

**INCENTIVE AGREEMENT
BETWEEN
THE KANSAS DEPARTMENT OF COMMERCE
AND INTEGRA TECHNOLOGIES, INC**

This Incentive Agreement (hereinafter referred to as “Agreement”) is entered into between the STATE OF KANSAS DEPARTMENT OF COMMERCE (hereinafter referred to as “Commerce”) and INTEGRA TECHNOLOGIES, INC, a Kansas corporation (hereinafter referred to as the “Company” and collectively with Commerce referred to as “Parties”) that sets forth the contractual terms and requirements for the issuance of economic development benefits and incentives (hereinafter referred to as the “Incentives”) as approved by Commerce and the State of Kansas State Finance Council (the “SFC”), pursuant to the Attracting Powerful Economic Expansion Act (hereinafter referred to as the “Act”), enacted in 2022 by H. Sub. for Senate Bill 347.

Article 1. Recitals

WHEREAS, the Kansas Legislature enacted the Act and charged Commerce to administer it to attract large capital investments by businesses engaged in specified industries in new business facilities and operations in Kansas, or large capital investments in new national headquarters in Kansas by any business, and to encourage the development of a Kansas-based supply chain for such large enterprises.

WHEREAS, the Act, incorporated into this Agreement as Attachment A, requires a qualified firm to make at least one billion dollars (\$1,000,000,000) investment in a qualified business facility in the state of Kansas to be eligible to receive Incentives.

WHEREAS, the Company is pursuing the expansion/establishment of a semiconductor and related device manufacturing Facility.

WHEREAS, the Company submitted an application dated November 29, 2022 (hereinafter referred to as the “Application”), incorporated into this Agreement as Attachment B, to the Secretary of Commerce (hereinafter referred to as “Secretary”) seeking various Incentives if the Company invests at least one billion dollars (\$1,000,000,000) in capital investments at a qualified business facility in Kansas and meets the requirements under the Act.

WHEREAS, the Secretary has determined that the Company is a Qualified Firm under the Act and that the investments as described in the Application (hereinafter referred to the “Project”) is an eligible Project and has approved the Project for financing under the provisions of the Act.

WHEREAS, the Secretary has determined that the Project will benefit the people of Kansas by increasing opportunities for employment and strengthening Kansas’ economy, is consistent with the economic development goals of the State of Kansas and the area where it will be located and the Incentives are necessary for the completion of the Project in Kansas.

WHEREAS, as required by the Act, the SFC has reviewed this Agreement and all incorporated attachments and has approved this Agreement. The SFC also approved Commerce’s findings and the issuance of the Incentives set forth in this Agreement. The copy of the SFC Resolution and minutes approving this Agreement is incorporated into this Agreement as Attachment C.

WHEREAS, the Parties intend any benefit derived by the Company from the arrangement contemplated by this Agreement to constitute an incentive or inducement to the Company under the Act.

The Parties, in consideration of the promises and other good and valuable consideration described here of which are hereby acknowledged, agree to the following terms and conditions.

Article 2. Definitions

“Calendar Year” means the twelve (12) month period beginning on the Commencement Date in the first instance and the same twelve (12) month period for each subsequent year during the term of this Agreement. For example, if the Commencement Date of this Agreement is July 15, 2023, then the first Calendar Year will be July 15, 2023 to July 14, 2024.

“Company Payroll Notification” means a written notification, in substantially the form attached hereto as Attachment E, to Commerce from the Company that the Company desires to commence the Payroll Incentive Period.

“Company Payroll Certification” means a certificate, certified as to the accuracy of the facts stated therein by an executive officer of the Company, certifying for each Calendar Year the amount of Total Payroll Cost in substantially the form attached hereto as Attachment F.

“Company Qualified Investment Certification” means a certificate, certified as to the accuracy of the facts stated therein by an executive officer of the Company, certifying for each Calendar Year the amount of New Qualified Business Facility Investment in substantially the form attached hereto as Attachment D.

“Company Residency Notification” means a written notification, in substantially the form attached hereto as Attachment I, to Commerce from the Company that the Company desires to commence the Residency Reimbursement Period.

“Company Training Notification” means a written notification, in substantially the form attached hereto as Attachment G, to Commerce from the Company that the Company desires to commence the Training Reimbursement Period.

“Commencement of Commercial Operations” means the date as reasonably determined by the Secretary that Commercial Operations first occurred.

“Commercial Operations” means the Qualified Business Facility is being used by the Company, or is capable of being used by the Company, in the Revenue Producing Enterprise as described in the Application.

“Construction” means construction, reconstruction, enlarging or remodeling for purposes of construction of the Qualified Business Facility.

“Facility” means any factory, mill plant, refinery, warehouse, Building or complex of Buildings located within the state of Kansas, including the land on which such Facility is located and all machinery, equipment and other real and tangible personally property located at or within such Facility used in connection with the operation of such Facility. “Building” means only structures within which individuals are customarily employed or that are customarily used to house machinery, equipment or other property.

“in Kansas” means in the case of:

- (A) Expenditures to acquire or lease tangible property or goods, the placement in service of such property or goods within the State of Kansas, whether or not the vendor or lessor of the property or goods is domiciled in or has a taxable nexus with the State of Kansas;
- (B) expenditures to acquire intangible property, the extent to which such intangible property is used in Kansas, as approved by Commerce; and
- (C) services, the extent to which services are performed in Kansas.

