first above written.

The Company:

IAG AERO GROUP, LLC

By: 

Print Name:

Mauricio Luna

Title:

CEO

ma