

### **DATE, TIME, PLACE OF MEETING**

The Calcasieu Parish School Board Meeting was held at 3310 Broad Street, Lake Charles, Louisiana, on Tuesday, March 14, 2023.

The meeting was called to order by Russell Castille, President The prayer and pledge were led by Mary Fontenot.

### **ROLL CALL**

The roll was called by Superintendent LaFargue and the following members were present:

Phyllis Ayo, Betty Washington, Mary Fontenot, Russell Castille, Tony O'Banion, Damon Hardesty, Shawn Baumgarten, Desmond Wallace, Patrick Pichon, Dean Roberts, Karen Hardy-McReynolds, Glenda Gay, Aaron Natali, and Billy Breaux.

Mr. Tarver was absent.

### **APPROVAL OF MINUTES**

On a motion to approve the Minutes of February 14, 2023 by Mr. Breaux and seconded by Mr. O'Banion, the motion carried on a unanimous vote.

### **PRESENTATIONS**

#### **A. Jamey Rasberry/Director/LCMH Sports Medicine/Quarterly Report**

Dr. Harold from Lake Charles Memorial Hospital presented family medicine residents that will be helping with the schools in the sports medicine program.

**B. Jamira Guillory and Gracie Evans/Westlake High School FFA/National FFA Convention 7<sup>th</sup> place winners with Gold Level Distinction/Tony McCardle, Regina Smart**

#### **C. Students of the Year/Kacie Pugh, Elementary Senior Consultant**

#### **Elementary Division Winner**

Caroline Jolie Harrison  
Western Heights Elementary

**Elementary Division Runner-Up**

Ava May Alcock  
T.S. Cooley Elementary

**Middle School Division Winner**

Brooke Taylor Broussard  
F.K. White Middle School

**Middle School Division Runner-Up**

Allie Lyn Winters  
LeBlanc Middle School

**High School Division Winner**

Jacob Jerome St. Mary  
Barbe High School

**High School Division Runner-Up**

Alicia Lucille Powell  
Washington-Marion High School

**D.** LSBA Art Contest First Place Winner/Izabela Palade, LeBlanc Middle School  
(unavailable for the presentation)

**E.** Tellurian LEAD council students/Sulphur High School and Washington-Marion  
High School students presented by Terri Bachand from Tellurian.

**SUPERINTENDENT'S REPORT**

Dr. LaFargue gave the following report:

**I.** You have each received your Head Start report:

**Program Governance**

- Our Policy Council Meeting was held on February 27, 2023. The following topics were approved:
- January 2023 Minutes
- February's Director's reports
- February's attendance and financial reports
- Head Start Carryover funding

**Program Operations**

- 2023-2024 Coordinated Enrollment flier

2. You have each received the school population report, showing numbers from the end of January compared to the numbers at the end of February for this school year.

3. I would like to report our February, 2023 sales tax numbers for our general fund which show collections at \$1,363,241 or 10.3 % above budget for the 8<sup>th</sup> month of the 2022-2023 fiscal year.

- Collections are \$262,530 or 1.8 % above collections for the same month last year.
- After 8 months, collections are \$8,097,226 or 7.00 % above budget and \$515, 907 or 0.4% below the same period last year.

4. Hurricane Information: The summary was included in your packet.

5. Please remember that your on-line cyber security course is required by March 20<sup>th</sup>. Please submit your certificate of completion to Peggy. Information on the link was in your packet.

6. Regarding the ITEP non-compliance by Indorama that we discussed at the February board meeting, we received notification from the Program Administrator of the Industrial Tax Exemption Program that they were imposing a one- year penalty on the initial term of each contract, due to the jobs and payroll not being met. This means each contract will have an initial contract term of 4 years instead of the standard 5 years.

7. We are pleased to announce that our College Street TV Production class won first place in the LSBA video contest. The name of their video was, "Show us you believe in public schools and what does public education mean to me." The class was awarded \$1000.00 which will be invested into making the program even stronger. The video will be shown at the April board meeting. After the award, Mrs. Glaser stated, "Our students are all over the moon. It is days like this that serve as a reminder to them of just how talented and capable they are."

We would like to recognize that March has been officially designated by the National Association for Music Education as Music in our Schools month. We always look for opportunities to promote music and the arts in our system. From band, choir, dance, and art, our students continually showcase their incredible talents.

The Region 5 Stem center hosted the state championships recently in Burton Coliseum. Teams from Calcasieu that qualified for Worlds (held in Dallas) are:

In the Elementary Division:

**Mices Meeces Mooses**

**LA Region 5 STEM Center**

**Albert Xstein Xbot**

**LA Region 5 STEM Center**

**The Punishers**

**GILLIS ELEMENTARY SCHOOL**

**Code-a-Cola Zero**

**VINTON ELEMENTARY SCHOOL**

**Cooley Tigers**

**T.S. COOLEY ELEMENTARY MAGNET SCHOOL**

In the Middle School Division:

**The Megaminds**

**VINTON MIDDLE SCHOOL**

**Wolverine Robotics**

**F. K. WHITE MIDDLE SCHOOL**

**LA Matrix**

**Region 5 Stem Center**

**Ajax**

**Vinton Middle School**

A reminder to board members that Jim Rock with Lake Area Industry Alliance is offering board members opportunities to be provided an explanation of how ITEP works and its purpose. Please email me or Mr. Bourne and we will get Jim in touch with you.

This concludes my report.

## **COMMITTEE REPORT**

**A. Employee Benefits/March 9, 2023/Billy Breaux, *Chair***

### **Mr. Breaux gave the following report:**

The Calcasieu Parish School Board Employee Benefits Committee met at 5:00pm, Thursday March 9, 2023, in the Board Room, at 3310 Broad Street, Lake Charles, Louisiana. The meeting was called to order by Vice Chairman, Mrs. Glenda Gay. The roll was called by Mr. Jay Bergeron and a quorum was present.

Mrs. Kathy Sonnier and Mr. Richie Gregory with HUB International, presented the first agenda item, the presentation of the group health insurance renewal for the policy year May 1, 2023 to April 30, 2024.

Employee Premium History was presented:

- 2018-2019: No increase
- 2019-2020: No Increase + Premium Holiday
- 2020-2021: 2% adjustment
- 2021-2022: No Increase + Premium Holiday
- 2023-2024: Increase 12.45% + Slight High Option Plan Changes

A summary of the prior years' experience was also presented. Medical claims are projected to surpass available funding by 12%. Due to the projected claims cost for 2023-2024, staff

recommends a 10.3% increase, if no plan changes are made. The following plan changes were presented with the correlating premium % decrease if implemented:

1. Change deductible from \$750 to \$1000 and change out of pocket from \$3000 to \$3250 = 2.2% decrease in premiums
2. Increase out of pocket from \$3000 to \$5000 = 2.2% decrease in premiums
3. Change deductible from \$750 to \$1000 and increase out of pocket from \$3000 to \$5000 = 4.03% decrease in premiums

After discussion about plan changes, on a motion by Mrs. Suzanne Heath, seconded by Mrs. Glenda Gay, it was recommended that plan option #1 be approved as presented. On a 13-1 vote, the motion carried to increase premiums by 8.1% for the 2023-2024 plan year.

**On behalf of the committee, Mr. Breaux offered a motion to accept the recommendation; a second was not required. Mr. Breaux then offered an amendment to the motion to change the deductible to \$1250, with a maximum of \$4000 out of pocket. Mr. Roberts seconded the motion. On a vote for the original motion, as amended, the motion carried on a unanimous vote.**

The next item presented by Mrs. Sonnier and Mr. Gregory, was the Group Medicare Advantage plan renewal for the upcoming policy year.

**Group Medicare Advantage Renewal Plan: Effective January 1, 2024 will have a 4.92% premium increase. Increase premium from \$264 to \$277 per month.** Employee/Member cost will be \$105.26 effective 1/1/2024. It still will be zero co-pay and can still seek services with any provider that accepts Medicare. This was for information only and did not require any action.

**This was for information only.**

The next item presented by Mrs. Sonnier and Mr. Gregory, was the Metlife dental plan renewal for the upcoming policy year.

**MetLife Dental Plan Renewal: Coming up third year being with them will be a 7% increase effective (5/1/23). The rate will increase for Employee only from \$26.79 to \$28.67. The rate for Employee and family will increase from \$68.10 to \$72.87.**

On a motion by Mr. Tony O'Banion, seconded by Mrs. Suzanne Heath, it was recommended to renew the MetLife Dental plan, with an increase in rates of 7%.

**On a unanimous vote, the motion was passed.**

**On behalf of the committee, Mr. Breaux offered a motion to accept the recommendation; a second was not required. The motion carried on a unanimous vote.**

The next item presented by Mrs. Sonnier and Mr. Gregory as the Trustmark Life Insurance renewal.

On a motion by Mr. Mike Hill, seconded by Mrs. Suzanne Heath, it was recommended to renew the Trustmark Life Insurance plan, with an increase the life insurance premiums from \$1.26 to \$1.43 per thousand (13.5%).

**On a unanimous vote, the motion was passed.**

**On behalf of the committee, Mr. Breaux offered a motion to accept the recommendation; a second was not required. The motion passed on a unanimous vote.**

After the presentation, a motion to adjourn was made by Glenda Gay and passed unanimously at 6:30 p.m.

This concludes the Employee Benefit committee report.

### **TAKE APPROPRIATE ACTION**

**Items C-G are available for viewing at the end of this document and as a portion of the legal minutes posted at [www.cpsb.org](http://www.cpsb.org) under Minutes.**

Mr. Castille read the following:

**A. Approval of Resolution to retain Stutes & LaVergne Law Firm as Special Counsel regarding CPSB Sales Tax and LC-LA Hospitality, LLC**

### **RESOLUTION**

WHEREAS, the Calcasieu Parish School Board administers and collects within the Parish of Calcasieu, sales and use tax both individually and as agent for various political subdivisions;

WHEREAS, a dispute and protest has arisen in connection with an assessment of taxes due by LC-LA Hospitality, LLC;

WHEREAS, LC-LA Hospitality, LLC has filed a petition with the Board of Tax Appeals in lieu of filing suit;

WHEREAS, there exists a real necessity involving the public interest for the Calcasieu Parish School Board to be represented by special counsel in the appeals petition proceedings and any subsequent litigation; and

WHEREAS, the Calcasieu Parish School Board desires to retain Stutes & Lavergne Law Firm as special counsel for the Calcasieu Parish School Board in connection with the appeals petition proceedings and any subsequent litigation.

NOW, THEREFORE, BE IT RESOLVED, that Stutes & Lavergne Law Firm is hereby retained as special counsel for the Calcasieu Parish School Board in connection with the above appeals petition proceedings and any subsequent litigation, at hourly rates not to exceed the maximums set forth in the most recent Louisiana Attorney General's approved fee schedule.

On a motion to approve by Mr. Breaux and a second by Dr. Washington, the motion carried on a vote of 13-0, with Mr. Castille abstaining.

**B. Approval of COLA and Quality Improvement Investment Grant/Head Start**

To: Dr. Shannon Lafargue, Superintendent  
Russell Castille, School Board President  
From: Michelle L. Joubert, Early Childhood Director  
Subject: Approval of grant award

Grant Title: Calcasieu Parish School Board (CPSB) Head Start Program  
Grant Source: Federal  
Grant Amount: \$392,713.00

Schools: DeQuincy Primary, J. D. Clifton Elementary, J.F. Kennedy Elementary, Jake Drost, Brenda H. Hunter, and J. I. Watson Elementary

Person Applying: Michelle L. Joubert - Early Childhood Director

Purpose: The Head Start Program provides an integrated approach of early childhood care and education that includes comprehensive services to four hundred fifty (450) children ages 3 and 4. It is designed to focus on providing early literacy and mathematical skills necessary for children to become kindergarten ready. The program promotes school readiness by enhancing social and cognitive development of children by providing health, nutritional, social and other services. CPSB School Readiness Goals are aligned with the Head Start Childhood

Development and Early Learning Framework and the Louisiana Birth to 5 Early Learning and Development Standards. Research-based assessment methods are being used to support teacher-child interactions and children's progress towards the school readiness goals. Head Start program also includes engaging parents, families and communities in their child's learning.

On a motion to approve by Mr. Hardesty and a second by Mr. Roberts, the motion carried on a unanimous vote.

**C. Approval of ITEP request/Crying Eagle Brewery/ITEP application #20220397-ITE**

On a motion to approve by Mr. Breaux and a second by Dr. Washington, the motion carried on a unanimous vote.

**D. Approval of ITEP request/LACC, LLC//ITEP application #20220235 ITE**

On a motion to approve by Mr. Roberts and a second by Mr. Breaux, the motion carried on a unanimous vote.

**E. Approval of ITEP request/Indorama Ventures Olifens/ITEP application #20210171-ITE**

On a motion to approve by Mr. Breaux and a second by Mr. Natali, the motion carried on a vote of 10 yes votes and 4 no votes.

**F. Approval of Entergy Right of Way/Carlyss area/subject to final attorney approval of agreement wording/Public Notice published March 3<sup>rd</sup> and 8<sup>th</sup> in Lake Charles American Press**

On a motion to approve by Mr. Hardesty and a second by Mr. Breaux, the motion carried on a unanimous vote.

**G. Approval of Port Arthur Pipeline, LLC, Right of Way/Carlyss area/subject to final attorney approval of agreement wording/Public Notice published March 7<sup>th</sup> and 9<sup>th</sup> in Lake Charles American Press**

On a motion to approve by Mr. Hardesty and a second by Mr. Breaux, the motion carried on a unanimous vote.

MARCH 14, 2023

## **BID REPORTS**

Mr. Castille read the following:

### **A. New Two Story Classroom Building/Maplewood Middle and Elementary Schools/#23 Bond Funds**

The Committee to receive bids met on the date herein indicated and reviewed bids on the following project.

DATE: 2-Mar-06

DESCRIPTION:

New Two Story Classroom Building Maplewood Middle & Elementary Schools

FUNDS: Sd # 23 Bond Funds

BID NUMBER: 2023-04PC

DESIGNER: Ellender Architects & Associates , LLC

| CONTRACTOR                                 | BASE BID        | ALT. # 1     | Total |
|--------------------------------------------|-----------------|--------------|-------|
| Gunter Construction , Inc.                 | No Bid          |              |       |
| K & J Development of SWLA                  | \$9,314,000.00  | \$141,000.00 |       |
| Alfred Palma , LLC (Central Auction House) | \$9,605,000.00  | \$119,000.00 |       |
| PERC Development , LLC                     | \$9,559,000.00  | \$131,600.00 |       |
| Shannon Smith Construction                 | No Bid          |              |       |
| Trahan Construction                        | \$10,236,000.00 | \$127,000.00 |       |
| Pat Williams Construction                  | \$9,215,000.00  | \$142,000.00 |       |
| Keiland Construction                       | \$10,447,000.00 | \$125,000.00 |       |

The Committee recommends award of the contract to:

Pat Williams Construction

BASE BID AND ALTERNATE NO. 1 IN THE AMOUNT OF:

Nine Million Four Hundred Fifty-Five Thousand Dollars and No/100 \$9,455,000.00

as the lowest qualified bidder meeting specifications.

DESCRIPTION OF ALTERNATES:

ALTERNATE #1: Provide and install the Pavilion Roof Structure with associated supporting columns

On a motion to approve by Mr. Hardesty and a second by Mr. Breaux, the motion carried on a unanimous vote.

**B. Bid #2023-16 Small Kitchen Equipment for LaGrange and Sulphur High Schools/Funds by School Food Services Department**

**Bid Recommendation:**

Staff recommends awarding Louisiana School Equipment as the lowest responsible bidder @ \$112,815 for Sulphur and \$111,765 for LaGrange High School, Funded by School Food Services

On a motion to approve by Mr. Hardesty and a second by Mr. Breaux, the motion carried on a unanimous vote.

**CORRESPONDENCE**

Mr. Castille read the following:

**A. Change Order Number Two (2) for the project, “Barbe HS Baseball Field Turf Upgrade”; Brossett Architect, LLC; Architect; T3 Global Project, LLC; Contractor; Barbe High School Baseball Program funding; *Increase* of \$9,385.00 and *Increase* of seven (7) days.**

On a motion to approve by Mr. Roberts and a second by Dr. Washington, the motion carried on a unanimous vote.

**B. Change Order Number Three (3) for the project, “Barbe HS Baseball Field Turf Upgrade”; Brossett Architect, LLC; Architect; T3 Global Project, LLC; Contractor; Barbe High School Baseball Program funding; *Increase* of \$55,511.00.**

On a motion to approve by Mr. Roberts and a second by Dr. Washington, the motion carried on a unanimous vote.

**C. Recommendation of Acceptance; Brenda Hunter Head Start Improvements Phase III**

On a motion to approve by Mr. Roberts and a second by Mr. Hardesty, the motion carried on a unanimous vote.

### **Condolences/Recognitions**

Mr. Pichon asked for a letter of condolence to the family of Mr. Ron Johnson. He asked for a letter of recognition to the Wolverine Robotics team for their state championship win.

Dr. LaFargue mentioned that a letter had already been sent out to the family of Mrs. Mary Lou Caldarera.

Dr. Washington asked for a letter of condolence to the family of Mrs. Lydia Colligan.

Mr. Roberts asked for a letter of condolence to the family of Mr. Denton Heinrich.

Mr. Castille asked for a letter of condolence to the family of Mrs. Janice Maxfield.

Mrs. Ayo asked for the following:

A letter of recognition to Jennifer Cormier regarding the recent Art Walk.

A letter of recognition to Raymond Swalley for placing in the recent robotics state championship.

A letter of recognition to Bree Anne Wade for placing in the recent robotics state championship.

A letter of sympathy to the family of Mrs. Shannon Boudreaux.

A letter of sympathy the family of Mrs. Aleata Tharp.

### **Schedule Committees**

Budget Committee, March 28, 2023

A&P Committee, April 25, 2023

C&I Committee, April 25, 2023

### **Adjourn Meeting**

On a motion to adjourn by Mr. Hardesty and a second by Mr. Roberts, the meeting was adjourned at 7:07 p.m.

MARCH 14, 2023

---

Russell Castille, President

---

Shannon LaFargue, Secretary

**Calcasieu Parish Industrial Tax Exemption Program  
Return on Investment Evaluation**

**Crying Eagle Brewing - #20220397-ITE**

# Items C-G

## Company Investment

|                             |    |           |
|-----------------------------|----|-----------|
| Annual Payroll              | \$ | 140,000   |
| Capital Expenditure (CapEx) | \$ | 2,311,733 |

## Exemption Requested

|                                  |     |
|----------------------------------|-----|
| Property Taxes years <b>1-5</b>  | 80% |
| Property Taxes years <b>6-10</b> | 80% |

## Local Revenue Forgone

|                                   | Total-all Jurisdictions | CPSB portion      |
|-----------------------------------|-------------------------|-------------------|
| Property Taxes years <b>1-5</b>   | \$ 165,033              | \$ 54,930         |
| Property Taxes years <b>6-10</b>  | \$ 148,115              | \$ 49,299         |
| Total Estimated 10 year Exemption | \$ <b>313,148</b>       | \$ <b>104,229</b> |

## Revenue Generated over 20 years

|                                      | Total-all Jurisdictions | CPSB portion |
|--------------------------------------|-------------------------|--------------|
| Property Taxes generated over 10 yrs | \$ 78,287               | \$ 26,057    |
| Property Taxes generated over 20 yrs | \$ 291,362              | \$ 96,977    |
| Sales Taxes generated from CapEx     | \$ 50,467               | \$ 21,942    |

## Factors

|                        |              |              |                           |
|------------------------|--------------|--------------|---------------------------|
| Direct Jobs - 5        | (Annual P/R) | \$ 140,000   | \$ 2,800,000 -over 20 yrs |
| Indirect Jobs -        |              | \$           |                           |
| Construction Jobs - 41 |              | \$ 1,236,256 |                           |

## General Considerations

### Benefits

Direct & Indirect Job Creation - Major consideration  
Annual Payroll - Major Consideration  
Construction Jobs  
Sales Taxes generated from construction  
Property Taxes collected during & after ITEP exemption period  
Economic stimulus to area economy

### Costs

Foregone revenue from exempted property tax in years 1 - 5 and 6 - 10

# CALCASIEU PARISH

## ITEP IMPACT SUMMARY FOR ALL AFFECTED TAXING BODIES

### 10 YEARS TAX ABATEMENT AT 80% EXEMPTION years 1-5, 80% years 6-10

**Project Name:** Lakefront  
**Investment Amount:** \$2,311,733  
**Ward:** 3L  
**Location:** 911 N. Lakeshore Dr., Lake Charles, LA  
**Company Name:** Crying Eagle Brewing  
**DATED:** 11/10/2022

| 20 Yr Depreciation Rate <sup>1</sup> |                           |                        | 0.93                    | 1.04                    | 1.10                    | 1.06                    | 1.04                    | 1.03                    | 0.99                    | 0.93                    | 0.87                    | 0.82                     | TOTAL EXEMPTION AMOUNT |
|--------------------------------------|---------------------------|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------------------|------------------------|
| Depreciated Value                    |                           |                        | 2,149,912               | 2,404,202               | 2,542,906               | 2,450,437               | 2,404,202               | 2,381,085               | 2,288,616               | 2,149,912               | 2,011,208               | 1,895,621                |                        |
| 100% Assessed Value                  |                           |                        | 322,487                 | 360,630                 | 381,436                 | 367,566                 | 360,630                 | 357,163                 | 343,292                 | 322,487                 | 301,681                 | 284,343                  |                        |
| 80% Assessed Value                   |                           | 0.8                    | 257,989                 | 288,504                 | 305,149                 | 294,052                 | 288,504                 | 285,730                 | 274,634                 | 257,989                 | 241,345                 | 227,475                  |                        |
| Taxing Body                          | Millage Rate <sup>2</sup> | Converted Millage Rate | YEAR 1 EXEMPT AMOUNT    | YEAR 2 EXEMPT AMOUNT    | YEAR 3 EXEMPT AMOUNT    | YEAR 4 EXEMPT AMOUNT    | YEAR 5 EXEMPT AMOUNT    | YEAR 6 EXEMPT AMOUNT    | YEAR 7 EXEMPT AMOUNT    | YEAR 8 EXEMPT AMOUNT    | YEAR 9 EXEMPT AMOUNT    | YEAR 10 EXEMPT AMOUNT    | TOTAL EXEMPTION AMOUNT |
| Assessor                             | 1.25                      | 0.00125                | \$322                   | \$361                   | \$381                   | \$368                   | \$361                   | \$357                   | \$343                   | \$322                   | \$302                   | \$284                    | \$3,402                |
| Sheriff                              | 11.85                     | 0.01185                | \$3,057                 | \$3,419                 | \$3,616                 | \$3,485                 | \$3,419                 | \$3,386                 | \$3,254                 | \$3,057                 | \$2,860                 | \$2,696                  | \$32,248               |
| School Board <sup>4</sup>            | 17.00                     | 0.01700                | \$4,386                 | \$4,905                 | \$5,188                 | \$4,999                 | \$4,905                 | \$4,857                 | \$4,669                 | \$4,386                 | \$4,103                 | \$3,867                  | \$46,263               |
| School Board <sup>4A</sup>           | 21.30                     | 0.02130                | \$5,495                 | \$6,145                 | \$6,500                 | \$6,263                 | \$6,145                 | \$6,086                 | \$5,850                 | \$5,495                 | \$5,141                 | \$4,845                  | \$57,965               |
| Parish Government <sup>5</sup>       | 27.14                     | 0.02714                | \$7,002                 | \$7,830                 | \$8,282                 | \$7,981                 | \$7,830                 | \$7,755                 | \$7,454                 | \$7,002                 | \$6,550                 | \$6,174                  | \$73,858               |
| Special Districts <sup>6</sup>       | 21.41                     | 0.02141                | \$5,524                 | \$6,177                 | \$6,533                 | \$6,296                 | \$6,177                 | \$6,117                 | \$5,880                 | \$5,524                 | \$5,167                 | \$4,870                  | \$58,265               |
| Municipality <sup>7</sup>            | 15.12                     | 0.01512                | \$3,901                 | \$4,362                 | \$4,614                 | \$4,446                 | \$4,362                 | \$4,320                 | \$4,152                 | \$3,901                 | \$3,649                 | \$3,439                  | \$41,147               |
| <b>TOTAL</b>                         | <b>115.07</b>             | <b>0.11507</b>         | <b>\$29,687</b>         | <b>\$33,198</b>         | <b>\$35,113</b>         | <b>\$33,837</b>         | <b>\$33,198</b>         | <b>\$32,879</b>         | <b>\$31,602</b>         | <b>\$29,687</b>         | <b>\$27,772</b>         | <b>\$26,175</b>          | <b>\$313,148</b>       |
| Taxing Body                          | Millage Rate <sup>2</sup> | Converted Millage Rate | YEAR 1 COLLECTED AMOUNT | YEAR 2 COLLECTED AMOUNT | YEAR 3 COLLECTED AMOUNT | YEAR 4 COLLECTED AMOUNT | YEAR 5 COLLECTED AMOUNT | YEAR 6 COLLECTED AMOUNT | YEAR 7 COLLECTED AMOUNT | YEAR 8 COLLECTED AMOUNT | YEAR 9 COLLECTED AMOUNT | YEAR 10 COLLECTED AMOUNT | TOTAL COLLECTED AMOUNT |
| Assessor                             | 1.25                      | 0.00125                | \$81                    | \$90                    | \$95                    | \$92                    | \$90                    | \$89                    | \$86                    | \$81                    | \$75                    | \$71                     | \$850                  |
| Sheriff                              | 11.85                     | 0.01185                | \$764                   | \$855                   | \$904                   | \$871                   | \$855                   | \$846                   | \$814                   | \$764                   | \$715                   | \$674                    | \$8,062                |
| School Board <sup>4</sup>            | 17.00                     | 0.01700                | \$1,096                 | \$1,226                 | \$1,297                 | \$1,250                 | \$1,226                 | \$1,214                 | \$1,167                 | \$1,096                 | \$1,026                 | \$967                    | \$11,566               |
| School Board <sup>4A</sup>           | 21.30                     | 0.02130                | \$1,374                 | \$1,536                 | \$1,625                 | \$1,566                 | \$1,536                 | \$1,522                 | \$1,462                 | \$1,374                 | \$1,285                 | \$1,211                  | \$14,491               |
| Parish Government <sup>5</sup>       | 27.14                     | 0.02714                | \$1,750                 | \$1,958                 | \$2,070                 | \$1,995                 | \$1,958                 | \$1,939                 | \$1,863                 | \$1,750                 | \$1,638                 | \$1,543                  | \$18,465               |
| Special Districts <sup>6</sup>       | 21.41                     | 0.02141                | \$1,381                 | \$1,544                 | \$1,633                 | \$1,574                 | \$1,544                 | \$1,529                 | \$1,470                 | \$1,381                 | \$1,292                 | \$1,218                  | \$14,566               |
| Municipality <sup>7</sup>            | 15.12                     | 0.01512                | \$975                   | \$1,091                 | \$1,153                 | \$1,112                 | \$1,091                 | \$1,080                 | \$1,038                 | \$975                   | \$912                   | \$860                    | \$10,287               |
| <b>TOTAL</b>                         | <b>115.07</b>             | <b>0.11507</b>         | <b>\$7,422</b>          | <b>\$8,300</b>          | <b>\$8,778</b>          | <b>\$8,459</b>          | <b>\$8,300</b>          | <b>\$8,220</b>          | <b>\$7,901</b>          | <b>\$7,422</b>          | <b>\$6,943</b>          | <b>\$6,544</b>           | <b>\$78,287</b>        |