“New Employee” means a Qualified Business Facility Employee who is newly employed by the Company in the Company’s business operating in Kansas during the Tax Year for which benefits are sought. Qualified Business Facility employees performing functions directly related to a relocating, expanding, or new business facility, office, department or other operation shall also be considered New Employees.

“New Qualified Business Facility Investment” means, for a given Calendar Year, the total amount found by determining the Qualified Business Facility Investment on the last day of such Calendar Year and subtracting the Qualified Business Facility Investment reported at the end of the prior Calendar Year.

“On-the-Job Training” means training situations during which a product or service that can be sold or used in internal operations is generated or produced.

“Qualified Business Facility” means the Facility as described in the Application and is for use by the Company in the operation of a Revenue Producing Enterprise.

“Qualified Business Facility Employee” means an individual employed full-time by the Company at the Qualified Business Facility. In order for an individual to be considered full-time, they must have been scheduled to work for an average minimum of 30 hours per week for at least three consecutive months and reported on a period covered by a Kansas Department of Labor quarterly wage report and unemployment tax return.

“Qualified Business Facility Investment” or **“Qualified Investment”** means the value of the real and tangible personal property, except inventory or property held for sale to customers in the ordinary course of the Company’s business, that constitutes the Qualified Business Facility, or that is used by the Company in the operation of the Qualified Business Facility, including such property used for administrative or managerial functions, during the Tax Years for which the credit allowed by the Act is claimed. This does not include any building, land, or other real or tangible personal property that is granted, leased or transferred to the Company without cost to the Company. Real or tangible personal property that is granted, leased or transferred to the Company at a cost of less than fair market value shall be reduced in value, for purposes of calculating the qualified business facility investment, by the difference in cost to the Company and fair market value. The value of such property during such Tax Year shall be:

- (A) Such property's original cost if owned by the Company; or
- (B) Eight times the net annual rental rate if leased by the Company. The net annual rental rate shall be the annual rental rate paid by the Company less any annual rental rate received by the Company from subrentals.

“Qualified Firm” means a for-profit business establishment, subject to state income, sales or property taxes, that is:

(A) Engaged in one or more of the following industries: Advanced manufacturing; aerospace; distribution, logistics and transportation; food and agriculture; or professional and technical services; or

(B) engaged in any industry or revenue-producing activity if seeking benefits with respect to a qualified business facility that is the national corporate headquarters of the for-profit business establishment.

Qualified Firm excludes a business establishment engaged in mining, swine production, ranching or gaming.

“Qualified Supplier” means any business that is a supplier of components, sub-assemblies, chemicals or other process-related tangible goods, is located in Kansas and that is owned by:

(A) An individual, any partnership, association, limited liability corporation or corporation domiciled in Kansas; or

(B) any business, including any business owned by an individual, any partnership, association, limited liability corporation or corporation, even if the business is a wholly owned subsidiary of a foreign corporation, that operates the qualified supplier in the state of Kansas for the purpose of supplying a qualified firm.

“Residency Incentive Plan” means a plan outlining the measures the Company intends to take to recruit persons from outside the state of Kansas to become Qualified Business Facility Employees, including the expected costs for each component of the plan, in substantially the form attached hereto as Attachment J.

“Retention Year” means a twelve (12) month period beginning on the commencement of the Payroll Incentive Period in the first instance and the similar twelve (12) month period for each subsequent year for the 10 years that the Company must retain a minimum of 1,600 jobs.

“Revenue Producing Enterprise” means an enterprise that creates revenue subject to potential tax liability in the state of Kansas.

“Tax Year” means the twelve (12) month period for which the Company, or its affiliates if filing a consolidated or composite return, files a Kansas income tax return. Each Tax Year will be styled by the Calendar Year in which it ends. For example, if the Tax Year runs from April 1, 2023 to March 31, 2024 then it will be styled the “2024 Tax Year.” The first Tax Year will be the Tax Year containing the end of the first Calendar Year. For example, if the first Calendar Year ends on July 14, 2024 and the Company is on an April 1 to March 31 fiscal year tax filing schedule, then the first Tax Year will be the 2025 Tax Year which will run from April 1, 2024 until March 31, 2025 and contains July 14, 2024, which is the end of the first Calendar Year. The first Tax Year may not commence prior to January 1, 2023.

“Total Payroll Cost” means, for the appropriate measurement period, the payroll amount defined by the Kansas Department of Labor as total wages on the K-CNS 100 quarterly wage report and unemployment tax return plus, in the Company’s sole discretion and as documented to Commerce, any pretax earnings in which an employee has elected to direct to a:

- (A) Flexible-spending plan;
- (B) deferred compensation plan; or
- (C) retirement plan that includes earnings the employee would otherwise have received in the form of taxable wages had it not been for the voluntary deferral.

Total Payroll Cost does not include company-paid costs for health insurance, dental insurance and any other employee benefits that are not reported to the Kansas Department of Labor on the employer's quarterly wage report and unemployment tax return.

“Training and Education Eligible Expense” means the amount actually paid for training and education of the group of employees, or portion thereof, and from which the Company expects to derive increased productivity or quality. This includes instructor salaries, curriculum planning and development, travel, materials and supplies, textbooks, manuals, minor training equipment, certain training facility costs and any other expenditure that is eligible under the Kansas industrial training or the Kansas industrial retraining programs. This may also include, subject to maximum limits determined by the Secretary, wages of employees during eligible training, employee instructors' salaries and training-related travel expenses, with a maximum meals allowance of \$60 per day and lodging costs of \$150 per night.

