

INCENTIVE GRANT AGREEMENT

This Incentive Grant Agreement (the "Agreement") is made and entered into as of the _____ day of _____, 2021 by and between **HALE AIRCRAFT, Inc.** (hereinafter referred to as the "Company"), a Delaware Corporation qualified to do business in Georgia, whose principal address is 512 Speedway Boulevard, Hampton, Georgia 30228 and the **COWETA COUNTY DEVELOPMENT AUTHORITY**, a political subdivision of the State of Georgia (hereinafter referred to as the "Authority"). The Authority and the Company may from time to time hereinafter be referred to individually as a "Party" and collectively as the "Parties."

WITNESSETH:

WHEREAS, the Authority was created pursuant to Ga. Laws 1966, p. 1101, and continued by Ga. Laws 1985, p. 4173, (the "Act") granting the Authority the ability to make appropriations for the purposes of aiding and encouraging the location/expansion of certain business enterprises in Coweta County to further job opportunities and economic development; and

WHEREAS, the Company is locating its business at the Newnan-Coweta Airport located at 115 Airport Road, Newnan, Georgia (the "Location") and is creating a minimum of twenty (20) new jobs; and

WHEREAS, the Company will purchase the improvements at the Location at a cost of One Million, Three Hundred and Eighty-Five Thousand and 00/100 Dollars (\$1,385,000.00) and enter into a 25-year ground lease with the Newnan-Coweta Airport Authority for 193,050 square feet at twenty-five cents annually, which equals a total rental payment \$24,131.25 for six months; and

WHEREAS, the Company has estimated that its total investment in its operations in Coweta County shall be approximately Five Million and 00/100 Dollars (\$5,000,000.00); and

WHEREAS, the Authority has determined that the proposed activity by the Company will enhance the taxable digest, economic opportunities, business prospects for the County, and that it is in the public interest to provide assistance; and

WHEREAS, the Authority finds that the prospective future tax revenues to be generated by the Company will exceed the amount of the Grant offered herein; and

WHEREAS, the Act authorizes the Authority to contract with and appropriate money to any person, association, or company in order to carry out any public purpose that the Authority is authorized by law to engage in.

NOW, THEREFORE, in consideration of the promises and other considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

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1. Performance By Company: This Agreement and the expenditure of Authority grant monies is expressly contingent upon Company achieving certain performance requirements. These requirements are set out below.

- a. Investment in Location and equipment: It is estimated that the purchase of the Location and the equipment relocated or purchased to be use as part of Company's operations shall be valued at least Five Million and 00/100 (\$5,000,000.00).
- b. Employment: It is anticipated that the Company will create a minimum of twenty (20) new full-time jobs which will be employed by December 31, 2021. Jobs shall pay a minimum of the average wage paid in Coweta County, Georgia.
- c. Payment of Taxes by Company: The Authority must receive confirmation from the Coweta County Tax Commissioner's Office that the Company has paid, in full, its annual taxes when due to qualify for any grant payments.

2. Documentation from the Company: In connection with request for grant monies, the Company shall deliver to the Authority's President a performance letter providing such evidence as may be reasonably requested to confirm the Company has met its obligations to qualify for a Grant payment.

It is agreed that the Authority, through its staff, shall have the right upon reasonable notice and during normal business hours, to inspect, audit, examine and copy corporate records directly pertaining to the Company's obligations set forth in this Agreement. All records revealed by the Company to the Authority's internal or external auditors are not public records and shall remain confidential and may be used by the Authority only for audit purposes to the full extent allowed by law.

The Authority acknowledges that some or all of the information made available by the Company to the Authority pursuant to this section may be considered "Trade Secrets" pursuant to Georgia law and that any such information is proprietary. All information made available to the Authority pursuant to this section and designated by the Company as a trade secret shall, to the extent allowed by State law, be held as confidential. The Authority shall, if it receives a request for disclosure of any such information, notify the Company of such request so that the Company may defend any claims or disputes arising from efforts of others to cause such trade secrets to be disclosed as a public record.