SOURCE: Calcasieu Parish Assessor's Office

NOTES:

1. Depreciation is based upon the current 2023 Table 2503.D provided by the Louisiana Tax Commission.
2. Used known millage rates as of the date above and subject to change in the future.
3. Land and Inventory are excluded from exemption under ITEP.
4. School Board millage rate total includes the adopted millage rate for [LIST SCHOOL BOARD MILLAGE NAMES]
- 4A. School Board SPECIAL millage rate total includes the adopted millage rate for [LIST SCHOOL BOARD SPECIAL MILLAGE NAMES]
5. Parish Government millage rate total includes the adopted millage rate for [LIST AFFECTED PARISH GOV'T MILLAGE NAMES]
6. Special districts millage rate total includes the adopted millage rate for [LIST SPECIAL DISTRICT NAME(S)]
7. Municipality millage rate total includes the adopted millage rate for [LIST MUNICIPALITY DISTRICT NAME(S)]

\$165,033  
\$41,258

**YEARS 11 to 20 AFTER EXEMPTION EXPIRES**

|  |                                |                                |                                |                                |                                |                                |                                |                                |                                |                                |                              |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------|
|  | 0.75                           | 0.71                           | 0.65                           | 0.58                           | 0.52                           | 0.48                           | 0.44                           | 0.41                           | 0.40                           | 0.40                           |                              |
|  | 1,733,800                      | 1,641,330                      | 1,502,626                      | 1,340,805                      | 1,202,101                      | 1,109,632                      | 1,017,163                      | 947,811                        | 924,693                        | 924,693                        |                              |
|  | 260,070                        | 246,200                        | 225,394                        | 201,121                        | 180,315                        | 166,445                        | 152,574                        | 142,172                        | 138,704                        | 138,704                        |                              |
|  |                                |                                |                                |                                |                                |                                |                                |                                |                                |                                |                              |
|  | YEAR 11<br>EXEMPT<br>AMOUNT    | YEAR 12<br>EXEMPT<br>AMOUNT    | YEAR 13<br>EXEMPT<br>AMOUNT    | YEAR 14<br>EXEMPT<br>AMOUNT    | YEAR 15<br>EXEMPT<br>AMOUNT    | YEAR 16<br>EXEMPT<br>AMOUNT    | YEAR 17<br>EXEMPT<br>AMOUNT    | YEAR 18<br>EXEMPT<br>AMOUNT    | YEAR 19<br>EXEMPT<br>AMOUNT    | YEAR 20<br>EXEMPT<br>AMOUNT    | TOTAL<br>EXEMPTION<br>AMOUNT |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                            | \$0                          |
|  | YEAR 11<br>COLLECTED<br>AMOUNT | YEAR 12<br>COLLECTED<br>AMOUNT | YEAR 13<br>COLLECTED<br>AMOUNT | YEAR 14<br>COLLECTED<br>AMOUNT | YEAR 15<br>COLLECTED<br>AMOUNT | YEAR 16<br>COLLECTED<br>AMOUNT | YEAR 17<br>COLLECTED<br>AMOUNT | YEAR 18<br>COLLECTED<br>AMOUNT | YEAR 19<br>COLLECTED<br>AMOUNT | YEAR 20<br>COLLECTED<br>AMOUNT | TOTAL<br>COLLECTED<br>AMOUNT |
|  | \$325                          | \$308                          | \$282                          | \$251                          | \$225                          | \$208                          | \$191                          | \$178                          | \$173                          | \$173                          | \$2,315                      |
|  | \$3,082                        | \$2,917                        | \$2,671                        | \$2,383                        | \$2,137                        | \$1,972                        | \$1,808                        | \$1,685                        | \$1,644                        | \$1,644                        | \$21,943                     |
|  | \$4,421                        | \$4,185                        | \$3,832                        | \$3,419                        | \$3,065                        | \$2,830                        | \$2,594                        | \$2,417                        | \$2,358                        | \$2,358                        | \$31,479                     |
|  | \$5,539                        | \$5,244                        | \$4,801                        | \$4,284                        | \$3,841                        | \$3,545                        | \$3,250                        | \$3,028                        | \$2,954                        | \$2,954                        | \$39,441                     |
|  | \$7,058                        | \$6,682                        | \$6,117                        | \$5,458                        | \$4,894                        | \$4,517                        | \$4,141                        | \$3,859                        | \$3,764                        | \$3,764                        | \$50,255                     |
|  | \$5,568                        | \$5,271                        | \$4,826                        | \$4,306                        | \$3,861                        | \$3,564                        | \$3,267                        | \$3,044                        | \$2,970                        | \$2,970                        | \$39,645                     |
|  | \$3,932                        | \$3,723                        | \$3,408                        | \$3,041                        | \$2,726                        | \$2,517                        | \$2,307                        | \$2,150                        | \$2,097                        | \$2,097                        | \$27,998                     |
|  | \$29,926                       | \$28,330                       | \$25,936                       | \$23,143                       | \$20,749                       | \$19,153                       | \$17,557                       | \$16,360                       | \$15,961                       | \$15,961                       | \$213,075                    |

Company Name: Crying Eagle Brewing

\$2,311,733      -Total Capital Expend.

| Sales Taxes  |                 |              |                      |              |          | Sales Taxable % |
|--------------|-----------------|--------------|----------------------|--------------|----------|-----------------|
| 2.50%        | 0.75%           | 2.50%        | 2.50%                | 8.25%        |          |                 |
| Parish       | Law Enforcement | Schools      | City of Lake Charles | Total        |          |                 |
| \$ 21,942.35 | \$ 6,582.71     | \$ 21,942.35 | \$ -                 | \$ 50,467.41 | 37.9669% |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |
|              |                 |              |                      |              |          |                 |

March 1, 2023

Dr. Shannon LaFargue, Superintendent  
Attn: Wilfred Bourne, Chief Financial Officer  
Calcasieu Parish School Board  
3310 Broad St.  
Lake Charles, LA 70615

RE: Crying Eagle Brewing Company LLC  
Board of Commerce and Industry Approval Notice ("Notice")  
Tax Exemption Application #20220397-ITE - \$2,311,733.00

Dear Dr. LaFargue:

This Notice is being provided to you pursuant to the Rules of the Board of Commerce and Industry ("Board"), effective August 20, 2018, specifically Title 13 of the Louisiana Administrative Code, §503(H)(1) ("Rule").

Pursuant to this Rule, the Notice is hereby given that the above-referenced Tax Exemption Application for Crying Eagle Brewing Company LLC, attached hereto along with the corresponding Exhibit A, was approved by the Board on Wednesday, March 1, 2023. Local governmental entities have thirty days from the date notice of the Board's approval is posted on LED's website to determine whether to take further action on the approval in accordance with the Rule and may provide the necessary notice to LED, timely, using the attached Notice of Action. Any local governmental entity that timely notifies LED that the above-referenced application has been placed on the agenda of a public meeting will have an additional thirty days to make a final determination in accordance with the Rule. If the local governmental entity takes no action or does not provide timely notice of action to LED within the delays provided by the Rule, then the application shall be deemed approved by that entity.

Sincerely,



Kristin Cheng  
Program Administrator  
Industrial Tax Exemption Program  
(225) 342-2083  
ITEP@la.gov

c: Assessor, Calcasieu Parish

# Industrial Tax Exemption Program Application - (Post Executive Order 2018)

\*\* Any changes made to the information provided after the initial submission of this Application, whether requested by the Company or by LED, may result in a delay in Application processing time and/or Board of Commerce & Industry consideration. \*\*

**Project ID:** 20220397-ITE

**Date Received:** 11/10/2022

## PROJECT INFORMATION

**Company:** Crying Eagle Brewing Company LLC  
**Project Name:** Lakefront  
**Project Location:** 911 N. Lakeshore Dr. , Lake Charles, LA, 70601  
**Parish:** Calcasieu  
**City Limits?:** ☒

## COMPANY INFORMATION

**Product Manufactured:** Brewer of craft beers.  
**Manufacturing Process/Activities:** Site is a brewery that engages in the mashing, separation, boiling, and fermentation of raw ingredients to produce a line of alcoholic beverage products.

## GAMING

Has the applicant or any affiliates received, applied for, or considered applying for a license to conduct gaming activities? ☒ Yes ☐ No

If yes, please give a detailed explanation including the name of the entity receiving or applying for the license, the relationship to the business if an affiliate, the location and the type of gaming activities:

N/A

## PROJECT DETAILS

**NAICS:** 312120  
**Project Type:** Start-Up/New  
**Project Start Date (beginning of construction and/or installation):** 10/1/2022  
**Project End Date (ending of construction and/or installation):** 12/31/2024  
**Anticipated date for the commencement of operations of this project:** 12/31/2024  
**Project Description:**

Crying Eagle Brewing company is conducting an expansion project that will consist of the construction of a new microbrewery location in Lake Charles. The construction will consist of a single, 11,400 square foot building with multiple floors, of which 3,200 will be specific to the manufacturing operation. Within the production space of the new location will be brewery specific storage area for grain, lab equipment, hoses, fittings, gauges, dry yeast, scales, etc. There will be other storage spaces within the entire facility, but the brewhouse and production area has it's own storage space NOT to be used by other departments. The project will also require investment in new equipment for the brewing and packaging of their product. Packaging is considered the final step in the manufacturing process and consists of the beer being kegged and stored until it's final use. The beer in kegs "finishes" the aging process just prior to sale. For this process the company will purchase a new kegging machine that will wash, sanitize and then fill kegs with beer. This will be a single standalone unit that covers all actions at a pace of 30 kegs per hour. Other brewing equipment included in this project will consist of: o 10 BBL Brewhouse, Cellar and Brite Tanks o Keg Washing and Filling systems o Water Filtration systems o Air Compressor o Beer Filtration o Unloading and Setting o Glycol and Steam Lines o Hoses, pumps, fittings and gauges o Boilers, Chillers and CO2 o Dispensing Equipment

Will any portion of this project become operational/usable prior to the overall project's completion (i.e. application filled in phases)? ☒ Yes ☐ No

### Calendar Years:

## ESTIMATED INVESTMENTS

|                                           |                |
|-------------------------------------------|----------------|
| <b>Building &amp; Materials:</b>          | \$704,694.00   |
| <b>Machinery &amp; Equipment:</b>         | \$173,000.00   |
| <b>Labor &amp; Engineering:</b>           | \$1,434,039.00 |
| <b>Estimated Total Investment Amount:</b> | \$2,311,733.00 |
| <b>Less: Restricted Amount:</b>           | \$0.00         |
| <b>Total Estimated Investments:</b>       | \$2,311,733.00 |

## ESTIMATED JOBS

|                                            |                                                                |
|--------------------------------------------|----------------------------------------------------------------|
| <b>Existing Jobs at Project Site:</b>      | 0                                                              |
| <b>Existing Jobs Statewide:</b>            | 19                                                             |
| Will this project create new jobs?         | <input checked="" type="radio"/> Yes <input type="radio"/> No  |
| <b>New Direct Jobs:</b>                    | 5                                                              |
| <b>Contract Jobs:</b>                      |                                                                |
| <b>Will new jobs be created in phases?</b> | 0 Jobs/\$0 payroll in 2023. 5 jobs/ \$140,000 payroll in 2024. |
| <b>Explain:</b>                            |                                                                |
| <b>Construction Jobs:</b>                  | 41                                                             |
| <b>Total Estimated Jobs:</b>               | 46                                                             |
| <b>New Jobs for this phase:</b>            | 0                                                              |

If no new jobs are being created with this project, will existing jobs be retained? ☒ Yes ☐ No

If yes, provide a compelling reason(s) for retention: N/A

## ESTIMATED PAYROLL

|                                  |                |
|----------------------------------|----------------|
| Existing Jobs Payroll:           | \$0.00         |
| Existing Jobs Statewide Payroll: | \$911,962.00   |
| New Direcy Jobs Payroll:         | \$140,000.00   |
| Contract Jobs Payroll:           | \$0.00         |
| Construction Jobs Payroll:       | \$1,236,259.00 |
| Total Estimated Payroll:         | \$1,376,259.00 |
| New payroll for current phase:   | \$0.00         |

## PROPERTY TAX

Millage Rate for this property. Use the millage rate obtained from the parish assessor to calculate the fee. 0.1255

This is usually a whole number (i.e., 115.47 or 92.665. A millage rate is expressed in 1/1000ths of a dollar (known as one mill). Convert the whole number millage rate by dividing by 1000 to a decimal number (i.e., the whole numbers converted to 1/1000ths would be .1154 or .0927 when rounded to four digits.)

**Note:** [Proof of Millage/Location form](#) must be completed by the parish assessor and uploaded to the attachments of this application.

**Total Property Taxes paid (most recent year for this site):** 0.00

## BUSINESS LEGAL STRUCTURE

Is this company an LLC? ☒ Yes ☐ No

If an LLC members or pass through entity, list below the names and the LA Dept. of Revenue tax identification number or social security number for all.

### LLC Members

#### Legal Name

Craig Morton

Derrick Nagle

Eric Avery

Michael Robinson

Scott Ragsdill

Larry Avery

## ESTIMATED BENEFIT

|                                                   |                |
|---------------------------------------------------|----------------|
| <b>Investment Amount:</b>                         | \$2,311,733.00 |
| <b>x Assessment Percentage:</b>                   | 0.15           |
| <b>x Millage Rate:</b>                            | 0.1255         |
| <b>=Annual Exemption</b>                          | \$43,532.24    |
| <b>Annual Exemption * 5 years at 80%</b>          | \$174,128.98   |
| <b>+ Annual Exemption * 5 years at 80%</b>        | \$174,128.98   |
| <b>=Estimated Ten Year Property Tax Exemption</b> | \$348,257.96   |

## FEE CALCULATION

|                                                             |              |
|-------------------------------------------------------------|--------------|
| <b>Estimated Ten Year Property Tax Exemption :</b>          | \$348,257.96 |
| <b>x Rate</b>                                               | 0.005        |
| <b>= Assessed Fee (\$500.00 Minimum—\$15000.00 Maximum)</b> | \$1,741.29   |
| <b>Amount Paid:</b>                                         | \$1,741.29   |
| <b>Amount Due:</b>                                          | \$0.00       |

## ATTACHMENTS

| <b>Document Type</b>           | <b>Document Name</b>                                           | <b>Date</b> |
|--------------------------------|----------------------------------------------------------------|-------------|
| Proof of Millage               | Crying Eagle ProofofMillageLocationVerificationForm signed.pdf | 10/25/2022  |
| Baseline Calculation Worksheet | Baseline Worksheet (signed).pdf                                | 11/4/2022   |
| Notarized Affidavit            | Notarized Affidavit (signed).pdf                               | 11/4/2022   |
| Other                          | Fwd_ NAICS Code verification email.pdf                         | 11/10/2022  |
| Breakdown of Purchases         | ITEBreakdownofPurchases.xlsx                                   | 11/10/2022  |
| ES4                            | LWC - LAWATS Q2 2022.pdf                                       | 11/23/2022  |
| ES4                            | LWC - LAWATS Q3 2022.pdf                                       | 11/23/2022  |
| Breakdown of Purchases         | ITEBreakdownofPurchases.xlsx                                   | 11/28/2022  |

## PAYMENTS

|                 |                    |                      |                       |                         |
|-----------------|--------------------|----------------------|-----------------------|-------------------------|
| <b>Fee Type</b> | <b>Amount Paid</b> | <b>Date Received</b> | <b>Confirmation #</b> | <b>Transaction Type</b> |
| <b>Fee Type</b> | <b>Amount Paid</b> | <b>Date Received</b> | <b>Confirmation #</b> | <b>Transaction Type</b> |
| APPLICATION     | \$1,741.29         | 11/10/2022           | OP1XP08FZJ            | visa_credit             |

## PROJECT CONTACTS

| Contact<br>First Name | Contact<br>Last Name | Email Address               | Company<br>Name          | Mailing Address                                      | Phone<br>Number       | Contact<br>Type       |
|-----------------------|----------------------|-----------------------------|--------------------------|------------------------------------------------------|-----------------------|-----------------------|
| Robert                | Wege                 | rwege@sumitcredits.com      | Sumit<br>Credits,<br>LLC | PO Box 910 , Watson,<br>LA, 70786                    | (225)<br>664-<br>2160 | Consultant            |
| Eric                  | Avery                | eric@cryingeagle.com        | Crying<br>Eagle          | 1165 E. McNeese St. ,<br>Lake Charles, LA,<br>70607  | (337)<br>990-<br>4871 | Business<br>Signatory |
| Jesse                 | Broderick            | jbroderick@sumitcredits.com | Sumit<br>Credits,<br>LLC | PO Box 910 , Watson,<br>LA, 70786                    | (225)<br>664-<br>2160 | Consultant            |
| Jake                  | Nickens              | jnickens@sumitcredits.com   | Sumit<br>Credits,<br>LLC | 330 Veteran's Blvd ,<br>Denham Springs, LA,<br>70726 | (225)<br>664-<br>2160 | Consultant            |

## CONTRACT SIGNATORY

The contract signatory will be used when signing contracts. The contracts will be signed online and will take place after the board approves a form.

Title: President

First Name: Eric

Last Name: Avery

Email Address: eric@cryingeagle.com

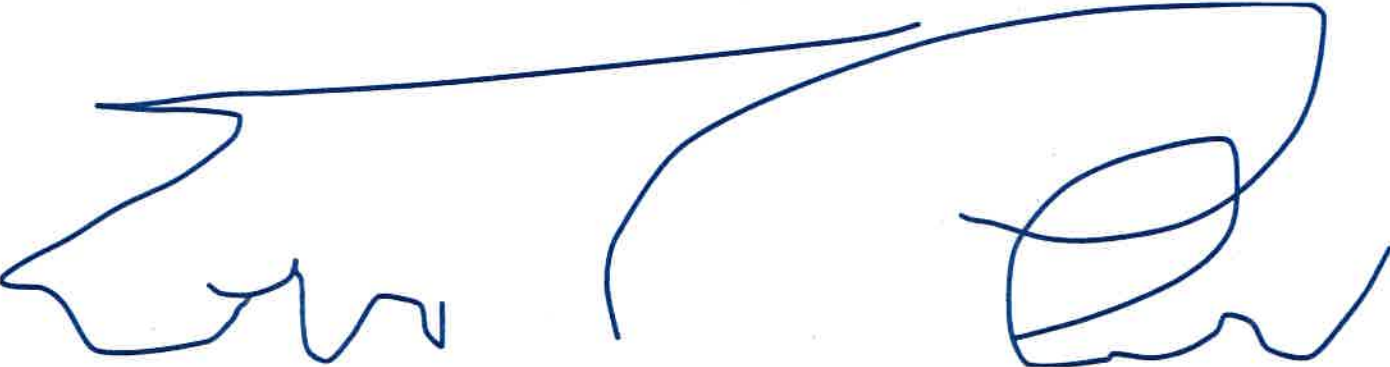
## CERTIFICATION STATEMENT

✓ I hereby certify that this project meets all Constitutional, statutory and regulatory provisions applicable to this program. I hereby certify that the information provided in this document and additional materials is true and correct and that I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject me to civil and/or criminal penalties for filing false public records (R.S. 14:133) and/or forfeiture of any tax benefits approved under this program. I understand that the application and information submitted shall not be

returnable to the applicant.

**FORM SIGNATURE**

I, **Eric Jon Avery**, approve the above information.

A handwritten signature in blue ink, appearing to read "Eric Jon Avery". The signature is stylized, with a long horizontal line extending from the "E" across the top of the name.

CONTRACT FOR EXEMPTION OF AD VALOREM TAXES

(Advance Notification # 20220397)

**EXHIBIT "A"**

AGREEMENT

among

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT

and

CRYING EAGLE BREWING COMPANY, L.L.C.

## EXHIBIT "A" AGREEMENT

This Agreement, as of the Effective Date, defined herein, is made among:

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT ("LED"), an agency of the State, represented herein by the Secretary of the Department ("Secretary"); and

CRYING EAGLE BREWING COMPANY, L.L.C. ("Company"), a Louisiana limited liability company in good standing, and authorized to do business in the State, represented herein by the undersigned duly authorized officer.

(The above are collectively referred to as "Parties" and singularly referred to as "Party.")

WHEREAS, Article VII, Section 21 (F) of the Louisiana Constitution of 1974 provides that the Louisiana Board of Commerce and Industry ("Board"), with the approval of the Governor of the State of Louisiana ("Governor"), may enter into contracts for the exemption from ad valorem taxes of a new manufacturing establishment or an addition to an existing manufacturing establishment on such terms and conditions as the Board, with the approval of the Governor, deems is in the best interest of the State; and

WHEREAS, the Governor has provided the terms and conditions pursuant to which he will approve contracts for the Industrial Tax Exemption ("Exemption"); and the Board has promulgated Rules pursuant to which it will approve contracts, all in accordance with Article VII, Section 21(F); and

WHEREAS, Company is constructing its new microbrewery Manufacturing Establishment located in Calcasieu Parish with the acquisition of new equipment for brewing and packaging and the construction of a 11,400 square foot building with multiple floors that will include the manufacturing operation, storage and packaging area (the "Project"), and new direct jobs and payroll as hereinafter provided will result from the Company's investment in the Project; and

WHEREAS, Company has filed an Advance Notification for the Project in accordance with the Rules of the Board in order to obtain an exemption from ad valorem taxes in Calcasieu Parish; and

WHEREAS, in exchange for the Exemption, Company agrees to create or maintain such Jobs and Payroll (defined herein-below) and to the other terms and conditions of this Agreement; and

WHEREAS, in accordance with the Board Rules, this Agreement shall be Exhibit A to the Exemption Contract(s) and shall include the number of jobs and payroll to be created and/or retained at the Manufacturing Establishment and the term of the Exemption; and

WHEREAS, the Secretary projects that the return on investment to the State and Local Governmental Entities from the Manufacturing Establishment will exceed the benefit of the Exemption as set forth in the terms hereinafter provided, considering a multitude of factors, including but not limited to the following: capital expenditure, direct payroll tax revenue, indirect payroll tax revenue, and additional indirect tax revenue streams such as property tax, sales tax, other payroll tax, and other local taxes associated with jobs supporting the Project; and

WHEREAS, this Agreement serves a public purpose and is in the public interest of the State and its citizens;

THEREFORE, IT IS AGREED:

## **ARTICLE I. DEFINITIONS**

### **Section 1.01 Definitions**

**"Advance Notification"** means the notification of intent to apply for the Exemption filed in accordance with Section 503 of the Rules.