“Training and Education Eligible Expense” does not include:

- (A) Compensation paid to an employee trainee who is receiving On-The-Job Training;
- (B) compensation paid to an employee during self-training, except for time in which the employee is involved in activities related to an approved computerized course of study;
- (C) bonus pay received as compensation related to the Company's financial performance or the employee's job performance, or both;
- (D) overtime pay, unless the employee is being paid at an overtime rate while participating in eligible training;
- (E) operations manuals and reference manuals, except that training-specific manuals may be allowable; and
- (F) training and education costs covered by monies or grants obtained from state, federal or other government-sponsored workforce training programs.

Article 3. Term

This Agreement will take effect upon <Commencement Date> (hereinafter referred to as “Commencement Date”). The term of this Agreement will be twenty (20) years commencing on the Commencement Date.

Article 4. Representations

4.1 Company Representations

The Company hereby represents, by itself and in its capacity as the Qualified Firm, that it:

(A) Provided true and correct information in the Company's Application, based on its plans and intentions with respect to the Project as of the date of submission and as of the execution date of this Agreement in all material respects. Material changes to the Project may result in modifications or amendments to the terms of this Agreement.

(B) Is described by the North American Industrial Classification System as being in the manufacturing or service sector.

(C) Based on its Application with respect to the Project, agrees to create and retain up to 1,994 new full-time jobs and no less than 1,600 new full-time jobs at the Qualified Business Facility in Kansas within five (5) years of the Commencement Date and retain those jobs as set forth in Article 5(E).

(D) Has an agreement in principle to acquire land in Kansas which will enable it to make a Qualified Business Facility Investment in Kansas, with respect to the Project, of up to one billion eight hundred million dollars (\$1,800,000,000) and no less than one billion five hundred million dollars (\$1,500,000,000) in the Qualified Business Facility and commence Commercial Operations at the Qualified Business Facility within five (5) years of the Commencement Date.

(E) The Company acknowledges that the amount of the Investment Tax Credit, Payroll Rebate Award and Training and Education Reimbursement actually realized by the Company will depend on the capital invested, jobs created, and actual wages paid by the Company in connection with the Project.

(F) Has the power and authority to execute, deliver and perform the obligations under this Agreement, and it is duly authorized to execute and deliver this Agreement, and has taken or will take, within the time frames established by this Agreement and its attachments and the Act, all actions reasonably necessary to carry out and give effect to the transactions contemplated by this Agreement and its attachments.

(G) Will submit any and all documentation in the form reasonably requested by Commerce to claim or receive any of the Incentives offered in Article 6.

(H) Has read and understood Kansas laws regarding the treatment of public records and confidential information, including those provisions set forth in the Act, and will follow those laws and provisions.

(I) As described in the Application, the Company's only activity with respect to such Facility will not be to lease it to another person or persons. The land for the Facility will be acquired by the Company from another person or persons, but will not have been used, either immediately prior to the transfer of title to the Company, by any person or persons in the operation of a Revenue Producing Enterprise that is the same or substantially the same as the Revenue Producing Enterprise continued by the Company at the Facility.

4.2 Commerce Representations

Commerce hereby represents, by itself and in its capacity under the Act, that:

- (A) This Agreement has been fully reviewed and approved by the Secretary, the Governor of Kansas, and the majority of the SFC as required by the Act.
- (B) Commerce has identified funds in accordance with the Act sufficient to finance its obligations under this Agreement.
- (C) It will certify to the Secretary of Revenue that the Company meets the criteria for designation as a Qualified Firm or Qualified Supplier and is eligible to receive the Incentives under Article 6, after ensuring in an annual review that the Company remains in good standing in the State of Kansas, the Act and this Agreement.
- (D) Maintain confidentiality of all necessary information obtained to determine the Company's eligibility under the Act, as well as, confidential financial information, any trade secret or other information, that, if known, would place the Company at a disadvantage in the marketplace or would significantly interfere with the purposes of this Act.
- (E) The Secretary has duly reviewed and considered the factors including the extent of prospective new employment, the quality of new jobs and wage or salary levels, the total amount of investment, the potential for development of the industry in Kansas and the employment, retention and attraction of employees to remain residents of, or relocate to, Kansas.

Article 5. Covenants of the Company

The Company shall be eligible for and receive the Incentives provided in Article 6 if the Company:

- (A) Materially completes the Project outlined in the Application which includes expending at least one billion five hundred million dollars (\$1,500,000,000) in Qualified Business Facility Investment within five years of the Commencement Date.
- (B) Commences Commercial Operations at the Qualified Business Facility within five years of the Commencement Date and maintains Commercial Operations for the remaining term of this Agreement.
- (C) Submits any and all documentation in the form reasonably requested by Commerce to claim or receive any of the Incentives offered in Article 6.
- (D) Submits a Notice of Award to Commerce by October 1, 2023 that demonstrates the Company was awarded federal grant funds under the CHIPS Act of 2022.
- (E) Employs a minimum of 1,600 full-time employees at the Qualified Business Facility within five years of the Commencement Date and retain a minimum of 1,600 jobs each year (hereinafter referred to as the "Retention Year") for a period of ten (10) years from the commencement of the Payroll Incentive Period.
- (F) Cooperates with any audit undertaken by the Kansas Department of Revenue (hereinafter referred to as "Revenue") as provided by the Act.
- (G) Provides any and all information reasonably necessary for Commerce to undertake the following:

(1) An annual review of the activities undertaken by the Company to ensure the Company remains in good standing within the state of Kansas and in compliance with the provisions of this Act, any rules or regulations adopted by the Secretary with respect to the Act and this Agreement.