The Company acknowledges that it has been informed by the Authority that the Authority is required by law, upon request, to disclose "Public Records" as the term is defined by Georgia Open Records Act. All information disclosed to the Authority by the Company which is subject to that definition and whose disclosure is not otherwise protected by law will be released by the Authority upon request as provided by O.C.G.A. §50-18-70 et seq. The Company acknowledges that it has read and is familiar with the Authority's obligations of public disclosure of documents and the definitions of confidential documents as contained in Georgia Open Records Act. In order to prevent the disclosure of the confidentiality of information identified by

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the Company as a trade secret or confidential pursuant to O.C.G.A. §10-1-760 et seq., the Authority shall, if it receives a request for disclosure of such information, notify the Company of such request so that the Company may defend any claims or disputes arising from efforts of others to cause such trade secrets to be disclosed as a public record. The Company acknowledges this disclosure of the Authority's public records requirements and agrees that such disclosure is full and sufficient to the satisfaction of the Company.

3. Payment of Grant: The Authority agrees to pay the Company a grant totaling \$24,131.25 (the "Grant"). The Grant shall be used to offset rental payments to the Newnan-Coweta Airport Authority for the six-months of the Company's lease. The Grant payment shall be paid in six (6) monthly installments directly to the Newnan-Coweta Airport Authority in the amount of \$4,021.88 in accordance with the Lease payment terms. The Authority and Company agree that the commitment of this Grant payment shall in no way make the Authority responsible for carrying out any obligations set forth in the lease.

4. Default of Company:

- a. If the Company, should (A) for any reason, other than *force majeure*, a casualty or condemnation, ceases to operate at the Location for more than six (6) months in any calendar year or (B) completely terminates its business operations at the Location and relocates those activities to a location outside of Coweta County, then, in either case, the Company shall be obligated within sixty (60) days following the end of such calendar year to repay to the Authority all Grant monies awarded provided however that (i) such obligation shall be reduced by 10% per year for each full calendar year during which the Company maintained business operations at the Location (but in no circumstances greater than 100%), commencing with the first full calendar year after the date of the Company acquires the Property.
- b. If the Company should for any reason reduce its workforce before April 1, 2024, the Authority may recapture a portion of any benefits received by the Company. Such recapture will be enforced after a six (6) month cure period whereby the Company may remedy any deficiency identified by the County. The recapture shall be based on a pro rata calculation comparing the actual percentage of the new jobs created to the Grant awarded.

5. Amendments to Agreement: This Agreement can be modified or amended only with the mutual written consent of both parties.

6. Parties: This Agreement shall be binding upon and shall inure to the benefit of the parties and their heirs and successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

7. Entire Agreement: This Agreement contains the entire agreement of the Parties and there are no other representations, inducements, or other provisions other than those expressed in this writing. All changes, additions, or deletions hereto must be in writing and signed by all Parties.

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It is specifically understood and agreed that the Company will be subject to applicable Authority ordinances, policies, procedures, and other regulations.

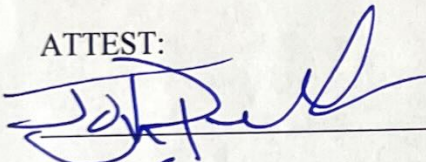
8. Laws of Georgia to Control this Agreement: The Parties agree that this Agreement is to be controlled by the laws of the State of Georgia. The provisions of this Agreement will be upheld by the Authority to the extent allowed by Georgia law. The Authority will be held harmless to any provisions of this Agreement deemed illegal in a Georgia court of law.

9. Jurisdiction: Any controversy or claim arising out of this Agreement shall be settled by an action initiated in the appropriate division of the Superior Court of Coweta County, Georgia.

10. Assignment: The Company may assign all or part of its rights and/or obligations under this Agreement to one or more affiliates designated by the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be fully executed as of the date and year first above written.

ATTEST:



Title: Secretary

Coweta County Development Authority

By: 

Name: RONNIE A. CLOTFELTER

Title: CHAIRMAN, CCDA

ATTEST:

Title: _____

Hail Aircraft, Inc.

By: Joseph Miller

Name: JOSEPH MILLER

Title: CEO and President