**"Agreement"** means this Exhibit "A" agreement, and any amendments or modifications thereto.

**"Assignment"** means to transfer or assign this Agreement, transfer or assign any of a Party's rights hereunder, or delegate any of a Party's duties hereunder, and **"Assignee"** means the entity to which such transfer or assignment is made in accordance with this Agreement.

**"Basic Health Benefits Plan"** means a basic health benefits plan for the individuals employed in new direct Jobs in this State which shall be determined by LED to be in compliance with federally mandated healthcare requirements or, if no federally mandated healthcare requirements exist, shall provide coverage for comprehensive healthcare coverage including basic hospital and physician care.

**"Board"** means the Louisiana Board of Commerce and Industry.

**"Capital Expenditures"** means the cost associated with a new manufacturing establishment or an addition to an existing manufacturing establishment, including purchasing or improving real property and tangible personal property, whose useful life exceeds one year and which are used in the conduct of business.

**"Cessation of Operation"** means failure of the Manufacturing Establishment to engage in manufacturing and provide finished product(s) into the stream of commerce, except that the Secretary shall have the discretion to determine whether and the duration for which a temporary suspension of Operation due to maintenance, equipment breakdowns, or turnarounds does not constitute a Cessation of Operation.

**"Certification of Compliance"** means a sworn verification of compliance with the Company Objectives under this Agreement, signed by a key employee of the Company (executive or senior level officer, project site manager, or equivalent rank.).

**"Company"** means Crying Eagle Brewing Company, L.L.C., a Louisiana limited liability company duly authorized to do and doing business in Louisiana, and its successors and permitted assigns.

**"Company Affiliate"** means any business entity that controls or is controlled by the Company or by another business entity that controls the Company, including a parent or subsidiary of the

Company, or another subsidiary of a parent of the Company. Control means exercising authority over the management, business policies, and operations of the business entity.

**"Company Default"** is defined in Section 6.01(B).

**"Company Objectives"** means (1) the acquisition, expansion, construction, equipping, and Operation of the Manufacturing Establishment, (2) the making of anticipated Capital Expenditures; (3) the creation and maintaining of Required Annual Jobs and (4) the payment of Required Annual Payroll.

**"Contract Monitor"** is defined in Section 7.01(A).

**"Default"** has the meaning set forth in Article VI.

**"Default Payment"** means the amount of money, if any, paid by Company to the Local Governmental Entities in the event of a Default as provided in Article VI.

**"Effective Date"** is the date of execution of this Agreement by the Secretary.

**"Exemption"** means the exemption from ad valorem taxation provided for manufacturing establishments in Article VII, Section 21(F) of the Louisiana Constitution of 1974 with specific regard to the Project.

**"Exemption Contract(s)"** means the contract(s) entered into by the Board, the Company, and approved by the Governor memorializing the Exemption for the Project and specifying the terms thereof and to which this Agreement shall be Exhibit A to each such contract.

**"Exemption Period"** means the number of years of Exemption provided in accordance with the Rules and further set forth in Section 4.01(C), and shall begin January 1 or, if the Project is located in Orleans Parish, beginning on August 1, of the first Project Year after which the Project becomes Operational or completes construction. The Exemption Period for the Project shall not be longer than 10 years—no more than 5 years initially and an additional 5 years if the Exemption is renewed.

**"Force Majeure"** means: (1) an act of God, an act of war, strike, or a natural disaster due to earthquake, landslide, fire, flood, tornado, tropical storm, or hurricane; (2) which is beyond the reasonable control of a Party to this Agreement; and (3) prevents the Party from performing its obligations hereunder.

**"Governor"** means the Governor of the State of Louisiana.

**"ITEP"** means the Industrial Ad Valorem Tax Exemption Program administered by LED to implement the exemption from ad valorem taxation provided for in Article VII, Section 21(F) of the Louisiana Constitution of 1974.

**"Jobs"** means positions of employment that are:

- (1) new (not previously existing in the State);
- (2) permanent (without specific term);

- (3) full-time (working a minimum of 30 hours or more per week);
- (4) employed directly by the Company, a Company Affiliate, or a Qualified Contractor;
- (5) based at the Manufacturing Establishment; and
- (6) filled by a United States citizen who is domiciled in Louisiana or who becomes domiciled in Louisiana within 60 days of employment; and
- (7) offering a Basic Health Care Benefits Plan.

Jobs shall not include:

- (1) jobs transferred to the Manufacturing Establishment from within the State by the Company, a Company Affiliate, or a Qualified Contractor, unless back-filled to result in a net job gain within the State;
- (2) jobs transferred from other Louisiana-based employment as a result of the Company, a Company Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets, unless back-filled to result in a net job gain within the State; or
- (3) jobs performing contract services for the State of Louisiana or any of its agencies.

**“LED”** means Louisiana Department of Economic Development.

**“Legislature”** means the Legislature of the State of Louisiana.

**“Local Governmental Entities”** with regard to Calcasieu Parish, means the parish governing authority, school board, and sheriff, as well as any municipality in which the Manufacturing Establishment is or will be located.

**“Manufacturing Establishment”** means the location for the Project, as described in the ITEP application for the Project, for the manufacturing of finished product(s) to be placed by Company into the stream of commerce.

**“Operation” or “Operational”** means the commercial utilization of the Manufacturing Establishment, if new, or of the addition, rehabilitation or restoration of the Manufacturing Establishment for which the Exemption is granted.

**“Payroll”** means payment by the Company, a Company Affiliate or Qualified Contractor to its employees for Jobs, exclusive of benefits and defined as wages under Louisiana Employment Security Law (La. R.S. 23:1472(20)), during a Project Year, except that with regard to Jobs employed directly by a Qualified Contractor, Payroll shall not include any fees, mark-up, profit margins or similar payments by the Company or a Company Affiliate to a Qualified Contractor.

**“Project”** means Company's acquisition or expansion, construction, improvement, equipping and Operation of the Manufacturing Establishment as further described in the Recitals.

**“Project Year”** means each twelve-month period, beginning on January 1 and ending on December 31, or, if the Project is located in Orleans Parish, beginning on August 1 and ending on July 31, of each year identified in Section 4.02(B).

**“Qualified Contractor”** means a business entity other than Company or Company Affiliate.

acting pursuant to an agreement with the Company or Company Affiliate regarding the Project.

**"Required Annual Jobs"** is the number of Jobs required to be met by the Company pursuant to Section 4.02, during a Project Year.

**"Required Annual Jobs and Payroll"** refers, collectively, to Required Annual Jobs and Required Annual Payroll.

**"Required Annual Payroll"** is the amount of Payroll required to be met by the Company pursuant to Section 4.02 for Jobs.

**"Rule(s)"** mean the rules promulgated by the Board as Chapter 5 of Title 13 of the Louisiana Administrative Code.

**"Secretary"** means the Secretary of the Louisiana Department of Economic Development.

**"State"** means the State of Louisiana.

## **ARTICLE II. AUTHORITY**

### **Section 2.01 LED Authority**

LED is granted authority under the provisions cited above to enter into agreements with public and private associations or corporations for a public purpose.

### **Section 2.02 Company Authority**

A duly executed resolution or other evidence of the authority of the Company to enter into this Agreement and to carry out the commitments made herein, and the authority of the undersigned representative to execute this Agreement and any other documents required thereby on behalf of the Company, certified by the secretary or other authorized representative of the Company, is attached hereto as Exhibit 1.

### **Section 2.03 Other Approvals**

This Agreement is not effective until signed by all Parties.

## **ARTICLE III. REPRESENTATIONS**

The Parties have all the requisite power and authority to enter into this Agreement and to carry out the terms hereof; and the persons signing this Agreement have the authority to execute this Agreement as authorized representatives, and to bind the Parties to all the terms of this Agreement.

This Agreement has been duly authorized, executed, and delivered by the Parties and upon receipt of the approvals described herein will constitute a legal, valid, and binding obligation of the Parties, enforceable in accordance with its terms.

Parties have taken or will take all necessary and proper action to authorize the execution, issuance, and delivery of this Agreement and any other documents required by this Agreement, and the performance of its obligations under this Agreement.

The execution of this Agreement and any other documents required by this Agreement as well as the performance by the Parties of their respective obligations hereunder are within the Parties respective powers and will not violate any provisions of any law, regulation, decree, or governmental authorization applicable to them.

## **ARTICLE IV. OBLIGATIONS**

### **Section 4.01 LED Obligations**

(A) LED enters into this Agreement for the purposes of providing the terms and conditions for Company's receipt of the Exemption in the manner and for the purposes provided for by the Board and the Governor.

(B) Upon execution of this Agreement, LED will recommend to the Board that the Company receive the Exemption for the Project under the terms and conditions hereinafter set forth as required by the Rules, and this Agreement shall be Exhibit A to each Exemption Contract among the Board and Company upon approval by the Governor.

(C) LED will make the following recommendation for the Exemption to the Board for the Company, subject to the Company's adherence to its objectives hereunder and in accordance with the terms and conditions of this Agreement and ITEP Rules with respect to the limitation or cancellation of an Exemption Contract in the event of the Company's non-performance of its objectives hereunder: (1) an 80% exemption from ad valorem taxes for the initial Exemption Contract of 5 years and (2) an 80% exemption from ad valorem taxes for the renewal Exemption Contract of 5 years with the express understanding that Company's compliance with and performance of the Company's Objectives hereunder shall be a consideration as to the renewal of the Exemption.

### **Section 4.02 Company Objectives**

(A) Commencement of Operation. The Company will establish the new microbrewery Manufacturing Establishment and commence Operation by December 31, 2024, as described in the ITEP application form filed for this Project. During the construction period, Company projects that it will expend approximately \$2,311,733.00 in Capital Expenditures and that the Project provides approximately 41 full time equivalent construction jobs as well as for the creation of 5 Jobs with an annual Payroll of at least \$140,000.00, including 0 Jobs by a Qualified Contractor. Upon commencement of Operation and fulfillment of the foregoing representations, Company shall provide the Required Annual Jobs and Payroll as set forth in Section 4.02(B).

(B) Operation of the Manufacturing Establishment: Required Annual Jobs and Payroll. During each Project Year thereof, the Company anticipates creating and, thereafter, maintaining Required Annual Jobs and Payroll at the Manufacturing Establishment as follows:

| Project Year | Required Annual Jobs | Required Annual Payroll |
|--------------|----------------------|-------------------------|
| 2025         | 5                    | \$140,000.00            |
| 2026         | 5                    | \$140,000.00            |
| 2027         | 5                    | \$140,000.00            |
| 2028         | 5                    | \$140,000.00            |
| 2029         | 5                    | \$140,000.00            |
| 2030         | 5                    | \$140,000.00            |
| 2031         | 5                    | \$140,000.00            |
| 2032         | 5                    | \$140,000.00            |
| 2033         | 5                    | \$140,000.00            |
| 2034         | 5                    | \$140,000.00            |

(C) Jobs and Payroll Creation. Any Jobs and corresponding Payroll created by Company after it files the Advance Notification for the Project shall be considered as having been created during the first Project Year.

(D) Project Year Adjustment. To the extent Company does not commence Operation on or before the anticipated date identified in Section 4.02(A), Project Years will adjust accordingly, but for no more than two years.

(E) Other State Incentives. To the extent that Company may receive any other incentives administered by LED directly for any Required Annual Jobs or Payroll, it shall have no bearing on this Agreement.

(F) Louisiana Preference. To the extent allowed by law, and insofar as is feasible and practicable, the Company agrees to use reasonable commercial efforts to give preference to Louisiana manufacturers, suppliers, vendors, contractors, and subcontractors in connection with equipping the Manufacturing Establishment and purchasing material and supplies to support Operation, provided such entities are competitive in price, quality, and delivery.

## ARTICLE V. ASSIGNMENT AND TRANSFER

Assignment or Transfer of the Manufacturing Establishment or any part of an Exemption Contract shall be governed by Section 535 of the Rules pertaining to the "Sale or Transfer of Exempted Manufacturing Establishment."

## ARTICLE VI. DEFAULT AND RENEWAL CONSIDERATION

### Section 6.01 Default

(A) State Default. The failure by the Board, the Local Governmental Entities or the Governor, to approve the Exemption for the Company in the manner provided by the Rules, constitutes a default under this Agreement. Upon the occurrence of such default, Company is relieved of all obligations hereunder and this Agreement shall automatically terminate without any further

remedy to or obligation imposed upon Company.

**(B) Company Default.** The occurrence of any of the following actions during the term of an Exemption Contract shall constitute a Company Default with a corresponding remedy:

- (1)** Operation does not commence within a 2-year period beginning on the date identified in Section 4.02(A), in which case the Board may terminate or otherwise modify the Exemption Contract as provided in the Rules.
- (2)** Cessation of Operation, in which case the Board may terminate or otherwise modify the Exemption Contract as provided in the Rules;
- (3)** Assignment of this Agreement, or transfer of ownership of or controlling interest in the Manufacturing Establishment, the Company, or substantially all of its assets, other than as permitted under Article V, in which case the Board may terminate or otherwise modify the Exemption Contract as provided in the Rules;
- (4)** Failure to satisfy 90% of either or both of the Company's Required Annual Jobs and Payroll under Section 4.02 of this Agreement upon which LED shall give notification to the Company and the Local Governmental Entities, which entities will make a recommendation to the Board on whether to terminate the Exemption Contract for the Company or otherwise alter the terms of the Exemption, including the length of the exemption period and/or the percentage of the exemption. The recommendation of the Local Governmental Entities shall then be submitted to the Board for consideration and/or action. This provision shall be applicable for each Project Year in which the Company fails to satisfy the requirements of this paragraph as provided herein irrespective of any prior decision of the Board to continue the Exemption Contract under the terms provided.

Alternatively, the Local Governmental Entities and the Company may forego the recommendation to the Board required by this section if the Local Governmental Entities agree that the Company shall pay and the Company actually makes a Default Payment to each of the Local Governmental Entities in an amount agreeable to both the Local Governmental Entities and the Company, in which case the terms of the Exemption Contract shall remain the same.

**(C) Renewal Consideration.** Upon Company's application for a renewal of the Exemption, Company's non-performance of this Agreement shall be considered by the Board in the manner provided by the Rules.

#### **Section 6.02 Delay or Omission**

No delay or omission in the exercise of any right or remedy accruing to any Party upon any breach of this Agreement by any other Party shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant, or condition herein or therein contained.

### **Section 6.03 Force Majeure**

(A) Upon occurrence of an event of Force Majeure, the affected Party shall have the right, but not the obligation, to declare a Force Majeure period, by giving written notice of such event and declaration to the other Parties within 30 days of such occurrence. Time being of the essence, the affected Party shall make every reasonable effort to give such notice as soon as possible, but in any event notice must be given within 30 days of the occurrence.

(B) The Force Majeure period shall continue from the date of such notice until the effects of such Force Majeure are removed, remedied, repaired, or otherwise no longer prevent performance of a Party's obligations hereunder. During the Force Majeure period, the obligations of the Parties under this Agreement shall be suspended, and the relevant deadlines and time periods under this Agreement shall be extended to the extent of such suspension. In any event, no Force Majeure period arising from a single event of Force Majeure shall be deemed to exist for longer than 2 years from the date of such notice, and the aggregate Force Majeure period during the term of this Agreement shall not exceed two years.

(C) The affected Party must proceed with due diligence to effect repairs or undertake efforts to remedy or mitigate the effects of a Force Majeure event, and within 60 days of the occurrence of the event of Force Majeure shall provide the other Parties a report showing the efforts made and to be made to remedy or mitigate the effects as well as a timetable to return to full performance.

### **Section 6.04 No Other Damages**

No party shall have the right to recovery against any other party of any damages of whatever nature, including compensatory, consequential, punitive, or otherwise, arising from or relating to any act or omission deemed to be a breach of this Agreement or fault of any party other than the remedies expressly set forth in this Article.

## **ARTICLE VII. REPORTS; AUDIT**

### **Section 7.01 Contract Monitoring**

The Secretary of LED or his designee will designate, and may change from time to time, one or more persons on his staff to act as Contract Monitor for the Project, to act as LED's representative and liaison between LED and the Company, and to monitor the achievement of the Company Objectives.

### **Section 7.02 Annual Certification of Compliance**

By the last day of the fourth month following the end of each Project Year ("Deadline"), and subject to one request by the Company for a reasonable extension of time of no more than 60 days if made, in writing, before the Deadline, the Company shall deliver to LED a Certification of Compliance with the Company Objectives under this Agreement, including specific verification of the creation and maintenance of Required Annual Jobs and Payroll. The Certificate of Compliance shall be in the general form of Exhibit 2 attached hereto and shall be accompanied by the additional materials referenced therein. All original documentation supporting the Certification

of Compliance shall be maintained by the Company as required by the Rules. Failure to timely submit the annual Certification of Compliance may result in LED reporting to the Local Governmental Entities a failure to satisfy Required Annual Jobs and Payroll per Section 6.01(B)(4).

With regard only to the first Project Year referenced in Section 4.02(B), the Company shall deliver to LED the Certification of Compliance either within the time delay referenced in the prior paragraph or 90 days following the date that LED submits the Exemption Contract to the Company for execution, whichever is later.

### **Section 7.03 Audit**

LED shall have such rights to compel an investigation at any time during the effectiveness of this Agreement as provided in Section 531 of the Rules pertaining to inspections.

### **Section 7.04 Reporting Rules Applicable**

Nothing provided in this Section shall relieve Company of any additional reporting requirements provided by the Rules.

## **ARTICLE VIII. TERM**

The Term of this agreement shall extend from the Effective Date until the end of the Exemption Period.

## **ARTICLE IX. MISCELLANEOUS**

### **Section 9.01 Non Discrimination**

Company agrees to abide by the requirements of the following laws, as amended and as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and the Americans with Disabilities Act of 1990. Company agrees not to discriminate in their employment practices in Louisiana, and, to the extent required by law and Executive Order, will render services in Louisiana without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment.

### **Section 9.02 Captions**

The captions or headings in this Agreement are for convenience only and do not define or limit the scope or extent of this Agreement.

### **Section 9.03 Counterpart**

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed one and the same Agreement.

### **Section 9.04 Choice of Law**

This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

### **Section 9.05 Jurisdiction and Venue**

The 19th Judicial District Court in the Parish of East Baton Rouge, State of Louisiana, shall be deemed to be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding as between the Parties that may be brought, or arise out of, in connection with, or by reason of this Agreement; and the Parties hereto submit themselves to the jurisdiction of said court in the event of any legal proceedings in connection with this Agreement.

### **Section 9.06 Further Assurances**

From time to time hereafter, the Parties shall execute and deliver such additional instruments, certificates, or documents and take all such actions as another Party may reasonably request for the purpose of fulfilling the Parties' obligations hereunder.

### **Section 9.07 Notices**

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be delivered to the address(es) set forth below, or to such other address as may be designated by such Party in written notice to the other Party.

#### **To LED:**

Don Pierson, Secretary  
Louisiana Department of Economic Development  
P. O. Box 94185; Baton Rouge, LA 70804-9185 (USPS mail)  
11<sup>th</sup> Floor, 617 North 3rd Street, Baton Rouge, LA 70802-5239 (Delivery)  
Telephone: (225) 342-3000

#### **To the Company:**

Eric Avery  
Crying Eagle Brewing Company, L.L.C.  
1165 E. McNeese Street, Lake Charles, LA 70607  
Telephone: (337) 990-4871

### **Section 9.08 Amendment**

This Agreement may be amended only upon the written consent and approval of all Parties.

**Section 9.09 Rules Prevail**

To the extent any provision of this Agreement, after reasonable construction so as to give meaning to all provisions of this Agreement and the Rules, conflicts with the Rules promulgated by the Board, the Rules of the Board prevail.

**Section 9.10 Electronic Transaction; Electronic Signatures**

In accordance with LA. R.S. 9:2605B(1)&(2), the Parties hereto each agree that this transaction may be conducted by electronic means; and electronic signatures of the Parties to this Agreement and any Amendments hereto shall be acceptable and satisfactory for all legal purposes; as authorized by the "Louisiana Uniform Electronic Transactions Act", LA. R.S. 9:2601 through 9:2621.

**\*\*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK\*\***

IN WITNESS WHEREOF, this Agreement has been signed by the undersigned duly authorized representatives on the dates indicated below.

CRYING EAGLE BREWING COMPANY,  
L.L.C.

By: Eric Avery  
Eric Avery (Feb 9, 2023 11:32 CST)  
*Signature*

Eric Avery  
*Printed Name*

Title: President

Date: 02/09/2023

LOUISIANA DEPARTMENT OF  
ECONOMIC DEVELOPMENT

By: Don Pierson  
Don Pierson, Secretary

Date: 02/23/2023

LED CONTRACT MONITOR

By: Travis Rosenberg  
Travis Rosenberg (Feb 23, 2023 12:46 CST)  
*Signature*

Travis Rosenberg  
*Printed Name*

**State of  
Louisiana  
Secretary of  
State**



**COMMERCIAL DIVISION**  
**225.925.4704**

Fax Numbers  
225.932.5317 (Admin. Services)  
225.932.5314 (Corporations)  
225.932.5318 (UCC)

| Name                                 | Type                      | City         | Status |
|--------------------------------------|---------------------------|--------------|--------|
| CRYING EAGLE BREWING COMPANY, L.L.C. | Limited Liability Company | LAKE CHARLES | Active |

#### Previous Names

**Business:** CRYING EAGLE BREWING COMPANY, L.L.C.

**Charter Number:** 41665932K

**Registration Date:** 10/13/2014

#### Domicile Address

1165 E. MCNEESE ST  
LAKE CHARLES, LA 70607

#### Mailing Address

1165 E. MCNEESE ST  
LAKE CHARLES, LA 70607

#### Status

**Status:** Active

**Annual Report Status:** In Good Standing

**File Date:** 10/13/2014

**Last Report Filed:** 9/13/2022

**Type:** Limited Liability Company

#### Registered Agent(s)

|                          |                        |
|--------------------------|------------------------|
| <b>Agent:</b>            | THOMAS J. GAYLE        |
| <b>Address 1:</b>        | 713 KIRBY STREET       |
| <b>City, State, Zip:</b> | LAKE CHARLES, LA 70601 |
| <b>Appointment Date:</b> | 5/27/2015              |

#### Officer(s)

**Additional Officers:** No

|                          |                        |
|--------------------------|------------------------|
| <b>Officer:</b>          | ERIC AVERY             |
| <b>Title:</b>            | Manager, Member        |
| <b>Address 1:</b>        | 1165 E. MCNEESE STREET |
| <b>City, State, Zip:</b> | LAKE CHARLES, LA 70607 |

|                          |                          |
|--------------------------|--------------------------|
| <b>Officer:</b>          | MICHAEL PATRICK ROBINSON |
| <b>Title:</b>            | Member                   |
| <b>Address 1:</b>        | 1165 E. MCNEESE STREET   |
| <b>City, State, Zip:</b> | LAKE CHARLES, LA 70607   |

|                 |                     |
|-----------------|---------------------|
| <b>Officer:</b> | CRAIG GERARD MORTON |
|-----------------|---------------------|

**Title:** Member  
**Address 1:** 1165 E. MCNEESE STREET  
**City, State, Zip:** LAKE CHARLES, LA 70607

**Officer:** SCOTT AUSTIN RAGSDILL  
**Title:** Member  
**Address 1:** 1165 E. MCNEESE STREET  
**City, State, Zip:** LAKE CHARLES, LA 70607

**Officer:** DERRICK JOHN NAGLE  
**Title:** Member  
**Address 1:** 1165 E. MCNEESE STREET  
**City, State, Zip:** LAKE CHARLES, LA 70607

**Officer:** LARRY AVERY  
**Title:** Member  
**Address 1:** 1165 E. MCNEESE STREET  
**City, State, Zip:** LAKE CHARLES, LA 70607

## Amendments on File (5)

| Description                              | Date      |
|------------------------------------------|-----------|
| Domestic LLC Agent/Domicile Change       | 5/27/2015 |
| Appointing, Change, or Resign of Officer | 5/10/2016 |
| Domestic LLC Agent/Domicile Change       | 5/13/2016 |
| Domestic LLC Agent/Domicile Change       | 8/13/2019 |
| Appointing, Change, or Resign of Officer | 5/27/2020 |

**Print**

**EXHIBIT 1**

**ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING BY THE  
MEMBERS OF Crying Eagle Brewing Company LLC**

The undersigned hereby certifies that the following resolution was approved unanimously by written consent of the Members of Crying Eagle Brewing Company LLC without the formality of convening a meeting. The written consent shall be filed by the Managing Member of the company with the minutes of the meetings of the Members.

RESOLVED, that the proposed Industrial Tax Exemption Contract between Crying Eagle Brewing Company LLC the State of Louisiana, Board of Commerce and Industry/Department of Economic Development submitted, is hereby accepted, and that Eric Avery is hereby authorized to execute any and all documents pertaining to the Industrial Tax Exemption project 20220397-ITE in the name and on behalf of Crying Eagle Brewing Company LLC

I, Eric Avery [Managing Member's name], do hereby certify that I am the Registered Agent and the keeper of the records of Crying Eagle Brewing Company LLC and that the above is a true and correct copy of a resolution duly adopted in accordance with law and the Bylaws of said Crying Eagle Brewing Company LLC that such resolution is now in full force.