(2) Supply information required for publication in the economic development incentive program information database pursuant to K.S.A. 74-50,226 and amendments thereto.

(3) Supply information reasonably required for the Commerce's APEX annual report pursuant to the Act.

(H) Permits Commerce staff reasonable access to the Qualified Business Facility during business hours upon reasonable advance notice to the Company.

(I) Remains in good standing within the State of Kansas and in compliance with the provisions of the Act and this Agreement.

(J) Commences and then maintains Commercial Operations in Kansas at the Qualified Business Facility for a period of time that is at least fifteen (15) years from the Commencement of Commercial Operations.

(K) Does not seek nor accept any monetary funds to be used for the Project or to make any Qualified Investment under this Agreement that it knows are derived from countries that are currently listed in 22 C.F.R. 126.1, designated as an embargoed or sanctioned country by the United States Government in any executive order, federal regulation or guidance issued by the United States.

Article 6. Economic Development Benefits and Incentives

Commerce, upon adopting the findings in Article 4.2, and in consideration of the covenants and obligations of the Company set out in this Agreement, agrees to provide the following Incentives if the Company complies with the requirements of Article 5:

6.1 Investment Tax Credit

Each Tax Year for five (5) consecutive Tax Years, within thirty (30) days of the receipt of a Company Qualified Investment Certification, Commerce shall approve and certify to Revenue the issuance of an Investment Tax Credit (hereinafter referred to as "ITC") equal to 10% of the New Qualified Business Investment made during the Calendar Year that ends in the relevant Tax Year. Each ITC shall be divided into ten (10) equal payments (each, an "ITC Installment") and shall be claimed by the Company in ten (10) successive Tax Years commencing with the Tax Year for which such ITC is earned. For example, if the first Calendar Year ends on July 14, 2024 and the Company is on an April 1 to March 31 fiscal year tax filing schedule, then the first Tax Year will be the 2025 Tax Year which will run from April 1, 2024 until March 31, 2025 and contains July 14, 2024, which is the end of the first Calendar Year. In that example, if the Company files the first Company Qualified Investment Certification with Commerce on September 30, 2024, then the Company will be able to claim the first ITC Installment on its 2025 Kansas income tax return.

Only the Qualified Business Facility Investment made during the first five (5) Calendar Years shall be eligible for the ITC. It is the intent of the Parties for the Company to receive a full

consecutive 60-month period of time to make a Qualified Business Facility Investment. The Parties acknowledge that this is the intent of the Act and that facilitating such consecutive 60-month period may require issuing an ITC in six (6) Tax Years due to stub-periods if the Qualified Business Facility Investment does not start on the first day of a Tax Year.

Commerce shall cooperate with Revenue to issue a refund for 100% of the amount by which any ITC Installment exceeds the Company's tax liability to the Company for each Tax Year.

6.2 Payroll Rebate Award

For a period of ten (10) successive Calendar Years, commencing on the date set forth in the Company Payroll Notification (the "Payroll Incentive Period"), Commerce shall award to the Company a rebate equal to 8.5% of the eligible Total Payroll Costs per year (the "Payroll Cost Reimbursement").

As a condition to receiving the Payroll Cost Reimbursement, the Company shall file a Company Payroll Certification and any other reasonably necessary supporting documentation, to include, but not be limited to, employee start dates, with Commerce after the end of each calendar quarter during the Payroll Incentive Period, in the form and manner requested by Commerce as shown on Attachment F.

Commerce shall, after reviewing the request and verifying compliance with the Act, issue the payroll reimbursement to the Company within thirty (30) days of receipt and acceptance of the necessary documentation.

6.3 Training and Education Eligible Expenses

Commerce shall issue a reimbursement to the Company of 50% of the Training and Education Eligible Expenses incurred by the Company for New Employees (the "Training and Education Reimbursement") in each Calendar Year for five successive Calendar Years starting from the date that is set forth in the Company Training Notification (the "Training Reimbursement Period").

Training and Education Eligible Expenses must be actual costs incurred by the Company and eligible under the Act. Commerce shall not reimburse the Company more than five million dollars (\$5,000,000) for Training and Education Eligible Expenses per year (the "Annual Training Reimbursement Cap"). Expenses that exceed the Annual Training Reimbursement Cap may be rolled forward to future years of the Training Reimbursement Period and reimbursed in future years provided that the total of such reimbursement cannot exceed the Annual Training Reimbursement Cap.

To receive the Training and Education Reimbursement, the Company shall provide Commerce documentation at the end of each calendar quarter, in a form acceptable to Commerce as shown on Attachment H, that demonstrates the number of new hires and the amount of Training and Education Eligible Expenses for each Calendar Year the Training and Education Reimbursement is sought to be claimed by the Company.

Commerce shall, after reviewing the submitted documentation and verifying its adherence to the Act, request the issuance of the reimbursement within 30 days of receipt and acceptance of the necessary documentation.

