BUSINESS INCENTIVE AGREEMENT

BANK OF NORTH DAKOTA
LENDING SERVICES-AG/COMMERCIAL
SFN 59951 (11-2011)

The RECIPIENT specified below has been approved to receive a business incentive from the State of North Dakota. Therefore, in fulfillment of the requirements of North Dakota Century Code §54-60.0-03, the grantor of the business incentive **(GRANTOR)** and the entity to receive the business incentive **(RECIPIENT)** must enter into a **Business Incentive Agreement**. This Business Incentive Agreement provides project data and specifies the goals the RECIPIENT has agreed to meet in order to receive the state business incentive.

Should the value of this incentive be less than $25,000, and should the RECIPIENT receive no additional incentives to bring the total to $25,000 or more within one year, the reporting requirements outlined in North Dakota Century Code §54-60.1-05 and in this agreement, will not go into effect.

Grantor

Name of GRANTOR	On Behalf Of		
Address	City	State	ZIP Code

Recipient

Name of RECIPIENT Business	Also Known As		
Mailing Address	City	State	ZIP Code
Street Address	City	State	ZIP Code
Main Contact Person	E-mail Address		
Business Classification of RECIPIENT (3-digit NAICS Code) Click on down arrow to choose the 3 digit NAICS code			

Location of RECIPIENT prior to receiving this business incentive (if different from above)

Mailing Address	City	State	ZIP Code
Parent Company of RECIPIENT (if any)			
Mailing Address	City	State	ZIP Code

Project Information

(For Office Use Only) Project Number	File Number	Incentive Value	Benefit Date
Incentive Type			
Incentive Description			
Is this incentive tax increment financing? ☐ Yes ☐ No			
If yes, describe the type of district			
Project Description			

Public Purpose

Check only one

- ☐ Assisting community development
- ☐ Directly creating employment opportunities
- ☐ Increasing tax base
- ☐ Indirectly creating employment opportunities through increased economic activity
- ☐ Job retention (only in cases where job loss is specific and demonstrable)

Current Employment, Wages, Benefits, and Compensation

If this is a new business, enter 0 for jobs, wages, benefits, and compensation. If this is an existing business with employees, enter information that reflects your current status with regard to jobs, wages, benefits, and compensation.

FTE Definition:
For our reporting purposes, full-time equivalent employees work 32 hours per week or greater. The exception is when a single position is filled by two people. In this instance each person needs to work 20 hours per week or greater to be considered an FTE. Round total job numbers to **nearest** half FTE **(0.5 FTE)**.

Current Number of Jobs (FTE's)	Average Hourly Wage	Value of Average Benefits Per Hour	Average Hourly Compensation (Wages plus benefits)
☐ Seasonal	Explain		

Annual Job Verification Contact

Name	E-mail Address	Telephone Number

Goal Information

In exchange for the incentive provided by the GRANTOR, the RECIPIENT agrees to, within 2 years (check only one)

☐ Create Jobs ☐ Retain Jobs ☐ Neither create nor retain jobs **

** If "neither" is marked, enter 0 for number of jobs, wages, etc. Even RECIPIENTS with no job goals must file recipient reports as described on page 3 of this document. Any increase in jobs, wages, benefits, or total compensation will be reported as a bonus above and beyond project goals.

Location		Number of Jobs (FTE's) to be created or retained
Average Hourly Wage	Value of Average Benefits Per Hour	Average Hourly Compensation (Wages plus benefits)

In addition to meeting the goals outlined in this document, the RECIPIENT agrees to the following terms as specified by N.D.C.C. §54-60.1:

1. The RECIPIENT shall continue operation in the jurisdiction in which the business incentive is used for five years or more after the benefit date.
2. RECIPIENT reports requesting current job, wage and benefit information will be mailed to the RECIPIENT by the GRANTOR. The RECIPIENT shall complete, sign, and return this annual recipient report to the GRANTOR: A) on PACE loans, every year following the benefit date until such time the interest buydown is exhausted; or B) on other BND Programs, for two years following the benefit date or until the goals are met, whichever is less.

   If no report is received within 60 days, the GRANTOR shall mail the RECIPIENT a warning letter. The RECIPIENT then has 14 days from the postmarked date of that warning letter to file a report. If the recipient report is still not received, the RECIPIENT agrees to pay $100 to the GRANTOR for each subsequent day until the report is filed. The maximum penalty under this section may not exceed one thousand dollars ($1,000).
3. On PACE loans, if the Recipient cannot meet the job and compensation goals, the interest buydown will be prorated to reflect any partial fulfillment. On other BND Programs, the Recipient shall pay back the value of the incentive to the Grantor, prorated to reflect any partial fulfillment of the job and compensation goals, if after 2 years, the job and compensation goals listed are not met.
4. This Business Incentive Agreement shall only be modified or extended by the GRANTOR pursuant to N.D.C.C. §54-60.1-04.
5. If the terms of this Business Incentive Agreement are not met, RECIPIENT shall not receive a business incentive from any GRANTOR for a period of five years from the date of failure or until RECIPIENT satisfies its repayment obligation.

By signing this document, RECIPIENT agrees to the terms noted herein, verifies that it has not failed to meet the terms of any business incentive agreement in the last five years and confirms that it has disclosed, in Attachment "A" of this agreement, all additional financial assistance received from state or political subdivision GRANTORS for this project.

Grantor	**Recipient**
Authorized Signature	Authorized Signature
Title	Title
Date	Date

Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligation hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

ATTACHMENT "A"

RECIPIENT verifies that it has received additional financial assistance from state or political subdivision GRANTORS from the following listed entities for this project since its inception. A listing of incentives from past projects (i.e., past expansion) is not required.

Name of GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive Select One
Description of Assistance		

Name of GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive Select One
Description of Assistance		

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