IN WITNESS WHEREOF,

I have affixed my name Managing Member, this 8<sup>th</sup> day of February, 2023.

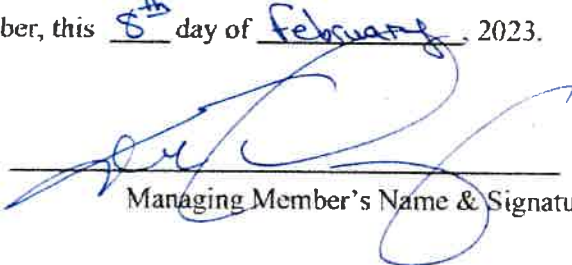
  
\_\_\_\_\_  
Managing Member's Name & Signature

**EXHIBIT 2**  
**CERTIFICATION OF COMPLIANCE**

Contract Number for the Project: \_\_\_\_\_ Reporting Period: \_\_\_\_\_

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

Project Physical Address: \_\_\_\_\_

1. Has the contract for this project/phase been fully executed? Yes ☐ No ☐  
a. Complied with Article IV: Project Completion Report (PCR)? Yes ☐ No ☐  
b. Complied with Article VI: Affidavit of Final Cost (AFC)? Yes ☐ No ☐

If the answer to any of the above is "No", please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Operation of the assets related to this project/phase:  
☐ Commenced, as of \_\_\_\_\_ and continues to date.  
(Date)  
☐ Has not commenced or has ceased Operation

If Company has ceased Operation, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Capital Expenditures for this project/phase made as of \_\_\_\_\_ : \$ \_\_\_\_\_  
(Date - from PCR) (Amount - from AFC)

4. Required Annual Jobs (per Exhibit A, Section 4.02 (B)): \_\_\_\_\_  
a. Actual number of Jobs (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \_\_\_\_\_

5. Required Annual Payroll (per Exhibit A, Section 4.02 (B)): \$ \_\_\_\_\_  
a. Actual annual Payroll (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \$ \_\_\_\_\_

6. Has the Company offered a Basic Health Benefits Plan for this Project Year for Jobs? Yes ☐ No ☐

7. Are any Jobs at the Manufacturing Establishment attributable to:  
a. Jobs transferred from any other location within the state by the Company, Company Affiliate or a Qualified Contractor? Yes ☐ No ☐  
b. Jobs transferred from any other Louisiana-based employment as a result of the Company, Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets? Yes ☐ No ☐  
c. If yes to either a. or b. above, were those Jobs backfilled resulting in a neutral job gain (or neutral job count if retaining Jobs) within the State? Yes ☐ No ☐

If the answer to 7.c. is "No", please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Upload this Certification of Compliance with original signatures via Fastlane. The following additional materials must accompany this certification. Use the most current updated prescribed forms and spreadsheets found on the Fastlane Document Checklist:
- ITE Employment Baseline Calculation Worksheet – (only required the first year of reporting).
  - A sortable and unlocked version of the ITE Annual Compliance Report (ITE ACR).
  - Copies of all quarterly wage reports (ES-4's/SUTA) and Multi Worksite Reports (if applicable) filed with the LA Workforce Commission for the same filing period.
9. Optional: If applicable, additional non-compliance documentation is attached as a separate document for LED to provide to the Local Governmental Entities & the Board of Commerce & Industry for consideration.      Yes ☐      No ☐

**CONTACT TYPE (select one):**

Business ☐

Consultant ☐

Contact Information:

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

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

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

Phone Number: \_\_\_\_\_ Extension: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**CERTIFICATION**

(The electronic version of this document is available via Fastlane NextGen. In order to submit each Project Year, the form must be added to the existing project, signed, paid, and submitted electronically via Fastlane NextGen along with the additional materials referenced in the Document Checklist section of the form).

# Exhibit A - Crying Eagle Brewing Company LLC #20220397

Final Audit Report

2023-02-23

|                 |                                              |
|-----------------|----------------------------------------------|
| Created:        | 2023-02-09                                   |
| By:             | Christina Ocmand (Christina.Ocmand@la.gov)   |
| Status:         | Signed                                       |
| Transaction ID: | CBJCHBCAABAA504Hsp7KB6mmCjVdMWN3eM0X-uKlxTdv |

## "Exhibit A - Crying Eagle Brewing Company LLC #20220397" History

-  Document created by Christina Ocmand (Christina.Ocmand@la.gov)  
2023-02-09 - 5:03:40 PM GMT- IP address: 159.39.101.2
-  Document emailed to eric@cryingeagle.com for signature  
2023-02-09 - 5:05:49 PM GMT
-  Email viewed by eric@cryingeagle.com  
2023-02-09 - 5:16:16 PM GMT- IP address: 140.248.30.1
-  Signer eric@cryingeagle.com entered name at signing as Eric Avery  
2023-02-09 - 5:32:30 PM GMT- IP address: 66.76.11.228
-  Document e-signed by Eric Avery (eric@cryingeagle.com)  
Signature Date: 2023-02-09 - 5:32:32 PM GMT - Time Source: server- IP address: 66.76.11.228
-  Document emailed to travis.rosenberg@la.gov for signature  
2023-02-09 - 5:32:34 PM GMT
-  Email viewed by travis.rosenberg@la.gov  
2023-02-10 - 5:30:59 AM GMT- IP address: 104.28.32.105
-  Signer travis.rosenberg@la.gov entered name at signing as Travis Rosenberg  
2023-02-23 - 6:46:38 PM GMT- IP address: 159.39.101.2
-  Document e-signed by Travis Rosenberg (travis.rosenberg@la.gov)  
Signature Date: 2023-02-23 - 6:46:40 PM GMT - Time Source: server- IP address: 159.39.101.2
-  Document emailed to don.pierson@la.gov for signature  
2023-02-23 - 6:46:45 PM GMT



**Adobe Acrobat Sign**



Email viewed by don.pierson@la.gov

2023-02-23 - 7:01:39 PM GMT- IP address: 159.39.101.2



Signer don.pierson@la.gov entered name at signing as Don Pierson

2023-02-23 - 7:01:53 PM GMT- IP address: 159.39.101.2



Document e-signed by Don Pierson (don.pierson@la.gov)

Signature Date: 2023-02-23 - 7:01:55 PM GMT - Time Source: server- IP address: 159.39.101.2



Agreement completed.

2023-02-23 - 7:01:55 PM GMT



**Adobe Acrobat Sign**

**Calcasieu Parish Industrial Tax Exemption Program  
Return on Investment Evaluation**

**LACC LLC - #20220235=ITE**

***Company Investment***

|                             |    |            |
|-----------------------------|----|------------|
| Annual Payroll              | \$ | 60,000     |
| Capital Expenditure (CapEx) | \$ | 33,500,000 |

***Exemption Requested***

|                                  |     |
|----------------------------------|-----|
| Property Taxes years <b>1-5</b>  | 80% |
| Property Taxes years <b>6-10</b> | 80% |

***Local Revenue Forgone***

|                                   | <b>Total-all Jurisdictions</b> | <b>CPSB portion</b> |
|-----------------------------------|--------------------------------|---------------------|
| Property Taxes years <b>1-5</b>   | \$ 2,222,161                   | \$ 479,638          |
| Property Taxes years <b>6-10</b>  | \$ 1,691,769                   | \$ 365,157          |
| Total Estimated 10 year Exemption | \$ <b>3,913,930</b>            | \$ <b>844,795</b>   |

***Revenue Generated over 20 years***

|                                      | <b>Total-all Jurisdictions</b> | <b>CPSB portion</b> |
|--------------------------------------|--------------------------------|---------------------|
| Property Taxes generated over 10 yrs | \$ 978,482                     | \$ 211,199          |
| Property Taxes generated over 20 yrs | \$ 2,990,316                   | \$ 645,439          |
| Sales Taxes generated from CapEx     | \$ 770,500                     | \$ 335,000          |

**Factors**

|                         |              |               |              |              |
|-------------------------|--------------|---------------|--------------|--------------|
| Direct Jobs - 1         | (Annual P/R) | \$ 60,000     | \$ 1,200,000 | -over 20 yrs |
| Indirect Jobs -         |              | \$ -          |              |              |
| Construction Jobs - 402 |              | \$ 12,060,000 |              |              |

**General Considerations**

**Benefits**

Direct & Indirect Job Creation - Major consideration  
Annual Payroll - Major Consideration  
Construction Jobs  
Sales Taxes generated from construction  
Property Taxes collected during & after ITEP exemption period  
Economic stimulus to area economy

**Costs**

Foregone revenue from exempted property tax

# CALCASIEU PARISH

## ITEP IMPACT SUMMARY FOR ALL AFFECTED TAXING BODIES

10 YEARS TAX ABATEMENT AT 80% EXEMPTION years 1-5, 80% years 6-10

Project Name: New Boiler  
Investment Amount: \$33,500,000  
Ward: W4  
Location: 2200 Bayou D'Inde Pass, Westlake, LA

Company Name: LACC LLC US - #20220235-ITE

DATED: 11/3/2022

| 15 Yr Depreciation Rate <sup>1</sup> |                           |                        | 0.91                           | 1.01       | 1.04       | 0.97       | 0.93       | 0.89       | 0.83       | 0.73       | 0.66       | 0.59       |             |           |             |             |
|--------------------------------------|---------------------------|------------------------|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|-----------|-------------|-------------|
| Depreciated Value                    |                           |                        | 30,485,000                     | 33,835,000 | 34,840,000 | 32,495,000 | 31,155,000 | 29,815,000 | 27,805,000 | 24,455,000 | 22,110,000 | 19,765,000 |             |           |             |             |
| 100% Assessed Value                  |                           |                        | 4,572,750                      | 5,075,250  | 5,226,000  | 4,874,250  | 4,673,250  | 4,472,250  | 4,170,750  | 3,668,250  | 3,316,500  | 2,964,750  |             |           |             |             |
| 80% Assessed Value                   |                           |                        | 3,658,200                      | 4,060,200  | 4,180,800  | 3,899,400  | 3,738,600  | 3,577,800  | 3,336,600  | 2,934,600  | 2,653,200  | 2,371,800  |             |           |             |             |
| Taxing Body                          | Millage Rate <sup>2</sup> | Converted Millage Rate | YEAR 1                         | YEAR 2     | YEAR 3     | YEAR 4     | YEAR 5     | YEAR 6     | YEAR 7     | YEAR 8     | YEAR 9     | YEAR 10    | TOTAL       |           |             |             |
|                                      |                           |                        | EXEMPT                         | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPT     | EXEMPTION   |           |             |             |
|                                      |                           |                        | AMOUNT                         | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT      | AMOUNT    |             |             |
|                                      |                           |                        | Assessor                       | 1.25       | 0.00125    | \$4,573    | \$5,075    | \$5,226    | \$4,874    | \$4,673    | \$4,472    | \$4,171    | \$3,668     | \$3,317   | \$2,965     | \$43,014    |
|                                      |                           |                        | Sheriff                        | 11.85      | 0.01185    | \$43,350   | \$48,113   | \$49,542   | \$46,208   | \$44,302   | \$42,397   | \$39,539   | \$34,775    | \$31,440  | \$28,106    | \$407,773   |
|                                      |                           |                        | School Board <sup>4</sup>      | 17.00      | 0.01700    | \$62,189   | \$69,023   | \$71,074   | \$66,290   | \$63,556   | \$60,823   | \$56,722   | \$49,888    | \$45,104  | \$40,321    | \$584,990   |
|                                      |                           |                        | School Board <sup>4A</sup>     | 7.55       | 0.00755    | \$27,619   | \$30,655   | \$31,565   | \$29,440   | \$28,226   | \$27,012   | \$25,191   | \$22,156    | \$20,032  | \$17,907    | \$259,805   |
|                                      |                           |                        | Parish Government <sup>5</sup> | 29.20      | 0.02920    | \$106,819  | \$118,558  | \$122,079  | \$113,862  | \$109,167  | \$104,472  | \$97,429   | \$85,690    | \$77,473  | \$69,257    | \$1,004,807 |
| Special Districts <sup>6</sup>       | 46.89                     | 0.04689                | \$171,533                      | \$190,383  | \$196,038  | \$182,843  | \$175,303  | \$167,763  | \$156,453  | \$137,603  | \$124,409  | \$111,214  | \$1,613,541 |           |             |             |
| Municipality <sup>7</sup>            | 0.00                      | 0.00000                | \$0                            | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0         |           |             |             |
| TOTAL                                |                           |                        | 113.74                         | 0.11374    | \$416,084  | \$461,807  | \$475,524  | \$443,518  | \$425,228  | \$406,939  | \$379,505  | \$333,781  | \$301,775   | \$269,769 | \$3,913,930 |             |
| Taxing Body                          | Millage Rate <sup>2</sup> | Converted Millage Rate | YEAR 1                         | YEAR 2     | YEAR 3     | YEAR 4     | YEAR 5     | YEAR 6     | YEAR 7     | YEAR 8     | YEAR 9     | YEAR 10    | TOTAL       |           |             |             |
|                                      |                           |                        | COLLECTED                      | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED  | COLLECTED   | COLLECTED |             |             |
|                                      |                           |                        | AMOUNT                         | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT     | AMOUNT      | AMOUNT    |             |             |
|                                      |                           |                        | Assessor                       | 1.25       | 0.00125    | \$1,143    | \$1,269    | \$1,307    | \$1,219    | \$1,168    | \$1,118    | \$1,043    | \$917       | \$829     | \$741       | \$10,754    |
|                                      |                           |                        | Sheriff                        | 11.85      | 0.01185    | \$10,837   | \$12,028   | \$12,386   | \$11,552   | \$11,076   | \$10,599   | \$9,885    | \$8,694     | \$7,860   | \$7,026     | \$101,943   |
|                                      |                           |                        | School Board <sup>4</sup>      | 17.00      | 0.01700    | \$15,547   | \$17,256   | \$17,768   | \$16,572   | \$15,889   | \$15,206   | \$14,181   | \$12,472    | \$11,276  | \$10,080    | \$146,248   |
|                                      |                           |                        | School Board <sup>4A</sup>     | 7.55       | 0.00755    | \$6,905    | \$7,664    | \$7,891    | \$7,360    | \$7,057    | \$6,753    | \$6,298    | \$5,539     | \$5,008   | \$4,477     | \$64,951    |
|                                      |                           |                        | Parish Government <sup>5</sup> | 29.20      | 0.02920    | \$26,705   | \$29,639   | \$30,520   | \$28,466   | \$27,292   | \$26,118   | \$24,357   | \$21,423    | \$19,368  | \$17,314    | \$251,202   |
| Special Districts <sup>6</sup>       | 46.89                     | 0.04689                | \$42,883                       | \$47,596   | \$49,009   | \$45,711   | \$43,826   | \$41,941   | \$39,113   | \$34,401   | \$31,102   | \$27,803   | \$403,385   |           |             |             |
| Municipality <sup>7</sup>            | 0.00                      | 0.00000                | \$0                            | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0        | \$0         |           |             |             |
| TOTAL                                |                           |                        | 113.74                         | 0.11374    | \$104,021  | \$115,452  | \$118,881  | \$110,879  | \$106,307  | \$101,735  | \$94,876   | \$83,445   | \$75,444    | \$67,442  | \$978,482   |             |

SOURCE: Calcasieu Parish Assessor's Office

### NOTES:

1. Depreciation is based upon the current 2023 Table 2503.D provided by the Louisiana Tax Commission.
2. Used known millage rates as of the date above and subject to change in the future.
3. Land and inventory are excluded from exemption under ITEP.
4. School Board millage rate total includes the adopted millage rate for [LIST SCHOOL BOARD MILLAGE NAMES]
- 4A. School Board SPECIAL millage rate total includes the adopted millage rate for [LIST SCHOOL BOARD SPECIAL MILLAGE NAMES]
5. Parish Government millage rate total includes the adopted millage rate for [LIST AFFECTED PARISH GOV'T MILLAGE NAMES]
6. Special districts millage rate total includes the adopted millage rate for [LIST SPECIAL DISTRICT NAME(S)]
7. Municipality millage rate total includes the adopted millage rate for [LIST MUNICIPALITY DISTRICT NAME(S)]

**YEARS 11 - 20 AFTER EXEMPTION EXPIRES**

[illegible]

Company Name: LACC LLC

\$33,500,000

| Sales Taxes   |                 |               |                      |               |  | Sales<br>Taxable % |
|---------------|-----------------|---------------|----------------------|---------------|--|--------------------|
| 2.50%         | 0.75%           | 2.50%         | 2.50%                | 8.25%         |  |                    |
| Parish        | Law Enforcement | Schools       | City of Lake Charles | Total         |  | 40.0000%           |
| \$ 335,000.00 | \$ 100,500.00   | \$ 335,000.00 | \$ -                 | \$ 770,500.00 |  |                    |

|               |               |               |      |               |
|---------------|---------------|---------------|------|---------------|
| \$ 335,000.00 | \$ 100,500.00 | \$ 335,000.00 | \$ - | \$ 770,500.00 |
|---------------|---------------|---------------|------|---------------|

March 1, 2023

Dr. Shannon LaFargue, Superintendent  
Attn: Wilfred Bourne, Chief Financial Officer  
Calcasieu Parish School Board  
3310 Broad St.  
Lake Charles, LA 70615

RE: LACC LLC US  
Board of Commerce and Industry Approval Notice ("Notice")  
Tax Exemption Application #20220235-ITE - \$33,500,000.00

Dear Dr. LaFargue:

This Notice is being provided to you pursuant to the Rules of the Board of Commerce and Industry ("Board"), effective August 20, 2018, specifically Title 13 of the Louisiana Administrative Code, §503(H)(1) ("Rule").

Pursuant to this Rule, the Notice is hereby given that the above-referenced Tax Exemption Application for LACC LLC US, attached hereto along with the corresponding Exhibit A, was approved by the Board on Wednesday, March 1, 2023. Local governmental entities have thirty days from the date notice of the Board's approval is posted on LED's website to determine whether to take further action on the approval in accordance with the Rule and may provide the necessary notice to LED, timely, using the attached Notice of Action. Any local governmental entity that timely notifies LED that the above-referenced application has been placed on the agenda of a public meeting will have an additional thirty days to make a final determination in accordance with the Rule. If the local governmental entity takes no action or does not provide timely notice of action to LED within the delays provided by the Rule, then the application shall be deemed approved by that entity.

Sincerely,



Kristin Cheng  
Program Administrator  
Industrial Tax Exemption Program  
(225) 342-2083  
ITEP@la.gov

c: Assessor, Calcasieu Parish

# Industrial Tax Exemption Program Application - (Post Executive Order 2018)

\*\* Any changes made to the information provided after the initial submission of this Application, whether requested by the Company or by LED, may result in a delay in Application processing time and/or Board of Commerce & Industry consideration. \*\*

**Project ID:** 20220235-ITE

**Date Received:** 11/3/2022

## PROJECT INFORMATION

**Company:** LACC LLC US  
**Project Name:** New Boiler  
**Project Location:** 2200 Bayou D'Inde Pass , Westlake, LA, 70669  
**Parish:** Calcasieu  
**City Limits?:** --

## COMPANY INFORMATION

**Product Manufactured:** LACC, LLC manufacturers Ethylene, a compound widely used in the chemical industry as a key component of several products including PVC, Polyester resins, emulsifiers, detergents, and most widely used plastics. It also manufactures C4, Pygas and RGP.

**Manufacturing Process/Activities:** LACC's plant produces the chemical product Ethylene through the process of "steam cracking" in which saturated hydrocarbons are broken down into smaller, often unsaturated, hydrocarbons. This is accomplished through the use of steam cracking furnaces which produce lighter hydrocarbons. The byproducts of this process are also sold to 3rd parties

## GAMING

Has the applicant or any affiliates received, applied for, or considered applying for a license to conduct gaming activities? ☐ Yes ☒ No

If yes, please give a detailed explanation including the name of the entity receiving or applying for the license, the relationship to the business if an affiliate, the location and the type of gaming activities:

N/A

## PROJECT DETAILS

**NAICS:** 325110  
**Project Type:** Addition  
**Project Start Date (beginning of construction and/or installation):** 6/10/2022  
**Project End Date (ending of construction and/or installation):** 2/29/2024  
**Anticipated date for the commencement of operations of this project:** 3/1/2024  
**Project Description:**

This project entails the addition of a new boiler to double the production of steam on site. The new boiler will be tied into the existing boiler and will require tie in equipment like piping, meters, pumps and valves. Additionally, the company will purchase and install a new Ethane Saturator, to tie-into the current manufacturing process. The tie-in will required additional piping, meters, valves and pumps.

Will any portion of this project become operational/usable prior to the overall project's completion (i.e. application filled in phases)? ☒ Yes ☐ No

**Calendar Years:** 2022,2023

## ESTIMATED INVESTMENTS

|                                           |                 |
|-------------------------------------------|-----------------|
| <b>Building &amp; Materials:</b>          | \$0.00          |
| <b>Machinery &amp; Equipment:</b>         | \$13,400,000.00 |
| <b>Labor &amp; Engineering:</b>           | \$20,100,000.00 |
| <b>Estimated Total Investment Amount:</b> | \$33,500,000.00 |
| <b>Less: Restricted Amount:</b>           | \$0             |
| <b>Total Estimated Investments:</b>       | \$33,500,000.00 |

## ESTIMATED JOBS

|                                                                                     |                                   |                                                               |
|-------------------------------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------|
| <b>Existing Jobs at Project Site:</b>                                               | 122                               |                                                               |
| <b>Existing Jobs Statewide:</b>                                                     | 73                                |                                                               |
| Will this project create new jobs?                                                  |                                   | <input checked="" type="radio"/> Yes <input type="radio"/> No |
| <b>New Direct Jobs:</b>                                                             | 1                                 |                                                               |
| <b>Contract Jobs:</b>                                                               |                                   |                                                               |
| <b>Will new jobs be created in phases?</b>                                          | The 1 Job will be created in 2022 |                                                               |
| <b>Explain:</b>                                                                     |                                   |                                                               |
| <b>Construction Jobs:</b>                                                           | 402                               |                                                               |
| <b>Total Estimated Jobs:</b>                                                        | 525                               |                                                               |
| <b>New Jobs for this phase:</b>                                                     | 0                                 |                                                               |
| If no new jobs are being created with this project, will existing jobs be retained? |                                   | <input type="radio"/> Yes <input checked="" type="radio"/> No |
| <b>If yes, provide a compelling reason(s) for retention:</b>                        | N/A                               |                                                               |

## ESTIMATED PAYROLL

|                                  |                 |
|----------------------------------|-----------------|
| Existing Jobs Payroll:           | \$18,760,844.00 |
| Existing Jobs Statewide Payroll: | \$8,986,742.00  |
| New Direcy Jobs Payroll:         | \$60,000.00     |
| Contract Jobs Payroll:           | \$0.00          |
| Construction Jobs Payroll:       | \$12,060,000.00 |
| Total Estimated Payroll:         | \$30,880,844.00 |
| New payroll for current phase:   | \$0.00          |

## PROPERTY TAX

Millage Rate for this property. Use the millage rate obtained from the parish assessor to calculate the fee. 0.1136

This is usually a whole number (i.e., 115.47 or 92.665. A millage rate is expressed in 1/1000ths of a dollar (known as one mill). Convert the whole number millage rate by dividing by 1000 to a decimal number (i.e., the whole numbers converted to 1/1000ths would be .1154 or .0927 when rounded to four digits.)

**Note:** [Proof of Millage/Location form](#) must be completed by the parish assessor and uploaded to the attachments of this application.

**Total Property Taxes paid (most recent year for this site):** 3959.00

## BUSINESS LEGAL STRUCTURE

Is this company an LLC?

☒ Yes ☐ No

If an LLC members or pass through entity, list below the names and the LA Dept. of Revenue tax identification number or social security number for all.