6.4 Sales Tax Exemption

Immediately upon the Commencement Date, the Company shall be eligible for a Sales Tax Exemption under the provisions of K.S.A. 79-3606(oooo) and amendments thereto. Promptly upon execution of this Agreement, Commerce shall approve and certify to Revenue the issuance of a sales tax exemption, effective on the Commencement Date.

The Sales Tax Exemption shall only apply to property and services purchased for the purpose of constructing, reconstructing, enlarging, or remodeling the Qualified Business Facility, and shall be valid until December 31, 2028.

6.5 Residency Incentive

Commencing on the date set forth in the Company Residency Reimbursement Notification, Commerce shall reimburse the Company 50% of the eligible relocation expenses that are used to incentivize employees, who were not Kansas residents at the time of hire, to relocate their primary residence to Kansas and become Kansas residents (the "Residency Incentive"). Reimbursement will only occur upon receipt and approval of the Company's Residency Incentive Plan, which must describe the expected costs of each component of the plan.

Commerce shall continue to provide the Residency Incentive for ten (10) successive years from the date set forth in the Company Residency Reimbursement Notification (the "Residency Reimbursement Period"). The Residency Incentive shall not exceed an annual reimbursement of one million dollars (\$1,000,000) (the "Annual Residency Reimbursement Cap"). Expenses that exceed the Annual Residency Reimbursement Cap may be rolled forward to future years of the Residency Reimbursement Period and reimbursed in future years provided that the total of such reimbursement cannot exceed the Annual Residency Reimbursement Cap.

Commerce shall, after reviewing and approving the submitted Residency Incentive Plan and its adherence to the Act, request the issuance of the reimbursement within 30 days of receipt and acceptance of the actual expenses incurred in connection with the Residency Incentive Plan.

Article 7. Termination

In the event that the Company fails to do any of the following:

- (A) Expend at least one billion five hundred million dollars (\$1,500,000,000) in Qualified Investment related to the Qualified Business Facility in the State of Kansas within five years of the Commencement Date.
- (B) Commence Commercial Operations at the Qualified Business Facility within five years of the Commencement Date.
- (C) Employ a minimum of 1,600 full-time employees at the Qualified Business Facility within five years of the Commencement Date and on the last day of each Retention Year.
- (D) Provide any and all information reasonably requested by Commerce in order for Commerce to satisfy its statutory obligations under the Act.
- (E) Maintain Commercial Operations in Kansas at the Qualified Business Facility for a period of time that is at least fifteen (15) years from the Commencement of Commercial Operations.

Commerce shall provide the Company with thirty (30) days written notice of the Company's failure to meet a condition and provide an opportunity to the Company to cure. If such condition is incapable of being cured within thirty (30) days, but the Company has commenced good faith efforts, in the reasonable determination of Commerce, to cure such condition and provided written documentation of such efforts as well as a timeline to resolve such condition to Commerce, then Commerce shall provide Company an additional sixty (60) days to cure such condition, unless otherwise extended by mutual written agreement of the Parties. After the additional sixty (60) days, Commerce may suspend and/or cease the issuance of all Incentives, and Commerce, at its own option, may terminate this Agreement and seek remedies described in Article 8, as applicable.

(F) In the event that the Company fails to submit a Notice of Award to Commerce by October 1, 2023 documenting the Company's award of federal grant funds under the CHIPS Act of 2022, this Agreement shall immediately terminate, without affording the Company an opportunity to cure, and Commerce shall seek remedies described in Article 8, as applicable.

Article 8. Repayment/Remedies

Commerce and the Company mutually agree on the following provisions of repayment by the Company in the event that the Company fails to meet the requirements to receive and keep the Incentives:

(A) In the event the Agreement is terminated for the conditions described in Article 7(A) and 7(B) after opportunity to cure, or 7(F), the immediate suspension or cessation of future Incentives under this Agreement shall occur, and the Company agrees to repay all Incentives received by the Company under this Agreement with adherence to the repayment schedule in Article 8.1.

(B) In the event the Company fails to meet the condition in Article 7(C), the Company agrees to repay an amount that shall be determined by comparing the shortfall in job creation and retention on the last date of each Retention Year, expressed as a percentage, to the amount of the Payroll Rebate the Company received at the end of each Retention Year. By example, if the Company has created and retained 1,200 full-time jobs at the Qualified Business Facility on the last day of a Retention Year, then the repayment amount would be calculated by taking the 25% shortfall (400/1,600) times the amount of Payroll Rebate the Company received for that Retention Year.

(C) In the event the Company fails to meet the condition described in Article 7(D), after opportunity to cure, Commerce reserves the right to suspend or cease the issuance or certification of any Incentive under this Agreement.

(D) In the event of default under Article 7(E), the Company shall adhere to the payment schedule in Article 8.1 and repay to Commerce the following:

Year that Qualified Business Facilities relocates outside of Kansas	Percentage of Incentives to be repaid
11	100%

12	80%
13	60%
14	40%
15	20%

For the sake of clarity, Incentives under this Article 8(D) shall include (i) the monies the Company would have paid but for use of the ITC issued under Article 6.1 of this Agreement, (ii) monies the Company would have paid the State of Kansas but for the Sales Tax Exemption issued under Article 6.4, and (iii) all monies disbursed to the Company under Article 6. The Company shall also forfeit any ITC that has been issued but remains unpaid to or unclaimed by the Company.

8.1 Repayment Schedule

All repayments under this section shall be repaid in equal monthly payments within 36 months of the termination date. If repayment is required, an interest rate of 4% annual percentage rate will be applied on all outstanding funds.

Article 9. Miscellaneous Provisions

9.1 Insurance

The Company agrees to provide and maintain, at its own expense, casualty and hazard insurance covering loss by fire, wind, or otherwise insuring the real estate, buildings, fixtures, and improvements and all business machinery, equipment, furnishings and furniture at the qualified business facilities. The total amount of the insurance coverage shall be in an amount sufficient to meet the terms of the repayments contemplated by this Agreement and according to the repayment schedule.

9.2 Force Majeure

Should the Company fail to perform its responsibilities pursuant to the terms of this Agreement by reason of fire, lightning, tempest, riot, war within the continental United States of America, unavoidable casualties, delay of transportation that is not caused by Company, employee strike of the employees of a customer or vendor of the Company, pandemic, any governmental restriction, act or lack of action that is not caused by Company, or by any other cause considered an act of God, otherwise considered “Force Majeure” beyond the control of the Company, and such events would otherwise cause the Company to be in default under the terms of this Agreement, then the Company shall be permitted a reasonable extension of time to cure or resolve its failure to perform. Such time period shall be mutually agreed to by the Secretary and the Company to cure any such default caused by Force Majeure and during this period the Company shall not be deemed to be in default under this Agreement with respect to the subject of such Force Majeure.

9.3 Assignment

The Company shall not, except as otherwise provided herein, assign or transfer this Agreement whether voluntarily, involuntarily or by operation of law, without prior written consent thereto of Commerce, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding any such consent, no assignment or transfer shall release or discharge the Company from its duties and obligations under this Agreement, except as provided herein. Any consent by Commerce to any aforesaid acts shall be held to apply only to the specific transaction

thereby authorized, such consent shall not be construed as a waiver or release of the duty of Commerce, or the successors or assigns of Commerce, to obtain from Commerce consent to any other such acts.

9.4 Financial Management

The Company shall keep accounting records sufficient to permit the preparation of financial statements in conformance with United States generally accepted accounting principles or International Financial Reporting Standards and make such records and all related reports, files, documents and other papers relating to the funds provided under this Agreement available for audits, examinations and monitoring by Commerce or Revenue. Such records will be retained for a period of three (3) years after the final Incentives payment is made to the Company or repayment of all amounts required under this Agreement is made by the Company. The accounting system used by the Company shall clearly establish records of budgets and expenditures for the activities funded with Incentives provided pursuant to this Agreement and matching investments by the Company. Unless required to be disclosed under the Act or K.S.A. 46-1101 et seq., or as otherwise required by law, the information provided pursuant to this Article 9.4 shall remain confidential.

9.5 Other Eligible Tax Credits or Benefits

The Company shall not be eligible, with regard to the Project, to participate in any other economic development program or fund administered by Commerce throughout the term of this Agreement.

9.6 Post Audit Review

Any review, testimony, or discussion to the SFC with regards to this Agreement and any associated documentation pertaining to this Agreement with the SFC shall remain confidential pursuant to the Act, except a vote on approval of this Agreement shall be made in open session. Confidential financial information, any trade secret or other information in this Agreement or the Application, that if known, would place the Company at a disadvantage in the marketplace or would significantly interfere with the purposes of the Act, shall not be subject to disclosure under K.S.A. 45-215 et seq., but shall upon request be made available to the legislative post audit division pursuant to K.S.A. 45-229.

9.7 Indemnification

The Company shall indemnify, defend, and hold harmless, the State of Kansas, Commerce, the SFC, and their respective officers, directors, employees, and agents from any liabilities, claims, suits, judgments, and damages arising as a result of the performance of, or failure to perform, the obligations under this Agreement by the Company or any of its officers, employees, agents, or representatives. The liability of the Company under this Agreement shall continue after the termination of the Agreement with respect to any liabilities, claims, suits, judgment, and damages resulting from acts occurring prior to the termination of this Agreement. Commerce shall promptly notify the Company of any such claim, in writing, and shall reasonably cooperate in any defense of any such claims.

9.8 Amendments

Changes to this Agreement shall not be effective or binding unless in writing and signed by both Parties to this Agreement.

9.9 Applicable Law

This Agreement shall be interpreted pursuant to the laws of the State of Kansas and the Parties stipulate that the only courts of competent jurisdiction to hear a dispute arising from this Agreement would be the District Court of Shawnee County, Kansas or the United States District Court for the District of Kansas.

9.10 Termination

This Agreement may be terminated, with written notice to the Company, by Commerce upon the terms and conditions described in Article 8.

9.11 Severability

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provisions.

9.12 Entire Agreement

This Agreement and the attachments contain the entire agreement and supersedes all communications, understandings or agreements, whether oral or written, relating to the subject matter of this Agreement.

9.11 Notices

All notices, demands, requests, approvals, reports, instructions or other communications which may be required or desired to be given by either party shall be in writing.