### LLC Members

#### Legal Name

Eagle US 2 LLC

Lotte Chemical USA Corporation

## ESTIMATED BENEFIT

|                          |                 |
|--------------------------|-----------------|
| Investment Amount:       | \$33,500,000.00 |
| x Assessment Percentage: | 0.15            |
| x Millage Rate:          | 0.1136          |
| =Annual Exemption        | \$571,041.00    |

|                                                   |                |
|---------------------------------------------------|----------------|
| <b>Annual Exemption * 5 years at 80%</b>          | \$2,284,164.00 |
| <b>+ Annual Exemption * 5 years at 80%</b>        | \$2,284,164.00 |
| <b>=Estimated Ten Year Property Tax Exemption</b> | \$4,568,328.00 |

#### FEE CALCULATION

|                                                             |                |
|-------------------------------------------------------------|----------------|
| <b>Estimated Ten Year Property Tax Exemption :</b>          | \$4,568,328.00 |
| <b>x Rate</b>                                               | 0.005          |
| <b>= Assessed Fee (\$500.00 Minimum—\$15000.00 Maximum)</b> | \$15,000.00    |
| <b>Amount Paid:</b>                                         | \$15,000.00    |
| <b>Amount Due:</b>                                          | \$0.00         |

#### ATTACHMENTS

| Document Type                  | Document Name                                               | Date      |
|--------------------------------|-------------------------------------------------------------|-----------|
| Proof of Millage               | LACC ProofofMillageLocationVerificationForm -signed.pdf     | 9/21/2022 |
| Breakdown of Purchases         | ITEBreakdownofPurchases - 20220235.xlsx                     | 9/21/2022 |
| Notarized Affidavit            | ITEP ContractAffidavit LACC signed.pdf                      | 11/3/2022 |
| Baseline Calculation Worksheet | ITEP EmploymentBaselineCalculationWorksheet LACC signed.pdf | 11/3/2022 |
| ES4                            | LACC Q1 vLED.pdf                                            | 11/8/2022 |
| ES4                            | LACC Q2 2022 vLED.pdf                                       | 11/8/2022 |
| ES4                            | LCLA Q1 vLED.pdf                                            | 11/8/2022 |
| ES4                            | LCLA Q2 2022 vLED.pdf                                       | 11/8/2022 |
| ES4                            | Lotte USA Q1 2022 vLED.pdf                                  | 11/8/2022 |
| ES4                            | Lotte USA Q2 2022 vLED.pdf                                  | 11/8/2022 |

#### PAYMENTS

| Fee Type    | Amount Paid | Date Received | Confirmation # | Transaction Type |
|-------------|-------------|---------------|----------------|------------------|
| APPLICATION | \$15,000.00 | 11/3/2022     | OP24P77LGN     | amex_credit      |

## PROJECT CONTACTS

| Contact<br>First<br>Name | Contact<br>Last Name | Email Address               | Company<br>Name          | Mailing Address                                      | Phone<br>Number       | Contact<br>Type       |
|--------------------------|----------------------|-----------------------------|--------------------------|------------------------------------------------------|-----------------------|-----------------------|
| Jesse                    | Broderick            | jbroderick@sumitcredits.com | SumIt<br>Credits,<br>LLC | 330 Veterans Blvd. ,<br>Denham Springs, LA,<br>70726 | (225)<br>664-<br>2160 | Consultant            |
| Robert                   | Wege                 | rwege@sumitcredits.com      | SumIt<br>Credits,<br>LLC | PO Box 910 , Watson,<br>LA, 70786                    | (225)<br>664-<br>2160 | Consultant            |
| Jae Suk                  | Yoo                  | jsyoo@lotte.net             | LACC LLC                 | 800 Gessner Rd Suite<br>500, Houston, TX,<br>77024   | (713)<br>835-<br>5773 | Business              |
| Sunil                    | Sahai                | sunil.sahai@lottechem.com   | LACC, LLC                | 800 Gessner Rd Suite<br>500, Houston, TX,<br>77024   | (346)<br>326-<br>4388 | Business<br>Signatory |

## CONTRACT SIGNATORY

The contract signatory will be used when signing contracts. The contracts will be signed online and will take place after the board approves a form.

Title: CFO

First Name: Jae Suk

Last Name: Yoo

Email Address: jsyoo@lotte.net

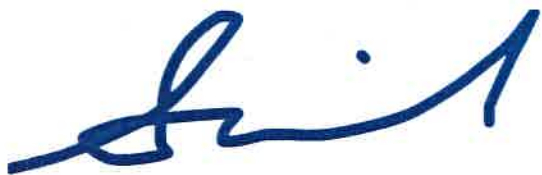
## CERTIFICATION STATEMENT

✓ I hereby certify that this project meets all Constitutional, statutory and regulatory provisions applicable to this program. I hereby certify that the information provided in this document and additional materials is true and correct and that I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject me to civil and/or criminal penalties for filing false public records (R.S. 14:133) and/or forfeiture of any tax benefits approved under this program. I understand that the application and information submitted shall not be returnable to the applicant.

## FORM SIGNATURE

I, Sunil Sahai

, approve the above information.

A handwritten signature in blue ink, appearing to be 'Sunil Sahai'.A handwritten signature in blue ink, appearing to be 'Sunil Sahai'.

CONTRACT FOR EXEMPTION OF AD VALOREM TAXES

(Advance Notification # 20220235)

**EXHIBIT "A"**

AGREEMENT

among

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT

and

LACC, LLC US

## EXHIBIT "A" AGREEMENT

This Agreement, as of the Effective Date, defined herein, is made between:

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT ("LED"), an agency of the State, represented herein by the Secretary of the Department ("Secretary"); and

LACC, LLC US ("Company"), a Delaware limited liability company in good standing, and authorized to do business in the State, represented herein by the undersigned duly authorized officer.

(The above are collectively referred to as "Parties" and singularly referred to as "Party.")

WHEREAS, Article VII, Section 21 (F) of the Louisiana Constitution of 1974 provides that the Louisiana Board of Commerce and Industry ("Board"), with the approval of the Governor of the State of Louisiana ("Governor"), may enter into contracts for the exemption from ad valorem taxes of a new manufacturing establishment or an addition to an existing manufacturing establishment on such terms and conditions as the Board, with the approval of the Governor, deems is in the best interest of the State; and

WHEREAS, the Governor has provided the terms and conditions pursuant to which he will approve contracts for the Industrial Tax Exemption ("Exemption"); and the Board has promulgated Rules pursuant to which it will approve contracts, all in accordance with Article VII, Section 21(F); and

WHEREAS, Company is expanding its Ethylene Manufacturing Establishment located in Calcasieu Parish with the addition of a new Ethane Saturator and a new boiler to double the production of steam on site (the "Project"), and new direct jobs and payroll as hereinafter provided will result from the Company's investment in the Project; and

WHEREAS, Company has filed an Advance Notification for the Project in accordance with the Rules of the Board in order to obtain an exemption from ad valorem taxes in Calcasieu Parish; and

WHEREAS, the Company anticipates that the Project will be constructed in Phases spanning one or more years prior to the Company's commencement of Operation; and

WHEREAS, in exchange for the Exemption, Company agrees to create or maintain such Jobs and Payroll (defined herein-below) and to the other terms and conditions of this Agreement; and

WHEREAS, in accordance with the Board Rules, this Agreement shall be Exhibit A to the Exemption Contract(s) and shall include the number of jobs and payroll to be created and/or retained at the Manufacturing Establishment and the term of the Exemption; and

WHEREAS, the Secretary projects that the return on investment to the State and Local Governmental Entities from the Manufacturing Establishment will exceed the benefit of the Exemption as set forth in the terms hereinafter provided, considering a multitude of factors, including but not limited to the following: capital expenditure, direct payroll tax revenue, indirect payroll tax revenue, and additional indirect tax revenue streams such as property tax, sales tax,

other payroll tax, and other local taxes associated with jobs supporting the Project; and

WHEREAS, this Agreement serves a public purpose and is in the public interest of the State and its citizens;

THEREFORE, IT IS AGREED:

## **ARTICLE I. DEFINITIONS**

### **Section 1.01 Definitions**

**“Advance Notification”** means the notification of intent to apply for the Exemption filed in accordance with Section 503 of the Rules.

**“Agreement”** means this Exhibit “A” agreement, and any amendments or modifications thereto.

**“Assignment”** means to transfer or assign this Agreement, transfer or assign any of a Party's rights hereunder, or delegate any of a Party's duties hereunder, and **“Assignee”** means the entity to which such transfer or assignment is made in accordance with this Agreement.

**“Basic Health Benefits Plan”** means a basic health benefits plan for the individuals employed in new direct Jobs in this State which shall be determined by LED to be in compliance with federally mandated healthcare requirements or, if no federally mandated healthcare requirements exist, shall provide coverage for comprehensive healthcare coverage including basic hospital and physician care.

**“Board”** means the Louisiana Board of Commerce and Industry.

**“Capital Expenditures”** means the cost associated with a new manufacturing establishment or an addition to an existing manufacturing establishment, including purchasing or improving real property and tangible personal property, whose useful life exceeds one year and which are used in the conduct of business.

**“Cessation of Operation”** means failure of the Manufacturing Establishment to engage in manufacturing and provide finished product(s) into the stream of commerce, except that the Secretary shall have the discretion to determine whether and the duration for which a temporary suspension of Operation due to maintenance, equipment breakdowns, or turnarounds does not constitute a Cessation of Operation.

**“Certification of Compliance”** means a sworn verification of compliance with the Company Objectives under this Agreement, signed by a key employee of the Company (executive or senior level officer, project site manager, or equivalent rank.).

**“Company”** means LACC, LLC US, a Delaware limited liability company duly authorized to do and doing business in Louisiana, and its successors and permitted assigns.

**“Company Affiliate”** means any business entity that controls or is controlled by the Company or

by another business entity that controls the Company, including a parent or subsidiary of the Company, or another subsidiary of a parent of the Company. Control means exercising authority over the management, business policies, and operations of the business entity.

**“Company Default”** is defined in Section 6.01(B).

**“Company Objectives”** means (1) the acquisition, expansion, construction, equipping, and Operation of the Manufacturing Establishment, (2) the making of anticipated Capital Expenditures; (3) the creation and maintaining of Required Annual Jobs and (4) the payment of Required Annual Payroll.

**“Contract Monitor”** is defined in Section 7.01(A).

**“Default”** has the meaning set forth in Article VI.

**“Default Payment”** means the amount of money, if any, paid by Company to the Local Governmental Entities in the event of a Default as provided in Article VI.

**“Effective Date”** is the date of execution of this Agreement by the Secretary.

**“Exemption”** means the exemption from ad valorem taxation provided for manufacturing establishments in Article VII, Section 21(F) of the Louisiana Constitution of 1974 with specific regard to the Project, which may occur in and is inclusive of Phases.

**“Exemption Contract(s)”** means the contract(s) entered into by the Board, the Company, and approved by the Governor memorializing the Exemption for the Project, including each Phase of the Project and specifying the terms thereof and to which this Agreement shall be Exhibit A to each such contract.

**“Exemption Period(s)”** means, for each Phase of the Project, the number of years of Exemption provided in accordance with the Rules and further set forth in Section 4.01(C), with each Exemption Period beginning on January 1 of the first Project Year after which each Phase becomes Operational or completes construction. The Exemption Period for any Phase of the Project shall not be longer than 10 years—no more than 5 years initially and an additional 5 years if the Exemption is renewed.

**“Force Majeure”** means: (1) an act of God, an act of war, strike, or a natural disaster due to earthquake, landslide, fire, flood, tornado, tropical storm, or hurricane; (2) which is beyond the reasonable control of a Party to this Agreement; and (3) prevents the Party from performing its obligations hereunder.

**“Governor”** means the Governor of the State of Louisiana.

**“ITEP”** means the Industrial Ad Valorem Tax Exemption Program administered by LED to implement the exemption from ad valorem taxation provided for in Article VII, Section 21(F) of the Louisiana Constitution of 1974.

**“Jobs”** means positions of employment that are:

- (1) new (not previously existing in the State);
- (2) permanent (without specific term);
- (3) full-time (working a minimum of 30 hours or more per week);
- (4) employed directly by the Company, a Company Affiliate, or a Qualified Contractor;
- (5) based at the Manufacturing Establishment; and
- (6) filled by a United States citizen who is domiciled in Louisiana or who becomes domiciled in Louisiana within 60 days of employment; and
- (7) offering a Basic Health Care Benefits Plan.

Jobs shall not include:

- (1) jobs transferred to the Manufacturing Establishment from within the State by the Company, a Company Affiliate, or a Qualified Contractor, unless back-filled to result in a net job gain within the State;
- (2) jobs transferred from other Louisiana-based employment as a result of the Company, a Company Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets, unless back-filled to result in a net job gain within the State; or
- (3) jobs performing contract services for the State of Louisiana or any of its agencies.

**“LED”** means Louisiana Department of Economic Development.

**“Legislature”** means the Legislature of the State of Louisiana.

**“Local Governmental Entities”** with regard to Calcasieu Parish, means the parish governing authority, school board, and sheriff, as well as any municipality in which the Manufacturing Establishment is or will be located.

**“Manufacturing Establishment”** means the location for the Project, as described in the ITEP application for the Project, for the manufacturing of finished product(s) to be placed by Company into the stream of commerce.

**“Operation” or “Operational”** means the commercial utilization of the Manufacturing Establishment, if new, or of the addition, rehabilitation or restoration of the Manufacturing Establishment for which the Exemption is granted.

**“Payroll”** means payment by the Company, a Company Affiliate or Qualified Contractor to its employees for Jobs, exclusive of benefits and defined as wages under Louisiana Employment Security Law (La. R.S. 23:1472(20)), during a Project Year, except that with regard to Jobs employed directly by a Qualified Contractor, Payroll shall not include any fees, mark-up, profit margins or similar payments by the Company or a Company Affiliate to a Qualified Contractor.

**“Phase”** means that portion of the Project that becomes Operational or completes construction for which Capital Expenditures are made and, in the following Project Year, becomes subject to the Exemption provided by an Exemption Contract to which this Agreement is attached as Exhibit A.

**“Project”** means Company's acquisition or expansion, construction, improvement, equipping and Operation of the Manufacturing Establishment as further described in the Recitals, which may

occur in Phases.

**“Project Year”** means each twelve-month period, beginning on January 1 and ending on December 31, or, if the Project is located in Orleans Parish, beginning on August 1 and ending on July 31, of each year identified in Section 4.02(B).

**“Qualified Contractor”** means a business entity other than Company or Company Affiliate, acting pursuant to an agreement with the Company or Company Affiliate regarding the Project.

**“Required Annual Jobs”** is the number of Jobs required to be met by the Company pursuant to Section 4.02, during a Project Year.

**“Required Annual Jobs and Payroll”** refers, collectively, to Required Annual Jobs and Required Annual Payroll.

**“Required Annual Payroll”** is the amount of Payroll required to be met by the Company pursuant to Section 4.02 for Jobs.

**“Rule(s)”** mean the rules promulgated by the Board as Chapter 5 of Title 13 of the Louisiana Administrative Code.

**“Secretary”** means the Secretary of the Louisiana Department of Economic Development.

**“State”** means the State of Louisiana.

## **ARTICLE II. AUTHORITY**

### **Section 2.01 LED Authority**

LED is granted authority under the provisions cited above to enter into agreements with public and private associations or corporations for a public purpose.

### **Section 2.02 Company Authority**

A duly executed resolution or other evidence of the authority of the Company to enter into this Agreement and to carry out the commitments made herein, and the authority of the undersigned representative to execute this Agreement and any other documents required thereby on behalf of the Company, certified by the secretary or other authorized representative of the Company, is attached hereto as Exhibit 1.

### **Section 2.03 Other Approvals**

This Agreement is not effective until signed by all Parties.

### **ARTICLE III. REPRESENTATIONS**

The Parties have all the requisite power and authority to enter into this Agreement and to carry out the terms hereof; and the persons signing this Agreement have the authority to execute this Agreement as authorized representatives, and to bind the Parties to all the terms of this Agreement.

This Agreement has been duly authorized, executed, and delivered by the Parties and upon receipt of the approvals described herein will constitute a legal, valid, and binding obligation of the Parties, enforceable in accordance with its terms.

Parties have taken or will take all necessary and proper action to authorize the execution, issuance, and delivery of this Agreement and any other documents required by this Agreement, and the performance of its obligations under this Agreement.

The execution of this Agreement and any other documents required by this Agreement as well as the performance by the Parties of their respective obligations hereunder are within the Parties respective powers and will not violate any provisions of any law, regulation, decree, or governmental authorization applicable to them.

### **ARTICLE IV. OBLIGATIONS**

#### **Section 4.01 LED Obligations**

(A) LED enters into this Agreement for the purposes of providing the terms and conditions for Company's receipt of the Exemption in the manner and for the purposes provided for by the Board and the Governor.

(B) Upon execution of this Agreement, LED will recommend to the Board that the Company receive the Exemption for the Project under the terms and conditions hereinafter set forth as required by the Rules, and this Agreement shall be Exhibit A to each Exemption Contract among the Board and Company upon approval by the Governor.

(C) LED will make the following recommendation for the Exemption to the Board for the Company, subject to the Company's adherence to its objectives hereunder and in accordance with the terms and conditions of this Agreement and ITEP Rules with respect to the limitation or cancellation of an Exemption Contract in the event of the Company's non-performance of its objectives hereunder: (1) an 80% exemption from ad valorem taxes for the initial Exemption Contract of 5 years for each Phase and (2) an 80% exemption from ad valorem taxes for the renewal Exemption Contract of 5 years for each Phase with the express understanding that Company's compliance with and performance of the Company's Objectives hereunder shall be a consideration as to the renewal of the Exemption.

#### **Section 4.02 Company Objectives**

(A) Commencement of Operation. The Company is proceeding with commercially reasonable due diligence to expand the Manufacturing Establishment and commence Operation by March 1,

2024 as described in the ITEP application form filed or to be filed for this Project. During the construction period, which Company anticipates will span multiple years, Company projects that it will expend approximately \$33,500,000.00 in Capital Expenditures and that the Project could provide approximately 402 full time equivalent construction jobs as well as the creation of 1 Job having an annual Payroll of at least \$60,000.00, including 0 Jobs by a Qualified Contractor. Upon commencement of Operation and fulfillment of the foregoing representations, Company shall provide the Required Annual Jobs and Payroll as set forth in Section 4.02(B).

(B) Operation of the Manufacturing Establishment: Required Annual Jobs and Payroll. During each Project Year thereof, the Company anticipates creating and, thereafter, maintaining Required Annual Jobs and Payroll at the Manufacturing Establishment as follows:

| Project Year | Required Annual Jobs | Required Annual Payroll |
|--------------|----------------------|-------------------------|
| 2023         | 1                    | \$60,000.00             |
| 2024         | 1                    | \$60,000.00             |
| 2025         | 1                    | \$60,000.00             |
| 2026         | 1                    | \$60,000.00             |
| 2027         | 1                    | \$60,000.00             |
| 2028         | 1                    | \$60,000.00             |
| 2029         | 1                    | \$60,000.00             |
| 2030         | 1                    | \$60,000.00             |
| 2031         | 1                    | \$60,000.00             |
| 2032         | 1                    | \$60,000.00             |
| 2033         | 1                    | \$60,000.00             |
| 2034         | 1                    | \$60,000.00             |

(C) Jobs and Payroll Creation. Any Jobs and corresponding Payroll created by Company after it files the Advance Notification for the Project shall be considered as having been created during the first Project Year.

(D) Project Year Adjustment. To the extent Company does not commence Operation on or before the anticipated date identified in Section 4.02(A), Project Years will adjust accordingly, but for no more than two years.

(E) Other State Incentives. To the extent that Company may receive any other incentives administered by LED directly for any Required Annual Jobs or Payroll, it shall have no bearing on this Agreement.

(F) Louisiana Preference. To the extent allowed by law, and insofar as is feasible and practicable, the Company agrees to use reasonable commercial efforts to give preference to Louisiana manufacturers, suppliers, vendors, contractors, and subcontractors in connection with equipping the Manufacturing Establishment and purchasing material and supplies to support Operation, provided such entities are competitive in price, quality, and delivery.

**ARTICLE V.  
ASSIGNMENT AND TRANSFER**

Assignment or Transfer of the Manufacturing Establishment or any part of an Exemption Contract shall be governed by Section 535 of the Rules pertaining to the "Sale or Transfer of Exempted Manufacturing Establishment."

**ARTICLE VI.  
DEFAULT AND RENEWAL CONSIDERATION**

**Section 6.01 Default**

(A) State Default. The failure by the Board, the Local Governmental Entities or the Governor, to approve the Exemption for the Company in the manner provided by the Rules, constitutes a default under this Agreement. Upon the occurrence of such default, Company is relieved of all obligations hereunder and this Agreement shall automatically terminate without any further remedy to or obligation imposed upon Company.

(B) Company Default. The occurrence of any of the following actions during the term of any Exemption Contract shall constitute a Company Default with a corresponding remedy:

(1) Operation does not commence within a 2-year period beginning on the date identified in Section 4.02(A), in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules.

(2) Cessation of Operation, in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules;

(3) Assignment of this Agreement, or transfer of ownership of or controlling interest in the Manufacturing Establishment, the Company, or substantially all of its assets, other than as permitted under Article V, in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules;

(4) Failure to satisfy 90% of either or both of the Company's Required Annual Jobs and Payroll under Section 4.02 of this Agreement upon which LED shall give notification to the Company and the Local Governmental Entities, which entities will make a recommendation to the Board on whether to terminate the Exemption Contract for the Company or otherwise alter the terms of the Exemption, including the length of the exemption period and/or the percentage of the exemption. The recommendation of the Local Governmental Entities shall then be submitted to the Board for consideration and/or action. This provision shall be applicable for each Project Year in which the Company fails to satisfy the requirements of this paragraph as provided herein irrespective of any prior decision of the Board to continue the Exemption Contract(s) under the terms provided.

Alternatively, the Local Governmental Entities and the Company may forego the recommendation to the Board required by this section if the Local Governmental Entities agree that the Company shall pay and the Company actually makes a Default Payment to each of the Local Governmental Entities in an amount agreeable to both the Local

Governmental Entities and the Company, in which case the terms of the Exemption Contract(s) shall remain the same.

(C) Renewal Consideration. Upon Company's application for a renewal of the Exemption, Company's non-performance of this Agreement shall be considered by the Board in the manner provided by the Rules.

#### **Section 6.02 Delay or Omission**

No delay or omission in the exercise of any right or remedy accruing to any Party upon any breach of this Agreement by any other Party shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant, or condition herein or therein contained.

#### **Section 6.03 Force Majeure**

(A) Upon occurrence of an event of Force Majeure, the affected Party shall have the right, but not the obligation, to declare a Force Majeure period, by giving written notice of such event and declaration to the other Parties within 30 days of such occurrence. Time being of the essence, the affected Party shall make every reasonable effort to give such notice as soon as possible, but in any event notice must be given within 30 days of the occurrence.

(B) The Force Majeure period shall continue from the date of such notice until the effects of such Force Majeure are removed, remedied, repaired, or otherwise no longer prevent performance of a Party's obligations hereunder. During the Force Majeure period, the obligations of the Parties under this Agreement shall be suspended, and the relevant deadlines and time periods under this Agreement shall be extended to the extent of such suspension. In any event, no Force Majeure period arising from a single event of Force Majeure shall be deemed to exist for longer than 2 years from the date of such notice, and the aggregate Force Majeure period during the term of this Agreement shall not exceed two years.

(C) The affected Party must proceed with due diligence to effect repairs or undertake efforts to remedy or mitigate the effects of a Force Majeure event, and within 60 days of the occurrence of the event of Force Majeure shall provide the other Parties a report showing the efforts made and to be made to remedy or mitigate the effects as well as a timetable to return to full performance.

#### **Section 6.04 No Other Damages**

No party shall have the right to recovery against any other party of any damages of whatever nature, including compensatory, consequential, punitive, or otherwise, arising from or relating to any act or omission deemed to be a breach of this Agreement or fault of any party other than the remedies expressly set forth in this Article.

### **ARTICLE VII. REPORTS; AUDIT**

### **Section 7.01 Contract Monitoring**

The Secretary of LED or his designee will designate, and may change from time to time, one or more persons on his staff to act as Contract Monitor for the Project, to act as LED's representative and liaison between LED and the Company, and to monitor the achievement of the Company Objectives.

### **Section 7.02 Annual Certification of Compliance**

By the last day of the fourth month following the end of each Project Year ("Deadline"), and subject to one request by the Company for a reasonable extension of time of no more than 60 days if made, in writing, before the Deadline, the Company shall deliver to LED a Certification of Compliance with the Company Objectives under this Agreement, including specific verification of the creation and maintenance of Required Annual Jobs and Payroll. The Certificate of Compliance shall be in the general form of Exhibit 2 attached hereto and shall be accompanied by the additional materials referenced therein. All original documentation supporting the Certification of Compliance shall be maintained by the Company as required by the Rules. Failure to timely submit the annual Certification of Compliance may result in LED reporting to the Local Governmental Entities a failure to satisfy Required Annual Jobs and Payroll per Section 6.01(B)(4).

With regard only to the first Project Year referenced in Section 4.02(B), the Company shall deliver to LED the Certification of Compliance either within the time delay referenced in the prior paragraph or 90 days following the date that LED submits the Exemption Contract to the Company for execution, whichever is later.

### **Section 7.03 Audit**

LED shall have such rights to compel an investigation at any time during the effectiveness of this Agreement as provided in Section 531 of the Rules pertaining to inspections.

### **Section 7.04 Reporting Rules Applicable**

Nothing provided in this Section shall relieve Company of any additional reporting requirements provided by the Rules.

## **ARTICLE VIII. TERM**

The Term of this agreement shall extend from the Effective Date until the end of the last Exemption Period for the Project.

## **ARTICLE IX. MISCELLANEOUS**

### **Section 9.01 Non Discrimination**

Company agrees to abide by the requirements of the following laws, as amended and as applicable:

Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and the Americans with Disabilities Act of 1990. Company agrees not to discriminate in their employment practices in Louisiana, and, to the extent required by law and Executive Order, will render services in Louisiana without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment.