A. Notices to Commerce shall be addressed as follows:

David C. Toland, Lt. Governor and Secretary of Commerce
Kansas Department of Commerce
1000 SW Jackson, Suite 100
Topeka, Kansas 66612-1354

B. Notices to the Company shall be addressed as follows:

Brett Robinson, CEO
Integra Technologies, Inc
3450 N. Rock Rd. Bldg. 100
Wichita, KS 67226

With a copy, which shall not constitute notice, to:

Harvey R. Sorensen
Foulston Siefkin LLP
1551 N Waterfront Parkway, Suite 100
Wichita, Kansas 67206

9.12 Independent Contractor

All parties hereto, in the performance of this Agreement, will be acting separately in their respective legal capacities and not as agents, employees, partners, joint venturers in a joint venture,

or as associates of one another. Employees or agents of one party shall not be named or construed to be the employees or agents of the other party for any purpose whatsoever.

9.13 Waiver

In the event of breach of Agreement, or any provision thereof, the failure of Commerce to exercise any of its rights or remedies under this Agreement shall not be construed as a waiver of any such provision of the Agreement breached or as acquiescence in the breach. The remedies herein reserved shall be cumulative and additional to any other remedies at law or in equity.

9.14 Contractual Provisions Attachment

The provisions found in the Contractual Provisions Attachment (Form DA-146a), which is attached hereto and executed by the parties to this Agreement as Attachment K, are hereby incorporated in this Agreement and made a part hereof.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered by their respective officers duly authorized as of the date and year set below.

INTEGRA TECHNOLOGIES, INC
3450 N. Rock Rd. Bldg. 100
Wichita, KS 67226
Phone: (316) 630-6805
FEIN: [16-173]1943

KANSAS DEPARTMENT OF COMMERCE
1000 SW Jackson Street, Suite 100
Topeka, KS 66612-1354
Phone: (785) 296-1913
FEIN: 48-1124839



Brett Robinson, CEO

David C. Toland, Lt. Governor and Secretary

THE ACT

THE APPLICATION

SFC MINUTES AND RESOLUTION

COMPANY QUALIFIED INVESTMENT CERTIFICATION FORM

KANSAS DEPARTMENT OF COMMERCE

1000 SW Jackson Street, Suite 100
Topeka, KS 66612-1354
Phone: (785) 296-1913
FEIN: 48-1124839

Project: Processing
Calendar Year: _____

Period	Amount
End of current Calendar Year	
End of prior Calendar Year	
<i>New Qualified Business Facility Investment</i>	

As an authorized representative for the Company, I hereby certify that all information reported herein is true and correct to the best of my knowledge and belief.

INTEGRA TECHNOLOGIES, INC

By: _____

Name: _____

Title: _____

3450 N. Rock Rd. Bldg. 100
Wichita, KS 67226
Phone: (316) 630-6800
FEIN: [_____]

COMPANY PAYROLL NOTIFICATION FORM

KANSAS DEPARTMENT OF COMMERCE

1000 SW Jackson Street, Suite 100
Topeka, KS 66612-1354
Phone: (785) 296-1913
FEIN: 48-1124839

Project: Processing

Payroll Incentive Period Commencement Date: _____

To the Secretary of Commerce:

This form constitutes notice, pursuant to Section 6.2 of the APEX agreement by and between the Company and Commerce that the Company desires to commence the Payroll Incentive Period on the date shown above.

INTEGRA TECHNOLOGIES, INC

By: _____

Name: _____

Title: _____

3450 N. Rock Rd. Bldg. 100
Wichita, KS 67226
Phone: (316) 630-6800
FEIN: [_____]

COMPANY PAYROLL CERTIFICATION FORM

KANSAS DEPARTMENT OF COMMERCE

1000 SW Jackson Street, Suite 100

Topeka, KS 66612-1354

Phone: (785) 296-1913

FEIN: 48-1124839

Project: Processing

Calendar Year: _____

Calendar Quarter: ____

Item	Amount
Total Wages shown on K-CNS-100	
Additional pretax earnings	
<i>Total Payroll Cost</i>	

Attached hereto is a copy of the K-CNS-100 filed by the Company for the calendar quarter listed above. As an authorized representative for the Company, I hereby certify that all information reported herein is true and correct to the best of my knowledge and belief.

INTEGRA TECHNOLOGIES, INC

By: _____

Name: _____

Title: _____

3450 N. Rock Rd. Bldg. 100

Wichita, KS 67226

Phone: (316) 630-6800

FEIN: [_____]

COMPANY TRAINING NOTIFICATION FORM

KANSAS DEPARTMENT OF COMMERCE

1000 SW Jackson Street, Suite 100

Topeka, KS 66612-1354

Phone: (785) 296-1913

FEIN: 48-1124839

Project: Processing

Training Reimbursement Period Commencement Date: _____

To the Secretary of Commerce:

This form constitutes notice, pursuant to Section 6.3 of the APEX agreement by and between the Company and Commerce that the Company desires to commence the Training Reimbursement Period on the date shown above.

INTEGRA TECHNOLOGIES, INC

By: _____

Name: _____

Title: _____

3450 N. Rock Rd. Bldg. 100

Wichita, KS 67226

Phone: (316) 630-6800

FEIN: [_____]

TRAINING AND EDUCATION REIMBURSEMENT FORM

[See attached spreadsheet.]