#### **Section 9.02 Captions**

The captions or headings in this Agreement are for convenience only and do not define or limit the scope or extent of this Agreement.

#### **Section 9.03 Counterpart**

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed one and the same Agreement.

#### **Section 9.04 Choice of Law**

This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

#### **Section 9.05 Jurisdiction and Venue**

The 19th Judicial District Court in the Parish of East Baton Rouge, State of Louisiana, shall be deemed to be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding as between the Parties that may be brought, or arise out of, in connection with, or by reason of this Agreement; and the Parties hereto submit themselves to the jurisdiction of said court in the event of any legal proceedings in connection with this Agreement.

#### **Section 9.06 Further Assurances**

From time to time hereafter, the Parties shall execute and deliver such additional instruments, certificates, or documents and take all such actions as another Party may reasonably request for the purpose of fulfilling the Parties' obligations hereunder.

#### **Section 9.07 Notices**

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be delivered to the address(es) set forth below, or to such other address as may be designated by such Party in written notice to the other Party.

To LED:

Don Pierson, Secretary

Louisiana Department of Economic Development

P. O. Box 94185; Baton Rouge, LA 70804-9185 (USPS mail)  
11<sup>th</sup> Floor, 617 North 3rd Street, Baton Rouge, LA 70802-5239 (Delivery)  
Telephone: (225) 342-3000

To the Company:

Jae Suk Yoo  
LACC, LLC US  
800 Gessner Road, Suite 500, Houston, TX 77024  
Telephone: (713) 835-5773

**Section 9.08 Amendment**

This Agreement may be amended only upon the written consent and approval of all Parties.

**Section 9.09 Rules Prevail**

To the extent any provision of this Agreement, after reasonable construction so as to give meaning to all provisions of this Agreement and the Rules, conflicts with the Rules promulgated by the Board, the Rules of the Board prevail.

**Section 9.10 Electronic Transaction; Electronic Signatures**

In accordance with LA. R.S. 9:2605B(1)&(2), the Parties hereto each agree that this transaction may be conducted by electronic means; and electronic signatures of the Parties to this Agreement and any Amendments hereto shall be acceptable and satisfactory for all legal purposes; as authorized by the "Louisiana Uniform Electronic Transactions Act", LA. R.S. 9:2601 through 9:2621.

**\*\*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK\*\***

IN WITNESS WHEREOF, this Agreement has been signed by the undersigned duly authorized representatives on the dates indicated below.

LACC, LLC US

Taewoon Soun

By: Taewoon Soun (Feb 14, 2023 13:36 CST)

*Signature*

Taewoon Soun

*Printed Name*

Title: Taewoon Soun, President

Date: 02/14/2023

LED CONTRACT MONITOR

Kristin Cheng

*Signature*

Kristin Cheng

*Printed Name*

LOUISIANA DEPARTMENT OF  
ECONOMIC DEVELOPMENT

By: Don Pierson

Don Pierson, Secretary

Date: 02/23/2023

**EXHIBIT 1**

(Company Authorizing Resolution)

**ACTION BY WRITTEN CONSENT  
OF  
THE MEMBERS AND BOARD OF MEMBERS  
OF  
LACC, LLC**

a Delaware limited liability company

**Effective as of January 1, 2021**

In accordance with the Delaware Limited Liability Company Act, the undersigned parties, being the Board of Members (the "Board") and all of the Members (the "Members") of LACC, LLC, a Delaware limited liability company (the "Company"), hereby adopt, approve and authorize the actions set forth herein and hereby direct that this written consent (this "Consent") be placed with the minutes of the proceedings of the Company. All capitalized terms not defined in this consent shall have the same meaning set forth in the Amended and Restated Limited Liability Company Agreement of the Company, dated as of June 17, 2015 (as amended from time to time, the "LLC Agreement").

**Appointment of Board Members**

**WHEREAS**, pursuant to Section 5.1(a) of the LLC Agreement and subject to certain limitations in the LLC Agreement, the business and affairs of the Company is vested in and controlled by the Board;

**RESOLVED**, that the Members hereby elect the individuals listed in Exhibit A as Board Members to the Board of the Company, to serve as Board Members until their successors have been elected and qualified, or until their earlier death, resignation or removal, three of which have been designated by Lotte and three of which have been designated by Axiall pursuant to Section 5.2(a) of the LLC Agreement.

**Election of the Chairman, Vice-Chairman and Secretary of the Board**

**RESOLVED**, that the Board hereby elects the following individuals to hold the following positions of the Board until their successors have been elected and qualified, or until their earlier death, resignation or removal.

| <b><u>Office</u></b>       | <b><u>Name</u></b> |
|----------------------------|--------------------|
| Chairman of the Board      | Tom Janssens       |
| Vice-Chairman of the Board | Tae Woon Soun      |
| Secretary of the Board     | Tae Woon Soun      |

### **Election of Officers**

**WHEREAS**, Lotte has the right to nominate a candidate for the office of President and has nominated Tae Woon Soun;

**WHEREAS**, Axiall has the right to nominate a candidate for the office of Executive Vice President of Operations and has nominated Curtis Brescher;

**RESOLVED**, that pursuant to Sections 5.4(b) and 5.6 of the LLC Agreement, the Board hereby approves the foregoing nominations and hereby approves the appointment of Taewoon Soun as President and Curtis Brescher as Executive Vice President of Operations, each such person to hold such position until the earlier of his death, resignation, or removal.

### **Committees**

**WHEREAS**, pursuant to Section 5.3 of the LLC Agreement and subject to certain limitations in the LLC Agreement, the Board has established an Operations Committee and Finance Committee;

**WHEREAS**, the Board desires to update the members of each committee;

**RESOLVED**, that the Board, hereby approves the individuals listed in Exhibit B to serve as members of the listed committee until their earlier death, resignation or removal.

### **General**

**RESOLVED**, that the President and Executive Vice President of Operations of the Company and any officer designated by either such person (each, an "Authorized Officer") is hereby authorized and directed to sign, execute, certify to, verify, acknowledge, deliver, accept, file and record any and all such agreements, instruments, certificates, documents, reports and schedules, and to take, or cause to be taken, any and all such actions, in the name of or on behalf of the Company, which shall be required to consummate the transactions approved by this Consent, or which any Authorized Officer shall, in such Authorized Officer's sole discretion, deem necessary or appropriate and in the best interest of the Company in order to effect the purposes of this Consent, and such Authorized Officer's signature, or such actions taken by such officer, shall be conclusive evidence that such officer did deem the same to be necessary or appropriate and in the best interest of the Company in order to effect such purposes.

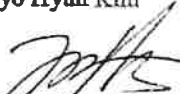
This Consent may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same consent and a facsimile or and electronic PDF of an executed signature page to this Consent shall be deemed an original for all purposes.

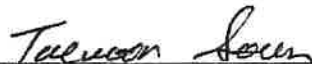
*[Signatures appear on the following pages.]*

**IN WITNESS WHEREOF**, the undersigned have executed this Action by Written consent as of the date first written above.

**BOARD MEMBERS:**

  
\_\_\_\_\_  
Gyo Hyun Kim

  
\_\_\_\_\_  
Jin Koo Hwang

  
\_\_\_\_\_  
Tae Woon Soun

\_\_\_\_\_  
Albert Chao

\_\_\_\_\_  
Lawrence Teel

\_\_\_\_\_  
M. Steven Bender

**IN WITNESS WHEREOF**, the undersigned have executed this Action by Written consent as of the date first written above.

**BOARD MEMBERS:**

\_\_\_\_\_  
Gyo Hyun Kim

\_\_\_\_\_  
Jin Koo Hwang

\_\_\_\_\_  
Tae Woon Soun

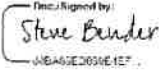
\_\_\_\_\_  
DocuSigned by:  
*Albert Chao*  
F1EE3A00B1B152  
February 10, 2021  
Albert Chao

\_\_\_\_\_  
DocuSigned by:  
*Skipp Teel*  
ATC23E00411C1B0  
February 10, 2021  
Lawrence Teel

\_\_\_\_\_  
DocuSigned by:  
*Steve Bender*  
22BASSEDD08E4EF  
February 10, 2021  
M. Steven Bender

**MEMBERS:**

**EAGLE US 2 LLC**

By:  February 10, 2021  
Time Signed by: JABASJED330E1EF

Name: M. Steven Bender

Title: EVP & Chief Financial Officer

**LOTTE CHEMICAL USA CORPORATION**

By: \_\_\_\_\_

Name: Tae Woon Soun

Title: President

**MEMBERS:**

**EAGLE US 2 LLC**

By: \_\_\_\_\_

Name: M. Steven Bender

Title: EVP & Chief Financial Officer

**LOTTE CHEMICAL USA CORPORATION**

By: Tae Woon Soum

Name: Tae Woon Soum

Title: President

**EXHIBIT A**

**Board of Members**

|               | <b>Before</b> |               | <b>New (January 1, 2021)</b> |                          |
|---------------|---------------|---------------|------------------------------|--------------------------|
| <b>LOTTE</b>  | Gyo Hyun Kim  | Chairman      | Gyo Hyun Kim                 |                          |
|               | Byung Yun Lim |               | Tae Woon Soun                | Vice-Chairman, Secretary |
|               | Jin Koo Hwang |               | Jin Koo Hwang                |                          |
| <b>AXIALL</b> | Albert Chao   |               | Albert Chao                  |                          |
|               | Skip Teel     | Vice-Chairman | Tom Janssens                 | Chairman                 |
|               | Steven Bender | Secretary     | Steven Bender                |                          |

**EXHIBIT B****Operations Committee**

|               | <b>Before</b>     |           | <b>New (January 1, 2021)</b> |           |
|---------------|-------------------|-----------|------------------------------|-----------|
| <b>LOTTE</b>  | Jin Koo Hwang     | President | Tae Woon Soun                | President |
|               | Kyeongjo (KJ) Han |           | Kyeongjo (KJ) Han            |           |
|               | Robert Chung      |           | Woong Jae (OJ) Lee           |           |
| <b>AXIALL</b> | Skip Teel         |           | Tom Janssens                 |           |
|               | Wayne Ahrens      | EVP       | Curtis Brescher              | EVP       |
|               | Andrew Kenner     |           | Andrew Kenner                |           |

**Finance Committee**

|               | <b>Before</b>   |               | <b>New (January 1, 2021)</b> |                   |
|---------------|-----------------|---------------|------------------------------|-------------------|
| <b>LOTTE</b>  | Jin Koo Hwang   | President     | Tae Woon Soun                |                   |
|               | Jinseob Lee     | VP of Finance | Jinseob Lee                  | VP of Finance     |
| <b>AXIALL</b> |                 |               | <i>To be filled</i>          | <i>Controller</i> |
|               | Steven Bender   | CFO           | Steven Bender                | CFO               |
|               | George Mangieri | CAO           | John Zoeller                 | CAO               |
|               | Bill Anamosa    | Controller    | Bill Anamosa                 | Controller        |

**EXHIBIT 2**  
**CERTIFICATION OF COMPLIANCE**

Contract Number for the Project: \_\_\_\_\_ Reporting Period: \_\_\_\_\_

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

Project Physical Address: \_\_\_\_\_

1. Has the contract for this project/phase been fully executed? Yes ☐ No ☐  
a. Complied with Article IV: Project Completion Report (PCR)? Yes ☐ No ☐  
b. Complied with Article VI: Affidavit of Final Cost (AFC)? Yes ☐ No ☐

If the answer to any of the above is "No", please explain: \_\_\_\_\_

2. Operation of the assets related to this project/phase:  
☐ Commenced, as of \_\_\_\_\_ and continues to date.  
(Date)  
☐ Has not commenced or has ceased Operation

If Company has ceased Operation, please explain: \_\_\_\_\_

3. Capital Expenditures for this project/phase made as of \_\_\_\_\_ : \$ \_\_\_\_\_  
(Date - from PCR) (Amount - from AFC)

4. Required Annual Jobs (per Exhibit A, Section 4.02 (B)): \_\_\_\_\_  
a. Actual number of Jobs (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \_\_\_\_\_

5. Required Annual Payroll (per Exhibit A, Section 4.02 (B)): \$ \_\_\_\_\_  
a. Actual annual Payroll (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \$ \_\_\_\_\_

6. Has the Company offered a Basic Health Benefits Plan for this Project Year for Jobs? Yes ☐ No ☐

7. Are any Jobs at the Manufacturing Establishment attributable to:  
a. Jobs transferred from any other location within the state by the Company, Company Affiliate or a Qualified Contractor? Yes ☐ No ☐  
b. Jobs transferred from any other Louisiana-based employment as a result of the Company, Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets? Yes ☐ No ☐  
c. If yes to either a. or b. above, were those Jobs backfilled resulting in a neutral job gain (or neutral job count if retaining Jobs) within the State? Yes ☐ No ☐

If the answer to 7.c. is "No", please explain: \_\_\_\_\_

8. Upload this Certification of Compliance with original signatures via Fastlane. The following additional materials must accompany this certification. Use the most current updated prescribed forms and spreadsheets found on the Fastlane Document Checklist:
- ITE Employment Baseline Calculation Worksheet – (only required the first year of reporting).
  - A sortable and unlocked version of the ITE Annual Compliance Report (ITE ACR).
  - Copies of all quarterly wage reports (ES-4's/SUTA) and Multi Worksite Reports (if applicable) filed with the LA Workforce Commission for the same filing period.
9. Optional: If applicable, additional non-compliance documentation is attached as a separate document for LED to provide to the Local Governmental Entities & the Board of Commerce & Industry for consideration. Yes ☐ No ☐

**CONTACT TYPE (select one):**

Business ☐ Consultant ☐

Contact Information:

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

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

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

Phone Number: \_\_\_\_\_ Extension: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**CERTIFICATION**

(The electronic version of this document is available via Fastlane NextGen. In order to submit each Project Year, the form must be added to the existing project, signed, paid, and submitted electronically via Fastlane NextGen along with the additional materials referenced in the Document Checklist section of the form).

# Exhibit A - LACC LLC US #20220235

Final Audit Report

2023-02-23

|                 |                                              |
|-----------------|----------------------------------------------|
| Created:        | 2023-02-10                                   |
| By:             | Christina Ocmand (Christina.Ocmand@la.gov)   |
| Status:         | Signed                                       |
| Transaction ID: | CBJCHBCAABAA2BWNRccTtFjkkjONGPE-FgByQMfCsLM8 |

## "Exhibit A - LACC LLC US #20220235" History

-  Document created by Christina Ocmand (Christina.Ocmand@la.gov)  
2023-02-10 - 8:10:22 PM GMT- IP address: 159.39.101.2
-  Document emailed to taewoon.soun@lotte.net for signature  
2023-02-10 - 8:18:49 PM GMT
-  Email viewed by taewoon.soun@lotte.net  
2023-02-10 - 8:55:58 PM GMT- IP address: 216.215.77.118
-  Signer taewoon.soun@lotte.net entered name at signing as Taewoon Soun  
2023-02-14 - 7:36:23 PM GMT- IP address: 216.215.77.118
-  Document e-signed by Taewoon Soun (taewoon.soun@lotte.net)  
Signature Date: 2023-02-14 - 7:36:25 PM GMT - Time Source: server- IP address: 216.215.77.118
-  Document emailed to kristin.cheng@la.gov for signature  
2023-02-14 - 7:36:26 PM GMT
-  Email viewed by kristin.cheng@la.gov  
2023-02-14 - 7:41:21 PM GMT- IP address: 104.28.97.16
-  Signer kristin.cheng@la.gov entered name at signing as Kristin Cheng  
2023-02-23 - 6:46:13 PM GMT- IP address: 159.39.101.2
-  Document e-signed by Kristin Cheng (kristin.cheng@la.gov)  
Signature Date: 2023-02-23 - 6:46:15 PM GMT - Time Source: server- IP address: 159.39.101.2
-  Document emailed to don.pierson@la.gov for signature  
2023-02-23 - 6:46:17 PM GMT
-  Email viewed by don.pierson@la.gov  
2023-02-23 - 7:01:17 PM GMT- IP address: 159.39.101.2



**Adobe Acrobat Sign**

 Signer don.pierson@la.gov entered name at signing as Don Pierson

2023-02-23 - 7:01:32 PM GMT- IP address: 159.39.101.2

 Document e-signed by Don Pierson (don.pierson@la.gov)

Signature Date: 2023-02-23 - 7:01:34 PM GMT - Time Source: server- IP address: 159.39.101.2

 Agreement completed.

2023-02-23 - 7:01:34 PM GMT



**Adobe Acrobat Sign**

**Calcasieu Parish Industrial Tax Exemption Program  
Return on Investment Evaluation**

**Indorama Ventures Olefins - #20210171-ITE**

***Company Investment***

|                             |    |            |
|-----------------------------|----|------------|
| Annual Payroll              | \$ | 150,000    |
| Capital Expenditure (CapEx) | \$ | 69,531,417 |

***Exemption Requested***

|                           |     |
|---------------------------|-----|
| Property Taxes years 1-5  | 80% |
| Property Taxes years 6-10 | 80% |

***Local Revenue Forgone***

|                                   | Total-all Jurisdictions | CPSB portion |
|-----------------------------------|-------------------------|--------------|
| Property Taxes years 1-5          | \$ 3,922,877            | \$ 995,520   |
| Property Taxes years 6-10         | \$ 2,986,552            | \$ 757,906   |
| Total Estimated 10 year Exemption | \$ 6,909,429            | \$ 1,753,427 |

***Revenue Generated over 20 years***

|                                      | Total-all Jurisdictions | CPSB portion |
|--------------------------------------|-------------------------|--------------|
| Property Taxes generated over 10 yrs | \$ 1,727,357            | \$ 438,357   |
| Property Taxes generated over 20 yrs | \$ 5,278,933            | \$ 1,339,651 |
| Sales Taxes generated from CapEx     | \$ 2,421,139            | \$ 1,052,669 |

**Factors**

|                        |              |               |              |              |
|------------------------|--------------|---------------|--------------|--------------|
| Direct Jobs - 3        | (Annual P/R) | \$ 150,000    | \$ 3,000,000 | -over 20 yrs |
| Indirect Jobs -        |              | \$ -          |              |              |
| Construction Jobs - 55 |              | \$ 22,500,000 |              |              |

**General Considerations**

**Benefits**

Direct & Indirect Job Creation - Major consideration  
Annual Payroll - Major Consideration  
Construction Jobs  
Sales Taxes generated from construction  
Property Taxes collected during & after ITEP exemption period  
Economic stimulus to area economy

**Costs**

Foregone revenue from exempted property tax

# CALCASIEU PARISH

## ITEP IMPACT SUMMARY FOR ALL AFFECTED TAXING BODIES

### 10 YEARS TAX ABATEMENT AT 80% EXEMPTION years 1-5, 80% years 6-10

Project Name: 2022-2023  
 Investment Amount: \$69,531,417  
 Ward: W4  
 Location: 4300 Hwy 108, Westlake, LA

Company Name: Indorama Olefins - #20210171  
 DATED: 10/1/2021

| 15 Yr Depreciation Rate <sup>1</sup> |                           |                        | 0.91             | 1.01             | 1.04             | 0.97             | 0.93             | 0.89             | 0.83             | 0.73             | 0.66             | 0.59             |                        |
|--------------------------------------|---------------------------|------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------------|
| Depreciated Value                    |                           |                        | 63,273,589       | 70,226,731       | 72,312,674       | 67,445,474       | 64,664,218       | 61,882,961       | 57,711,076       | 50,757,934       | 45,890,735       | 41,023,536       |                        |
| 100% Assessed Value                  |                           |                        | 9,491,038        | 10,534,010       | 10,846,901       | 10,116,821       | 9,699,633        | 9,282,444        | 8,656,661        | 7,613,690        | 6,883,610        | 6,153,530        |                        |
| 80% Assessed Value                   |                           |                        | 7,592,831        | 8,427,208        | 8,677,521        | 8,093,457        | 7,759,706        | 7,425,955        | 6,925,329        | 6,090,952        | 5,506,888        | 4,922,824        |                        |
| Taxing Body                          | Millage Rate <sup>2</sup> | Converted Millage Rate | YEAR 1           | YEAR 2           | YEAR 3           | YEAR 4           | YEAR 5           | YEAR 6           | YEAR 7           | YEAR 8           | YEAR 9           | YEAR 10          | TOTAL EXEMPTION AMOUNT |
|                                      |                           |                        | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    | EXEMPT AMOUNT    |                        |
| Assessor                             | 1.25                      | 0.00125                | \$9,491          | \$10,534         | \$10,847         | \$10,117         | \$9,700          | \$9,282          | \$8,657          | \$7,614          | \$6,884          | \$6,154          | \$89,278               |
| Sheriff                              | 11.85                     | 0.01185                | \$89,975         | \$99,862         | \$102,829        | \$95,907         | \$91,953         | \$87,998         | \$82,065         | \$72,178         | \$65,257         | \$58,335         | \$846,359              |
| School Board <sup>4</sup>            | 17.00                     | 0.01700                | \$129,078        | \$143,263        | \$147,518        | \$137,589        | \$131,915        | \$126,241        | \$117,731        | \$103,546        | \$93,617         | \$83,688         | \$1,214,185            |
| School Board <sup>4A</sup>           | 7.55                      | 0.00755                | \$57,326         | \$63,625         | \$65,515         | \$61,106         | \$58,586         | \$56,066         | \$52,286         | \$45,987         | \$41,577         | \$37,167         | \$539,241              |
| Parish Government <sup>5</sup>       | 29.20                     | 0.02920                | \$221,711        | \$246,074        | \$253,384        | \$236,329        | \$226,583        | \$216,838        | \$202,220        | \$177,856        | \$160,801        | \$143,746        | \$2,085,542            |
| Special Districts <sup>6</sup>       | 29.89                     | 0.02989                | \$226,950        | \$251,889        | \$259,371        | \$241,913        | \$231,938        | \$221,962        | \$206,998        | \$182,059        | \$164,601        | \$147,143        | \$2,134,824            |
| Municipality <sup>7</sup>            | 0.00                      | 0.00000                | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0                    |
| TOTAL                                |                           |                        | \$734,530        | \$815,248        | \$839,463        | \$782,961        | \$750,674        | \$718,387        | \$669,956        | \$589,239        | \$532,736        | \$476,234        | \$6,909,429            |
| Taxing Body                          | Millage Rate <sup>2</sup> | Converted Millage Rate | YEAR 1           | YEAR 2           | YEAR 3           | YEAR 4           | YEAR 5           | YEAR 6           | YEAR 7           | YEAR 8           | YEAR 9           | YEAR 10          | TOTAL COLLECTED AMOUNT |
|                                      |                           |                        | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT | COLLECTED AMOUNT |                        |
| Assessor                             | 1.25                      | 0.00125                | \$2,373          | \$2,634          | \$2,712          | \$2,529          | \$2,425          | \$2,321          | \$2,164          | \$1,903          | \$1,721          | \$1,538          | \$22,320               |
| Sheriff                              | 11.85                     | 0.01185                | \$22,494         | \$24,966         | \$25,707         | \$23,977         | \$22,988         | \$21,999         | \$20,516         | \$18,044         | \$16,314         | \$14,584         | \$211,590              |
| School Board <sup>4</sup>            | 17.00                     | 0.01700                | \$32,270         | \$35,816         | \$36,879         | \$34,397         | \$32,979         | \$31,560         | \$29,433         | \$25,887         | \$23,404         | \$20,922         | \$303,546              |
| School Board <sup>4A</sup>           | 0.00                      | 0.00755                | \$14,331         | \$15,906         | \$16,379         | \$15,276         | \$14,646         | \$14,016         | \$13,072         | \$11,497         | \$10,394         | \$9,292          | \$134,810              |
| Parish Government <sup>5</sup>       | 29.20                     | 0.02920                | \$55,428         | \$61,519         | \$63,346         | \$59,082         | \$56,646         | \$54,209         | \$50,555         | \$44,464         | \$40,200         | \$35,937         | \$521,386              |
| Special Districts <sup>6</sup>       | 0.00                      | 0.02989                | \$56,737         | \$62,972         | \$64,843         | \$60,478         | \$57,984         | \$55,490         | \$51,750         | \$45,515         | \$41,150         | \$36,786         | \$533,706              |
| Municipality <sup>7</sup>            | 0.00                      | 0.00000                | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0              | \$0                    |
| TOTAL                                |                           |                        | \$183,633        | \$203,812        | \$209,866        | \$195,740        | \$187,668        | \$179,597        | \$167,489        | \$147,310        | \$133,184        | \$119,059        | \$1,727,357            |

SOURCE: Calcasieu Parish Assessor's Office

#### NOTES:

- Depreciation is based upon the current 2023 Table 2503.D provided by the Louisiana Tax Commission.
- Used known millage rates as of the date above and subject to change in the future.
- Land and Inventory are excluded from exemption under ITEP.
- School Board millage rate total includes the adopted millage rate for [LIST SCHOOL BOARD MILLAGE NAMES]
- 4A. School Board SPECIAL millage rate total includes the adopted millage rate for [LIST SCHOOL BOARD SPECIAL MILLAGE NAMES]
- Parish Government millage rate total includes the adopted millage rate for [LIST SPECIAL DISTRICT NAME(S)]
- Special districts millage rate total includes the adopted millage rate for [LIST SPECIAL DISTRICT NAME(S)]
- Municipality millage rate total includes the adopted millage rate for [LIST MUNICIPALITY DISTRICT NAME(S)]

**YEARS 11 - 20 AFTER EXEMPTION EXPIRES**

[illegible]

Company Name: Indorama Olefins

\$69,531,417

| Sales Taxes     |                 |                 |                      |                 |           |
|-----------------|-----------------|-----------------|----------------------|-----------------|-----------|
| 2.50%           | 0.75%           | 2.50%           | 2.50%                | 8.25%           | Sales     |
| Parish          | Law Enforcement | Schools         | City of Lake Charles | Total           | Taxable % |
| \$ 1,052,669.08 | \$ 315,800.72   | \$ 1,052,669.08 | \$ -                 | \$ 2,421,138.87 | 60.5579%  |

|                 |               |                 |      |                 |
|-----------------|---------------|-----------------|------|-----------------|
| \$ 1,052,669.08 | \$ 315,800.72 | \$ 1,052,669.08 | \$ - | \$ 2,421,138.87 |
|-----------------|---------------|-----------------|------|-----------------|

March 1, 2023

Dr. Shannon LaFargue, Superintendent  
Attn: Wilfred Bourne, Chief Financial Officer  
Calcasieu Parish School Board  
3310 Broad St.  
Lake Charles, LA 70615

RE: Indorama Ventures Olefins LLC  
Board of Commerce and Industry Approval Notice ("Notice")  
Tax Exemption Application #20210171-ITE - \$69,531,417.00

Dear Dr. LaFargue:

This Notice is being provided to you pursuant to the Rules of the Board of Commerce and Industry ("Board"), effective August 20, 2018, specifically Title 13 of the Louisiana Administrative Code, §503(H)(1) ("Rule").

Pursuant to this Rule, the Notice is hereby given that the above-referenced Tax Exemption Application for Indorama Ventures Olefins LLC, attached hereto along with the corresponding Exhibit A, was approved by the Board on Wednesday, March 1, 2023. Local governmental entities have thirty days from the date notice of the Board's approval is posted on LED's website to determine whether to take further action on the approval in accordance with the Rule and may provide the necessary notice to LED, timely, using the attached Notice of Action. Any local governmental entity that timely notifies LED that the above-referenced application has been placed on the agenda of a public meeting will have an additional thirty days to make a final determination in accordance with the Rule. If the local governmental entity takes no action or does not provide timely notice of action to LED within the delays provided by the Rule, then the application shall be deemed approved by that entity.

Sincerely,



Kristin Cheng  
Program Administrator  
Industrial Tax Exemption Program  
(225) 342-2083  
ITEP@la.gov

c: Assessor, Calcasieu Parish

# Industrial Tax Exemption Program Application - (Post Executive Order 2018)

\*\* Any changes made to the information provided after the initial submission of this Application, whether requested by the Company or by LED, may result in a delay in Application processing time and/or Board of Commerce & Industry consideration. \*\*

**Project ID:** 20210171-ITE

**Date Received:** 10/1/2021

## PROJECT INFORMATION

**Company:** Indorama Ventures Olefins LLC  
**Project Name:** 2022-2023  
**Project Location:** 4300 Hwy 108 , Westlake, LA, 70669  
**Parish:** Calcasieu  
**City Limits?:** --

## COMPANY INFORMATION

**Product Manufactured:** Ethylene and Propylene  
**Manufacturing Process/Activities:** Manufacturing of 370,000 metric tons of ethylene and 30,000 tons of propylene each year by taking ethane through a chemical reaction process to create ethylene and propylene.

## GAMING

Has the applicant or any affiliates received, applied for, or considered applying for a license to conduct gaming activities? ☐ Yes ☒ No

If yes, please give a detailed explanation including the name of the entity receiving or applying for the license, the relationship to the business if an affiliate, the location and the type of gaming activities:

## PROJECT DETAILS

**NAICS:** 325110  
**Project Type:** Addition  
**Project Start Date (beginning of construction and/or installation):** 2/13/2022  
**Project End Date (ending of construction and/or installation):** 12/31/2023  
**Anticipated date for the commencement of operations of this project:** 12/31/2023  
**Project Description:**

The company is moving forward with making additional investments into the plant to improve performance and process refinery grade propylene. Such investment will also enhance safety, due to plant shut down from weather related events. This investment is required to get the plant back up and running and make necessary process and equipment improvements. Plant investments include furnace upgrades and firing modifications, new vaporized skids and Selective Catalytic Reducers for the 3 Boilers, Cold Side improvements, new pumps and valves, acetylene reactor upgrades, pressure relief improvement by installing reducers, storage, controls, and C4 Hydrogenation & reprocessing line modifications. Other ancillary modifications required to other equipment like decoker air isolation, hydrant, single point of failure, and fire station. This extensive project will require new piping, valves, controls, transmitters, and wiring. The furnace will be enhanced with a low fire trip system.

Will any portion of this project become operational/usable prior to the overall project's completion (i.e. application filled in phases)? ☒ Yes ☐ No

**Calendar Years:** 2022,2023

## ESTIMATED INVESTMENTS

|                                           |                 |
|-------------------------------------------|-----------------|
| <b>Building &amp; Materials:</b>          | \$0.00          |
| <b>Machinery &amp; Equipment:</b>         | \$42,106,763.00 |
| <b>Labor &amp; Engineering:</b>           | \$27,424,654.00 |
| <b>Estimated Total Investment Amount:</b> | \$69,531,417.00 |
| <b>Less: Restricted Amount:</b>           | \$0             |
| <b>Total Estimated Investments:</b>       | \$69,531,417.00 |

## ESTIMATED JOBS

|                                                                                     |                                                               |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------|
| <b>Existing Jobs at Project Site:</b>                                               | 97                                                            |
| <b>Existing Jobs Statewide:</b>                                                     |                                                               |
| Will this project create new jobs?                                                  | <input checked="" type="radio"/> Yes <input type="radio"/> No |
| <b>New Direct Jobs:</b>                                                             | 3                                                             |
| <b>Contract Jobs:</b>                                                               |                                                               |
| <b>Will new jobs be created in phases?</b>                                          | 2022 - 1 Jobs 2023 - 2 Jobs                                   |
| <b>Explain:</b>                                                                     |                                                               |
| <b>Construction Jobs:</b>                                                           | 55                                                            |
| <b>Total Estimated Jobs:</b>                                                        | 155                                                           |
| <b>New Jobs for this phase:</b>                                                     | 0                                                             |
| If no new jobs are being created with this project, will existing jobs be retained? | <input type="radio"/> Yes <input checked="" type="radio"/> No |
| <b>If yes, provide a compelling reason(s) for retention:</b>                        |                                                               |

## ESTIMATED PAYROLL

|                                         |                 |
|-----------------------------------------|-----------------|
| <b>Existing Jobs Payroll:</b>           | \$14,737,051.00 |
| <b>Existing Jobs Statewide Payroll:</b> | \$0             |
| <b>New Direcy Jobs Payroll:</b>         | \$150,000.00    |
| <b>Contract Jobs Payroll:</b>           | \$0             |
| <b>Construction Jobs Payroll:</b>       | \$22,500,000.00 |
| <b>Total Estimated Payroll:</b>         | \$37,387,051.00 |
| <b>New payroll for current phase:</b>   | \$0.00          |

## PROPERTY TAX

Millage Rate for this property. Use the millage rate obtained from the parish assessor to calculate the fee. 0.0966

This is usually a whole number (i.e., 115.47 or 92.665. A millage rate is expressed in 1/1000ths of a dollar (known as one mill). Convert the whole number millage rate by dividing by 1000 to a decimal number (i.e., the whole numbers converted to 1/1000ths would be .1154 or .0927 when rounded to four digits.)

**Note:** Proof of Millage/Location form must be completed by the parish assessor and uploaded to the attachments of this application.

**Total Property Taxes paid (most recent year for this site):** 1198219.00

## BUSINESS LEGAL STRUCTURE

Is this company an LLC?

☒ Yes ☐ No

If an LLC members or pass through entity, list below the names and the LA Dept. of Revenue tax identification number or social security number for all.

### LLC Members

#### Legal Name

Indorama Ventures Holdings LP

## ESTIMATED BENEFIT

|                                            |                 |
|--------------------------------------------|-----------------|
| <b>Investment Amount:</b>                  | \$69,531,417.00 |
| <b>x Assessment Percentage:</b>            | 0.15            |
| <b>x Millage Rate:</b>                     | 0.0966          |
| <b>=Annual Exemption</b>                   | \$1,007,510.23  |
| <b>Annual Exemption * 5 years at 80%</b>   | \$4,030,040.93  |
| <b>+ Annual Exemption * 5 years at 80%</b> | \$4,030,040.93  |

**=Estimated Ten Year Property Tax Exemption**

\$8,060,081.86

## FEE CALCULATION

|                                                             |                |
|-------------------------------------------------------------|----------------|
| <b>Estimated Ten Year Property Tax Exemption :</b>          | \$8,060,081.86 |
| <b>x Rate</b>                                               | 0.005          |
| <b>= Assessed Fee (\$500.00 Minimum—\$15000.00 Maximum)</b> | \$15,000.00    |
| <b>Amount Paid:</b>                                         | \$15,000.00    |
| <b>Amount Due:</b>                                          | \$0.00         |

## ATTACHMENTS

| Document Type                  | Document Name                                                         | Date       |
|--------------------------------|-----------------------------------------------------------------------|------------|
| Proof of Millage               | Indorama 2021 -0171 ProofofMillageLocationVerificationForm-signed.pdf | 8/28/2021  |
| ES4                            | QTR_2021_Q1 vLED.pdf                                                  | 9/1/2021   |
| ES4                            | Indorama SUI_QTR_2020_Q4 vLED.pdf                                     | 9/1/2021   |
| Baseline Calculation Worksheet | Executed ITEEmploymentBaselineCalculationWorksheet - 2021.pdf         | 9/3/2021   |
| Notarized Affidavit            | Signed Notarized Affidavit 2021.pdf                                   | 9/28/2021  |
| Breakdown of Purchases         | ITEBreakdownofPurchases.xlsx                                          | 10/1/2021  |
| Breakdown of Purchases         | ITEBreakdownofPurchases vUpdatedDec21.xlsx                            | 12/10/2021 |
| Proof of Millage               | 2021 IVOL_Calcasieu Parish_Tax Property Tax Bills.pdf                 | 12/13/2021 |
| ES4                            | QTR_2021_Q4 vLED.pdf                                                  | 9/9/2022   |
| ES4                            | Q1 2022 SUTA Summary Redacted.pdf                                     | 9/9/2022   |
| Baseline Calculation Worksheet | LDEQ_Baseline_Sept_2022.pdf                                           | 9/12/2022  |

## PAYMENTS

| Fee Type    | Amount Paid | Date Received | Confirmation # | Transaction Type |
|-------------|-------------|---------------|----------------|------------------|
| APPLICATION | \$15,000.00 | 10/1/2021     | ODNHM3D7J3     | visa_credit      |

## PROJECT CONTACTS

| Contact    |                   | Email Address                    | Company Name              | Mailing Address                                | Phone Number   | Contact Type       |
|------------|-------------------|----------------------------------|---------------------------|------------------------------------------------|----------------|--------------------|
| First Name | Contact Last Name |                                  |                           |                                                |                |                    |
| Jesse      | Broderick         | jbroderick@sumitcredits.com      | SumIt Credits, LLC        | 330 Veterans Blvd. , Denham Springs, LA, 70726 | (225) 664-2160 | Consultant         |
| Robert     | Wege              | rwege@sumitcredits.com           | SumIt Credits, LLC        | PO Box 910 , Watson, LA, 70786                 | (225) 664-2160 | Consultant         |
| Trey       | Brandimarte       | trey.brandimarte@us.indorama.net | Indorama Ventures Olefins | 4300 Hwy 108 , Westlake, LA, 70669             | (337) 502-4749 | Business Signatory |
| Jake       | Nickens           | jnickens@sumitcredits.com        | Sumit Credits, LLC        | 330 Veteran's Blvd , Denham Springs, LA, 70726 | (225) 435-7095 | Consultant         |

## CONTRACT SIGNATORY

The contract signatory will be used when signing contracts. The contracts will be signed online and will take place after the board approves a form.

Title: Senior Site Director

First Name: Trey

Last Name: Brandimarte

Email Address: Trey.Brandimarte@us.indorama.net

## CERTIFICATION STATEMENT

☒ I hereby certify that this project meets all Constitutional, statutory and regulatory provisions applicable to this program. I hereby certify that the information provided in this document and additional materials is true and correct and that I am aware that my submission of any false information or omission of any pertinent information resulting in the false representation of a material fact may subject me to civil and/or criminal penalties for filing false public records (R.S. 14:133) and/or forfeiture of any tax benefits approved under this program. I understand that the application and information submitted shall not be returnable to the applicant.

I, **Trey Brandimarte**

, approve the above information.

A handwritten signature in blue ink, appearing to read "Trey", with a horizontal line above the first few letters.A handwritten signature in blue ink, appearing to read "B. Smith", with a horizontal line extending from the end.

CONTRACT FOR EXEMPTION OF AD VALOREM TAXES

(Advance Notification # 20210171)

**EXHIBIT "A"**

AGREEMENT

among

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT

and

INDORAMA VENTURES OLEFINS LLC

## **EXHIBIT "A" AGREEMENT**

This Agreement, as of the Effective Date, defined herein, is made between:

LOUISIANA DEPARTMENT OF ECONOMIC DEVELOPMENT ("LED"), an agency of the State, represented herein by the Secretary of the Department ("Secretary"); and

INDORAMA VENTURES OLEFINS LLC ("Company"), a Delaware limited liability company in good standing, and authorized to do business in the State, represented herein by the undersigned duly authorized officer.

(The above are collectively referred to as "Parties" and singularly referred to as "Party.")

**WHEREAS**, Article VII, Section 21 (F) of the Louisiana Constitution of 1974 provides that the Louisiana Board of Commerce and Industry ("Board"), with the approval of the Governor of the State of Louisiana ("Governor"), may enter into contracts for the exemption from ad valorem taxes of a new manufacturing establishment or an addition to an existing manufacturing establishment on such terms and conditions as the Board, with the approval of the Governor, deems is in the best interest of the State; and

**WHEREAS**, the Governor has provided the terms and conditions pursuant to which he will approve contracts for the Industrial Tax Exemption ("Exemption"); and the Board has promulgated Rules pursuant to which it will approve contracts, all in accordance with Article VII, Section 21(F); and

**WHEREAS**, Company is expanding its ethylene and propylene Manufacturing Establishment located in Calcasieu Parish with the addition of capital equipment including furnace upgrades, firing modification, vaporized skids, Selective Catalytic Reducers for three boilers, Cold Side improvements, new piping, pumps and valves, acetylene reactor, reducers, storage controls, C4 Hydrogenation, reprocessing line modifications, decoker air isolation, hydrant, single point of failure, fire station and other ancillary modification to other equipment for improved performance, refinery processes and safety (the "Project"), and new direct jobs and payroll as hereinafter provided will result from the Company's investment in the Project; and

**WHEREAS**, Company has filed an Advance Notification for the Project in accordance with the Rules of the Board in order to obtain an exemption from ad valorem taxes in Calcasieu Parish; and

**WHEREAS**, the Company anticipates that the Project will be constructed in Phases spanning one or more years prior to the Company's commencement of Operation; and

**WHEREAS**, in exchange for the Exemption, Company agrees to create or maintain such Jobs and Payroll (defined herein-below) and to the other terms and conditions of this Agreement; and

**WHEREAS**, in accordance with the Board Rules, this Agreement shall be Exhibit A to the Exemption Contract(s) and shall include the number of jobs and payroll to be created and/or retained at the Manufacturing Establishment and the term of the Exemption; and

**WHEREAS**, the Secretary projects that the return on investment to the State and Local

Governmental Entities from the Manufacturing Establishment will exceed the benefit of the Exemption as set forth in the terms hereinafter provided, considering a multitude of factors, including but not limited to the following: capital expenditure, direct payroll tax revenue, indirect payroll tax revenue, and additional indirect tax revenue streams such as property tax, sales tax, other payroll tax, and other local taxes associated with jobs supporting the Project; and

**WHEREAS**, this Agreement serves a public purpose and is in the public interest of the State and its citizens;

**THEREFORE, IT IS AGREED:**

## **ARTICLE I. DEFINITIONS**

### **Section 1.01 Definitions**

**“Advance Notification”** means the notification of intent to apply for the Exemption filed in accordance with Section 503 of the Rules.

**“Agreement”** means this Exhibit “A” agreement, and any amendments or modifications thereto.

**“Assignment”** means to transfer or assign this Agreement, transfer or assign any of a Party's rights hereunder, or delegate any of a Party's duties hereunder, and **“Assignee”** means the entity to which such transfer or assignment is made in accordance with this Agreement.

**“Basic Health Benefits Plan”** means a basic health benefits plan for the individuals employed in new direct Jobs in this State which shall be determined by LED to be in compliance with federally mandated healthcare requirements or, if no federally mandated healthcare requirements exist, shall provide coverage for comprehensive healthcare coverage including basic hospital and physician care.

**“Board”** means the Louisiana Board of Commerce and Industry.

**“Capital Expenditures”** means the cost associated with a new manufacturing establishment or an addition to an existing manufacturing establishment, including purchasing or improving real property and tangible personal property, whose useful life exceeds one year and which are used in the conduct of business.

**“Cessation of Operation”** means failure of the Manufacturing Establishment to engage in manufacturing and provide finished product(s) into the stream of commerce, except that the Secretary shall have the discretion to determine whether and the duration for which a temporary suspension of Operation due to maintenance, equipment breakdowns, or turnarounds does not constitute a Cessation of Operation.

**“Certification of Compliance”** means a sworn verification of compliance with the Company Objectives under this Agreement, signed by a key employee of the Company (executive or senior level officer, project site manager, or equivalent rank.).

**“Company”** means Indorama Ventures Olefins LLC, a Delaware limited liability company duly authorized to do and doing business in Louisiana, and its successors and permitted assigns.

**“Company Affiliate”** means any business entity that controls or is controlled by the Company or by another business entity that controls the Company, including a parent or subsidiary of the Company, or another subsidiary of a parent of the Company. Control means exercising authority over the management, business policies, and operations of the business entity.

**“Company Default”** is defined in Section 6.01(B).

**“Company Objectives”** means (1) the acquisition, expansion, construction, equipping, and Operation of the Manufacturing Establishment, (2) the making of anticipated Capital Expenditures; (3) the creation and maintaining of Required Annual Jobs and (4) the payment of Required Annual Payroll.

**“Contract Monitor”** is defined in Section 7.01(A).

**“Default”** has the meaning set forth in Article VI.

**“Default Payment”** means the amount of money, if any, paid by Company to the Local Governmental Entities in the event of a Default as provided in Article VI.

**“Effective Date”** is the date of execution of this Agreement by the Secretary.

**“Exemption”** means the exemption from ad valorem taxation provided for manufacturing establishments in Article VII, Section 21(F) of the Louisiana Constitution of 1974 with specific regard to the Project, which may occur in and is inclusive of Phases.

**“Exemption Contract(s)”** means the contract(s) entered into by the Board, the Company, and approved by the Governor memorializing the Exemption for the Project, including each Phase of the Project and specifying the terms thereof and to which this Agreement shall be Exhibit A to each such contract.

**“Exemption Period(s)”** means, for each Phase of the Project, the number of years of Exemption provided in accordance with the Rules and further set forth in Section 4.01(C), with each Exemption Period beginning on January 1 of the first Project Year after which each Phase becomes Operational or completes construction. The Exemption Period for any Phase of the Project shall not be longer than 10 years—no more than 5 years initially and an additional 5 years if the Exemption is renewed.

**“Force Majeure”** means: (1) an act of God, an act of war, strike, or a natural disaster due to earthquake, landslide, fire, flood, tornado, tropical storm, or hurricane; (2) which is beyond the reasonable control of a Party to this Agreement; and (3) prevents the Party from performing its obligations hereunder.

**“Governor”** means the Governor of the State of Louisiana.

**“ITEP”** means the Industrial Ad Valorem Tax Exemption Program administered by LED to

implement the exemption from ad valorem taxation provided for in Article VII, Section 21(F) of the Louisiana Constitution of 1974.

**“Jobs”** means positions of employment that are:

- (1) new (not previously existing in the State);
- (2) permanent (without specific term);
- (3) full-time (working a minimum of 30 hours or more per week);
- (4) employed directly by the Company, a Company Affiliate, or a Qualified Contractor;
- (5) based at the Manufacturing Establishment; and
- (6) filled by a United States citizen who is domiciled in Louisiana or who becomes domiciled in Louisiana within 60 days of employment; and
- (7) offering a Basic Health Care Benefits Plan.

Jobs shall not include:

- (1) jobs transferred to the Manufacturing Establishment from within the State by the Company, a Company Affiliate, or a Qualified Contractor, unless back-filled to result in a net job gain within the State;
- (2) jobs transferred from other Louisiana-based employment as a result of the Company, a Company Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets, unless back-filled to result in a net job gain within the State; or
- (3) jobs performing contract services for the State of Louisiana or any of its agencies.

**“LED”** means Louisiana Department of Economic Development.

**“Legislature”** means the Legislature of the State of Louisiana.

**“Local Governmental Entities”** with regard to Calcasieu Parish, means the parish governing authority, school board, and sheriff, as well as any municipality in which the Manufacturing Establishment is or will be located.

**“Manufacturing Establishment”** means the location for the Project, as described in the ITEP application for the Project, for the manufacturing of finished product(s) to be placed by Company into the stream of commerce.

**“Operation” or “Operational”** means the commercial utilization of the Manufacturing Establishment, if new, or of the addition, rehabilitation or restoration of the Manufacturing Establishment for which the Exemption is granted.

**“Payroll”** means payment by the Company, a Company Affiliate or Qualified Contractor to its employees for Jobs, exclusive of benefits and defined as wages under Louisiana Employment Security Law (La. R.S. 23:1472(20)), during a Project Year, except that with regard to Jobs employed directly by a Qualified Contractor, Payroll shall not include any fees, mark-up, profit margins or similar payments by the Company or a Company Affiliate to a Qualified Contractor.

**“Phase”** means that portion of the Project that becomes Operational or completes construction for which Capital Expenditures are made and, in the following Project Year, becomes subject to the

Exemption provided by an Exemption Contract to which this Agreement is attached as Exhibit A.

**“Project”** means Company's acquisition or expansion, construction, improvement, equipping and Operation of the Manufacturing Establishment as further described in the Recitals, which may occur in Phases.

**“Project Year”** means each twelve-month period, beginning on January 1 and ending on December 31, or, if the Project is located in Orleans Parish, beginning on August 1 and ending on July 31, of each year identified in Section 4.02(B).

**“Qualified Contractor”** means a business entity other than Company or Company Affiliate, acting pursuant to an agreement with the Company or Company Affiliate regarding the Project.

**“Required Annual Jobs”** is the number of Jobs required to be met by the Company pursuant to Section 4.02, during a Project Year.

**“Required Annual Jobs and Payroll”** refers, collectively, to Required Annual Jobs and Required Annual Payroll.

**“Required Annual Payroll”** is the amount of Payroll required to be met by the Company pursuant to Section 4.02 for Jobs.

**“Rule(s)”** mean the rules promulgated by the Board as Chapter 5 of Title 13 of the Louisiana Administrative Code.

**“Secretary”** means the Secretary of the Louisiana Department of Economic Development.

**“State”** means the State of Louisiana.

## **ARTICLE II. AUTHORITY**

### **Section 2.01 LED Authority**

LED is granted authority under the provisions cited above to enter into agreements with public and private associations or corporations for a public purpose.

### **Section 2.02 Company Authority**

A duly executed resolution or other evidence of the authority of the Company to enter into this Agreement and to carry out the commitments made herein, and the authority of the undersigned representative to execute this Agreement and any other documents required thereby on behalf of the Company, certified by the secretary or other authorized representative of the Company, is attached hereto as Exhibit 1.

### **Section 2.03 Other Approvals**

This Agreement is not effective until signed by all Parties.

### **ARTICLE III. REPRESENTATIONS**

The Parties have all the requisite power and authority to enter into this Agreement and to carry out the terms hereof; and the persons signing this Agreement have the authority to execute this Agreement as authorized representatives, and to bind the Parties to all the terms of this Agreement.

This Agreement has been duly authorized, executed, and delivered by the Parties and upon receipt of the approvals described herein will constitute a legal, valid, and binding obligation of the Parties, enforceable in accordance with its terms.

Parties have taken or will take all necessary and proper action to authorize the execution, issuance, and delivery of this Agreement and any other documents required by this Agreement, and the performance of its obligations under this Agreement.

The execution of this Agreement and any other documents required by this Agreement as well as the performance by the Parties of their respective obligations hereunder are within the Parties respective powers and will not violate any provisions of any law, regulation, decree, or governmental authorization applicable to them.

### **ARTICLE IV. OBLIGATIONS**

#### **Section 4.01 LED Obligations**

(A) LED enters into this Agreement for the purposes of providing the terms and conditions for Company's receipt of the Exemption in the manner and for the purposes provided for by the Board and the Governor.

(B) Upon execution of this Agreement, LED will recommend to the Board that the Company receive the Exemption for the Project under the terms and conditions hereinafter set forth as required by the Rules, and this Agreement shall be Exhibit A to each Exemption Contract among the Board and Company upon approval by the Governor.

(C) LED will make the following recommendation for the Exemption to the Board for the Company, subject to the Company's adherence to its objectives hereunder and in accordance with the terms and conditions of this Agreement and ITEP Rules with respect to the limitation or cancellation of an Exemption Contract in the event of the Company's non-performance of its objectives hereunder: (1) an 80% exemption from ad valorem taxes for the initial Exemption Contract of 5 years for each Phase and (2) an 80% exemption from ad valorem taxes for the renewal Exemption Contract of 5 years for each Phase with the express understanding that Company's compliance with and performance of the Company's Objectives hereunder shall be a consideration as to the renewal of the Exemption.

#### **Section 4.02 Company Objectives**

(A) Commencement of Operation. The Company is proceeding with commercially reasonable due diligence to expand the Manufacturing Establishment and commence Operation by December

31, 2023 as described in the ITEP application form filed or to be filed for this Project. During the construction period, which Company anticipates will span multiple years, Company projects that it will expend approximately \$69,531,417.00 in Capital Expenditures and that the Project could provide approximately 55 full time equivalent construction jobs as well as the creation of 3 New Jobs having an annual Payroll of at least \$150,000.00, including 0 Jobs by a Qualified Contractor. Upon commencement of Operation and fulfillment of the foregoing representations, Company shall provide the Required Annual Jobs and Payroll as set forth in Section 4.02(B).

**(B) Operation of the Manufacturing Establishment: Required Annual Jobs and Payroll.** During each Project Year thereof, the Company anticipates creating and, thereafter, maintaining Required Annual Jobs and Payroll at the Manufacturing Establishment as follows:

| Project Year | Required Annual Jobs | Required Annual Payroll |
|--------------|----------------------|-------------------------|
| 2023         | 2                    | \$100,000.00            |
| 2024         | 3                    | \$150,000.00            |
| 2025         | 3                    | \$150,000.00            |
| 2026         | 3                    | \$150,000.00            |
| 2027         | 3                    | \$150,000.00            |
| 2028         | 3                    | \$150,000.00            |
| 2029         | 3                    | \$150,000.00            |
| 2030         | 3                    | \$150,000.00            |
| 2031         | 3                    | \$150,000.00            |
| 2032         | 3                    | \$150,000.00            |
| 2033         | 3                    | \$150,000.00            |

**(C) Jobs and Payroll Creation.** Any Jobs and corresponding Payroll created by Company after it files the Advance Notification for the Project shall be considered as having been created during the first Project Year.

**(D) Project Year Adjustment.** To the extent Company does not commence Operation on or before the anticipated date identified in Section 4.02(A), Project Years will adjust accordingly, but for no more than two years.

**(E) Other State Incentives.** To the extent that Company may receive any other incentives administered by LED directly for any Required Annual Jobs or Payroll, it shall have no bearing on this Agreement.

**(F) Louisiana Preference.** To the extent allowed by law, and insofar as is feasible and practicable, the Company agrees to use reasonable commercial efforts to give preference to Louisiana manufacturers, suppliers, vendors, contractors, and subcontractors in connection with equipping the Manufacturing Establishment and purchasing material and supplies to support Operation, provided such entities are competitive in price, quality, and delivery.

**ARTICLE V.  
ASSIGNMENT AND TRANSFER**

Assignment or Transfer of the Manufacturing Establishment or any part of an Exemption Contract shall be governed by Section 535 of the Rules pertaining to the "Sale or Transfer of Exempted Manufacturing Establishment."

**ARTICLE VI.  
DEFAULT AND RENEWAL CONSIDERATION**

**Section 6.01 Default**

(A) State Default. The failure by the Board, the Local Governmental Entities or the Governor, to approve the Exemption for the Company in the manner provided by the Rules, constitutes a default under this Agreement. Upon the occurrence of such default, Company is relieved of all obligations hereunder and this Agreement shall automatically terminate without any further remedy to or obligation imposed upon Company.

(B) Company Default. The occurrence of any of the following actions during the term of any Exemption Contract shall constitute a Company Default with a corresponding remedy:

(1) Operation does not commence within a 2-year period beginning on the date identified in Section 4.02(A), in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules.

(2) Cessation of Operation, in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules;

(3) Assignment of this Agreement, or transfer of ownership of or controlling interest in the Manufacturing Establishment, the Company, or substantially all of its assets, other than as permitted under Article V, in which case the Board may terminate or otherwise modify the Exemption Contract(s) as provided in the Rules;

(4) Failure to satisfy 90% of either or both of the Company's Required Annual Jobs and Payroll under Section 4.02 of this Agreement upon which LED shall give notification to the Company and the Local Governmental Entities, which entities will make a recommendation to the Board on whether to terminate the Exemption Contract for the Company or otherwise alter the terms of the Exemption, including the length of the exemption period and/or the percentage of the exemption. The recommendation of the Local Governmental Entities shall then be submitted to the Board for consideration and/or action. This provision shall be applicable for each Project Year in which the Company fails to satisfy the requirements of this paragraph as provided herein irrespective of any prior decision of the Board to continue the Exemption Contract(s) under the terms provided.

Alternatively, the Local Governmental Entities and the Company may forego the recommendation to the Board required by this section if the Local Governmental Entities agree that the Company shall pay and the Company actually makes a Default Payment to each of the Local Governmental Entities in an amount agreeable to both the Local

Governmental Entities and the Company, in which case the terms of the Exemption Contract(s) shall remain the same.

(C) Renewal Consideration. Upon Company's application for a renewal of the Exemption, Company's non-performance of this Agreement shall be considered by the Board in the manner provided by the Rules.

#### **Section 6.02 Delay or Omission**

No delay or omission in the exercise of any right or remedy accruing to any Party upon any breach of this Agreement by any other Party shall impair such right or remedy or be construed as a waiver of any breach theretofore or thereafter occurring. The waiver of any condition or the breach of any term, covenant, or condition herein or therein contained shall not be deemed to be a waiver of any other condition or of any subsequent breach of the same or any other term, covenant, or condition herein or therein contained.

#### **Section 6.03 Force Majeure**

(A) Upon occurrence of an event of Force Majeure, the affected Party shall have the right, but not the obligation, to declare a Force Majeure period, by giving written notice of such event and declaration to the other Parties within 30 days of such occurrence. Time being of the essence, the affected Party shall make every reasonable effort to give such notice as soon as possible, but in any event notice must be given within 30 days of the occurrence.

(B) The Force Majeure period shall continue from the date of such notice until the effects of such Force Majeure are removed, remedied, repaired, or otherwise no longer prevent performance of a Party's obligations hereunder. During the Force Majeure period, the obligations of the Parties under this Agreement shall be suspended, and the relevant deadlines and time periods under this Agreement shall be extended to the extent of such suspension. In any event, no Force Majeure period arising from a single event of Force Majeure shall be deemed to exist for longer than 2 years from the date of such notice, and the aggregate Force Majeure period during the term of this Agreement shall not exceed two years.

(C) The affected Party must proceed with due diligence to effect repairs or undertake efforts to remedy or mitigate the effects of a Force Majeure event, and within 60 days of the occurrence of the event of Force Majeure shall provide the other Parties a report showing the efforts made and to be made to remedy or mitigate the effects as well as a timetable to return to full performance.

#### **Section 6.04 No Other Damages**

No party shall have the right to recovery against any other party of any damages of whatever nature, including compensatory, consequential, punitive, or otherwise, arising from or relating to any act or omission deemed to be a breach of this Agreement or fault of any party other than the remedies expressly set forth in this Article.

## **ARTICLE VII. REPORTS; AUDIT**

### **Section 7.01 Contract Monitoring**

The Secretary of LED or his designee will designate, and may change from time to time, one or more persons on his staff to act as Contract Monitor for the Project, to act as LED's representative and liaison between LED and the Company, and to monitor the achievement of the Company Objectives.

### **Section 7.02 Annual Certification of Compliance**

By the last day of the fourth month following the end of each Project Year ("Deadline"), and subject to one request by the Company for a reasonable extension of time of no more than 60 days if made, in writing, before the Deadline, the Company shall deliver to LED a Certification of Compliance with the Company Objectives under this Agreement, including specific verification of the creation and maintenance of Required Annual Jobs and Payroll. The Certificate of Compliance shall be in the general form of Exhibit 2 attached hereto and shall be accompanied by the additional materials referenced therein. All original documentation supporting the Certification of Compliance shall be maintained by the Company as required by the Rules. Failure to timely submit the annual Certification of Compliance may result in LED reporting to the Local Governmental Entities a failure to satisfy Required Annual Jobs and Payroll per Section 6.01(B)(4).

With regard only to the first Project Year referenced in Section 4.02(B), the Company shall deliver to LED the Certification of Compliance either within the time delay referenced in the prior paragraph or 90 days following the date that LED submits the Exemption Contract to the Company for execution, whichever is later.

### **Section 7.03 Audit**

LED shall have such rights to compel an investigation at any time during the effectiveness of this Agreement as provided in Section 531 of the Rules pertaining to inspections.

### **Section 7.04 Reporting Rules Applicable**

Nothing provided in this Section shall relieve Company of any additional reporting requirements provided by the Rules.

## **ARTICLE VIII. TERM**

The Term of this agreement shall extend from the Effective Date until the end of the last Exemption Period for the Project.

## **ARTICLE IX. MISCELLANEOUS**

### **Section 9.01 Non Discrimination**

Company agrees to abide by the requirements of the following laws, as amended and as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, the Equal Employment Opportunity Act of 1972; Federal Executive Order 11246; the Rehabilitation Act of 1973; the Vietnam Era Veteran's Readjustment Assistance Act of 1974; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; the Fair Housing Act of 1968; and the Americans with Disabilities Act of 1990. Company agrees not to discriminate in their employment practices in Louisiana, and, to the extent required by law and Executive Order, will render services in Louisiana without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment.

### **Section 9.02 Captions**

The captions or headings in this Agreement are for convenience only and do not define or limit the scope or extent of this Agreement.

### **Section 9.03 Counterpart**

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which, when taken together, shall be deemed one and the same Agreement.

### **Section 9.04 Choice of Law**

This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

### **Section 9.05 Jurisdiction and Venue**

The 19th Judicial District Court in the Parish of East Baton Rouge, State of Louisiana, shall be deemed to be the exclusive court of jurisdiction and venue for any litigation, special proceeding or other proceeding as between the Parties that may be brought, or arise out of, in connection with, or by reason of this Agreement; and the Parties hereto submit themselves to the jurisdiction of said court in the event of any legal proceedings in connection with this Agreement.

### **Section 9.06 Further Assurances**

From time to time hereafter, the Parties shall execute and deliver such additional instruments, certificates, or documents and take all such actions as another Party may reasonably request for the purpose of fulfilling the Parties' obligations hereunder.

### **Section 9.07 Notices**

Any notice required or permitted to be given under or in connection with this Agreement shall be

in writing and shall be delivered to the address(es) set forth below, or to such other address as may be designated by such Party in written notice to the other Party.

To LED:

Don Pierson, Secretary  
Louisiana Department of Economic Development  
P. O. Box 94185; Baton Rouge, LA 70804-9185 (USPS mail)  
11<sup>th</sup> Floor, 617 North 3rd Street, Baton Rouge, LA 70802-5239 (Delivery)  
Telephone: (225) 342-3000

To the Company:

Trey Brandimarte  
Indorama Ventures Olefins LLC  
4300 Highway 108, Westlake, LA 70669  
Telephone: (337) 502-4749

**Section 9.08 Amendment**

This Agreement may be amended only upon the written consent and approval of all Parties.

**Section 9.09 Rules Prevail**

To the extent any provision of this Agreement, after reasonable construction so as to give meaning to all provisions of this Agreement and the Rules, conflicts with the Rules promulgated by the Board, the Rules of the Board prevail.

**Section 9.10 Electronic Transaction; Electronic Signatures**

In accordance with LA. R.S. 9:2605B(1)&(2), the Parties hereto each agree that this transaction may be conducted by electronic means; and electronic signatures of the Parties to this Agreement and any Amendments hereto shall be acceptable and satisfactory for all legal purposes; as authorized by the "Louisiana Uniform Electronic Transactions Act," LA. R.S. 9:2601 through 9:2621.

**\*\*REMAINDER OF PAGE INTENTIONALLY LEFT BLANK\*\***

IN WITNESS WHEREOF, this Agreement has been signed by the undersigned duly authorized representatives on the dates indicated below.

INDORAMA VENTURES OLEFINS LLC

By: Stephen Thallemer  
*Signature*

Stephen Thallemer  
*Printed Name*

Title: CFO

Date: 11/17/2022

LED CONTRACT MONITOR

Hud Usie  
*Signature*

Hud Usie  
*Printed Name*

LOUISIANA DEPARTMENT OF  
ECONOMIC DEVELOPMENT

By: Don Pierson  
Don Pierson, Secretary

Date: 01/10/2023

**EXHIBIT 1**

**(INDORAMA VENTURES OLEFINS LLC**

**SECRETARY'S CERTIFICATE**

**I, Hunter Stamey, DO HEREBY CERTIFY**, that I am the Secretary of INDORAMA VENTURES OLEFINS LLC (the "Company"), a Limited Liability Company duly organized and existing under and by virtue of the laws of the State of Delaware and am keeper of the records thereof; that the following is a true, correct and compared list of the current Board of Managers of the Company:

|                   |          |
|-------------------|----------|
| Mr. DK Agarwal    | Director |
| Mr. Alastair Port | Director |
| Mr. Joel Saltzman | Director |

**I DO FURTHER HEREBY CERTIFY**, that the following is a true, correct and compared list of the current officers of the Company:

|                        |                         |
|------------------------|-------------------------|
| Mr. Alastair Port      | President               |
| Mr. Hitendra Mathur    | Senior Vice President   |
| Mr. Joel Saltzman      | Senior Vice President   |
| Mr. Stephen Thallemer  | Chief Financial Officer |
| Mr. Leonardo Guglielmi | Assistant Secretary     |
| Mr. Hunter Stamey      | Secretary               |

**I DO FURTHER HEREBY CERTIFY** that attached hereto is a true, correct and compared Certified Copy of the Certificate of Organization of the Company indicating its formation under the laws of the State of Delaware, United States.

**IN WITNESS WHEREOF**, I have hereunto set my hand this 11<sup>th</sup> day of August 2022.

  
\_\_\_\_\_  
Hunter Stamey

**EXHIBIT 2**  
**CERTIFICATION OF COMPLIANCE**

**Contract Number for the Project:** \_\_\_\_\_ **Reporting Period:** \_\_\_\_\_

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

**Project Physical Address:** \_\_\_\_\_

1. Has the contract for this project/phase been fully executed? Yes ☐ No ☐  
a. Complied with Article IV: Project Completion Report (PCR)? Yes ☐ No ☐  
b. Complied with Article VI: Affidavit of Final Cost (AFC)? Yes ☐ No ☐

If the answer to any of the above is "No", please explain: \_\_\_\_\_

\_\_\_\_\_

2. Operation of the assets related to this project/phase:  
☐ Commenced, as of \_\_\_\_\_ and continues to date.  
(Date)  
☐ Has not commenced or has ceased Operation

If Company has ceased Operation, please explain: \_\_\_\_\_

\_\_\_\_\_

3. Capital Expenditures for this project/phase made as of \_\_\_\_\_ : \$ \_\_\_\_\_  
(Date – from PCR) (Amount – from AFC)

4. Required Annual Jobs (per Exhibit A, Section 4.02 (B)): \_\_\_\_\_  
a. Actual number of Jobs (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \_\_\_\_\_

5. Required Annual Payroll (per Exhibit A, Section 4.02 (B)): \$ \_\_\_\_\_  
a. Actual annual Payroll (total provided on NJCS or PSEBS (if retention only) tabs on the ITE-ACR): \$ \_\_\_\_\_

6. Has the Company offered a Basic Health Benefits Plan for this Project Year for Jobs? Yes ☐ No ☐

7. Are any Jobs at the Manufacturing Establishment attributable to:  
a. Jobs transferred from any other location within the state by the Company, Company Affiliate or a Qualified Contractor? Yes ☐ No ☐  
b. Jobs transferred from any other Louisiana-based employment as a result of the Company, Affiliate, or a Qualified Contractor acquiring a business operation or substantially all of its assets? Yes ☐ No ☐

- c. If yes to either a. or b. above, were those Jobs backfilled resulting in a neutral job gain (or neutral job count if retaining Jobs) within the State? Yes ☐ No ☐

If the answer to 7.c. is "No", please explain:

8. Upload this Certification of Compliance with original signatures via Fastlane. The following additional materials must accompany this certification. Use the most current updated prescribed forms and spreadsheets found on the Fastlane Document Checklist:

- ITE Employment Baseline Calculation Worksheet – (only required the first year of reporting).
- A sortable and unlocked version of the ITE Annual Compliance Report (ITE ACR).
- Copies of all quarterly wage reports (ES-4's/SUTA) and Multi Worksite Reports (if applicable) filed with the LA Workforce Commission for the same filing period.

9. Optional: If applicable, additional non-compliance documentation is attached as a separate document for LED to provide to the Local Governmental Entities & the Board of Commerce & Industry for consideration. Yes ☐ No ☐

**CONTACT TYPE (select one):**

Business ☐

Consultant ☐

Contact Information:

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

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

Mailing Address:

Phone Number: \_\_\_\_\_ Extension: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

**CERTIFICATION**

(The electronic version of this document is available via Fastlane NextGen. In order to submit each Project Year, the form must be added to the existing project, signed, paid, and submitted electronically via Fastlane NextGen along with the additional materials referenced in the Document Checklist section of the form).

# Exhibit A - Indorama Ventures Olefins LLC #20210171

Final Audit Report

2023-01-10

|                 |                                             |
|-----------------|---------------------------------------------|
| Created:        | 2022-11-17                                  |
| By:             | Christina Ocmand (Christina.Ocmand@la.gov)  |
| Status:         | Signed                                      |
| Transaction ID: | CBJCHBCAABAAg63e-HsxorRDJSWeqInggsqEdbab_w0 |

## "Exhibit A - Indorama Ventures Olefins LLC #20210171" History

-  Document created by Christina Ocmand (Christina.Ocmand@la.gov)  
2022-11-17 - 3:52:15 PM GMT- IP address: 159.39.101.2
-  Document emailed to sthallemmer@us.indorama.net for signature  
2022-11-17 - 3:56:04 PM GMT
-  Email viewed by sthallemmer@us.indorama.net  
2022-11-17 - 11:24:17 PM GMT- IP address: 216.194.105.66
-  Signer sthallemmer@us.indorama.net entered name at signing as Stephen Thallemer  
2022-11-17 - 11:25:49 PM GMT- IP address: 216.194.105.72
-  Document e-signed by Stephen Thallemer (sthallemmer@us.indorama.net)  
Signature Date: 2022-11-17 - 11:25:51 PM GMT - Time Source: server- IP address: 216.194.105.72
-  Document emailed to hud.usie@la.gov for signature  
2022-11-17 - 11:25:52 PM GMT
-  Email viewed by hud.usie@la.gov  
2022-11-18 - 1:20:49 AM GMT- IP address: 104.28.97.26
-  New document URL requested by hud.usie@la.gov  
2023-01-10 - 1:55:13 PM GMT- IP address: 159.39.101.2
-  Email viewed by hud.usie@la.gov  
2023-01-10 - 1:55:42 PM GMT- IP address: 159.39.101.2
-  Signer hud.usie@la.gov entered name at signing as Hud Usie  
2023-01-10 - 1:57:33 PM GMT- IP address: 159.39.101.2



Document e-signed by Hud Usie (hud.usie@la.gov)

Signature Date: 2023-01-10 - 1:57:35 PM GMT - Time Source: server- IP address: 159.39.101.2



Document emailed to don.pierson@la.gov for signature

2023-01-10 - 1:57:36 PM GMT



Email viewed by don.pierson@la.gov

2023-01-10 - 2:00:53 PM GMT- IP address: 104.28.110.110



Signer don.pierson@la.gov entered name at signing as Don Pierson

2023-01-10 - 2:52:30 PM GMT- IP address: 216.223.222.194



Document e-signed by Don Pierson (don.pierson@la.gov)

Signature Date: 2023-01-10 - 2:52:32 PM GMT - Time Source: server- IP address: 216.223.222.194



Agreement completed.

2023-01-10 - 2:52:32 PM GMT



**Adobe Acrobat Sign**

**NOTICE OF APPLICATION  
FOR RIGHT-OF-WAY IN SECTION 16, T10S, R10W  
CALCASIEU PARISH**

Port Arthur Pipeline, LLC has applied to the Calcasieu Parish School Board for a pipeline right-of-way easement and servitude across a portion of the N/2 of NE/4 of Section 16, T10S, R10W, Calcasieu Parish, Louisiana, more particularly described as:

A 43.724 ACRE TRACT OF LAND SITUATED IN SECTION 16, TOWNSHIP 10 SOUTH, RANGE 10 WEST, CALCASIEU PARISH LOUISIANA IN THE NAME OF CALCASIEU PARISH SCHOOL BOARD, RECORDED IN BOOK 3536, PAGE 73.

**COMMENCING** at a concrete monument with copper cap found at an angle point in the South line of the above referenced tract of land;

**THENCE** North 68°26'53" West, a distance of 164.4 feet to the **POINT OF BEGINNING** of the herein described tract, having coordinates of North 10,959,574.1 and East 1,516,470.3, being on the South line of the above referenced tract of land, same being the North line of the Sabine River Authority Diversion Canal;

**THENCE** North 71°55'18" West, along the South line of the above referenced tract of land, a distance of 49.0 feet to a point;

**THENCE** North 18°36'15" East, along the West line of the above referenced tract of land, a distance of 113.2 feet to a point;

**THENCE** through and across the above referenced tract of land, the following courses and distances:

South 04°53'51" West, a distance of 122.9 feet to the **POINT OF BEGINNING** and containing 0.06 acre of land, more or less.

Please see Exhibit "A" attached to this Notice.

The Calcasieu Parish School Board will meet at 3310 Broad Street, Lake Charles, LA, beginning at 5:00 p.m. on the 14<sup>th</sup> day of March 2023, to consider and take action on the application. Any citizen who resides within the above 16<sup>th</sup> Section may file a written opposition to the granting of this right-of-way by submitting the opposition to Wilfred Bourne, Chief Financial Officer, Calcasieu Parish School Board, 3310 Broad Street, Lake Charles, LA 70615, on or before March 7, 2023.

Shannon LaFargue, PhD  
Superintendent

**NOTICE OF APPLICATION  
FOR RIGHT-OF-WAY IN SECTION 16, T10, R10  
CALCASIEU PARISH**

Entergy Louisiana, LLC has applied to the Calcasieu Parish School Board for a right-of-way easement and servitude across a portion of the N/2 of NE/4 of Section 16, T10, R10, Calcasieu Parish, Louisiana, more particularly described as:

**COMMENCING Thirty (30) feet in width, Fifteen (15) feet each side of centerline for the location, construction, reconstruction, improvements, repairs, operation, inspection, patrol, replacement, and maintenance of overhead and underground electric power and communication facilities, or the removal thereof, now or in the future, including, but not necessarily limited to, insulators, wires, cables, conduits, hardware, transformers, switches, guy wires, anchors, and other equipment, structures, material and appurtenances, now or hereafter used, useful or desired in connection therewith by Grantee (Entergy) over, across, under or on that land of Grantor (CPSB) in the Parish of Calcasieu, State of Louisiana described as follows:**

Certain tracts or parcels of land situated in N/2 of NE/4, Section **16**, Township **10**, Range **10**, Parish of Calcasieu, State of Louisiana, being more fully described in the Act recorded **10/2/2008**, in the conveyance records of the Parish of Calcasieu, State of Louisiana, in COB: **3536**, Page **73**, Entry/File Number: **2894051**

The Calcasieu Parish School Board will meet at 3310 Broad Street, Lake Charles, LA, beginning at 5:00 p.m. on the 14<sup>th</sup> day of March 2023, to consider and take action on the application. Any citizen who resides within the above 16<sup>th</sup> Section may file a written opposition to the granting of this right-of-way by submitting the opposition to Wilfred Bourne, Chief Financial Officer, Calcasieu Parish School Board, 3310 Broad Street, Lake Charles, LA 70615, on or before March 7, 2023.

Shannon LaFargue, PhD  
Superintendent