COMPANY RESIDENCY NOTIFICATION FORM

KANSAS DEPARTMENT OF COMMERCE

1000 SW Jackson Street, Suite 100

Topeka, KS 66612-1354

Phone: (785) 296-1913

FEIN: 48-1124839

Project: Processing

Residency Reimbursement Period Commencement Date: _____

To the Secretary of Commerce:

This form constitutes notice, pursuant to Section 6.6 of the APEX agreement by and between the Company and Commerce that the Company desires to commence the Residency Reimbursement Period on the date shown above.

A copy of the Company's Residency Incentive Plan is enclosed for Commerce's approval.

INTEGRA TECHNOLOGIES, INC

By: _____

Name: _____

Title: _____

3450 N. Rock Rd. Bldg. 100

Wichita, KS 67226

Phone: (316) 630-6800

FEIN: [_____]

RESIDENCY INCENTIVE PLAN

State of Kansas
Department of Administration DA-146a
(Rev. 07-19)

CONTRACTUAL PROVISIONS ATTACHMENT

Important: This form contains mandatory contract provisions and must be attached to or incorporated in all copies of any contractual agreement. If it is attached to the vendor/contractor's standard contract form, then that form must be altered to contain the following provision:

The Provisions found in Contractual Provisions Attachment (Form DA-146a, Rev. 07-19), which is attached hereto, are hereby incorporated in this contract and made a part thereof.

The parties agree that the following provisions are hereby incorporated into the contract to which it is attached and made a part thereof, said contract being the _____ day of _____, 20__ .

1. **Terms Herein Controlling Provisions:** It is expressly agreed that the terms of each and every provision in this attachment shall prevail and control over the terms of any other conflicting provision in any other document relating to and a part of the contract in which this attachment is incorporated. Any terms that conflict or could be interpreted to conflict with this attachment are nullified.
2. **Kansas Law and Venue:** This contract shall be subject to, governed by, and construed according to the laws of the State of Kansas, and jurisdiction and venue of any suit in connection with this contract shall reside only in courts located in the State of Kansas.
3. **Termination Due To Lack Of Funding Appropriation:** If, in the judgment of the Director of Accounts and Reports, Department of Administration, sufficient funds are not appropriated to continue the function performed in this agreement and for the payment of the charges hereunder, State may terminate this agreement at the end of its current fiscal year. State agrees to give written notice of termination to contractor at least thirty (30) days prior to the end of its current fiscal year and shall give such notice for a greater period prior to the end of such fiscal year as may be provided in this contract, except that such notice shall not be required prior to ninety (90) days before the end of such fiscal year. Contractor shall have the right, at the end of such fiscal year, to take possession of any equipment provided State under the contract. State will pay to the contractor all regular contractual payments incurred through the end of such fiscal year, plus contractual charges incidental to the return of any such equipment. Upon termination of the agreement by State, title to any such equipment shall revert to contractor at the end of the State's current fiscal year. The termination of the contract pursuant to this paragraph shall not cause any penalty to be charged to the agency or the contractor.
4. **Disclaimer Of Liability:** No provision of this contract will be given effect that attempts to require the State of Kansas or its agencies to defend, hold harmless, or indemnify any contractor or third party for any acts or omissions. The liability of the State of Kansas is defined under the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*).
5. **Anti-Discrimination Clause:** The contractor agrees: (a) to comply with the Kansas Act Against Discrimination (K.S.A. 44-1001, *et seq.*) and the Kansas Age Discrimination in Employment Act (K.S.A. 44-1111, *et seq.*) and the applicable provisions of the Americans With Disabilities Act (42 U.S.C. 12101, *et seq.*) (ADA), and Kansas Executive Order No. 19-02, and to not discriminate against any person because of race, color, gender, sexual orientation, gender identity or expression, religion, national origin, ancestry, age, military or veteran status, disability status, marital or family status, genetic information, or political affiliation that is unrelated to the person's ability to reasonably perform the duties of a particular job or position; (b) to include in all solicitations or advertisements

for employees, the phrase "equal opportunity employer"; (c) to comply with the reporting requirements set out at K.S.A. 44-1031 and K.S.A. 44-1116; (d) to include those provisions in every subcontract or purchase order so that they are binding upon such subcontractor or vendor; (e) that a failure to comply with the reporting requirements of (c) above or if the contractor is found guilty of any violation of such acts by the Kansas Human Rights Commission, such violation shall constitute a breach of contract and the contract may be cancelled, terminated or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration; (f) Contractor agrees to comply with all applicable state and federal anti-discrimination laws and regulations; (g) Contractor agrees all hiring must be on the basis of individual merit and qualifications, and discrimination or harassment of persons for the reasons stated above is prohibited; and (h) if it is determined that the contractor has violated the provisions of any portion of this paragraph, such violation shall constitute a breach of contract and the contract may be canceled, terminated, or suspended, in whole or in part, by the contracting state agency or the Kansas Department of Administration.

6. **Acceptance of Contract:** This contract shall not be considered accepted, approved or otherwise effective until the statutorily required approvals and certifications have been given.
7. **Arbitration, Damages, Warranties:** Notwithstanding any language to the contrary, no interpretation of this contract shall find that the State or its agencies have agreed to binding arbitration, or the payment of damages or penalties. Further, the State of Kansas and its agencies do not agree to pay attorney fees, costs, or late payment charges beyond those available under the Kansas Prompt Payment Act (K.S.A. 75-6403), and no provision will be given effect that attempts to exclude, modify, disclaim or otherwise attempt to limit any damages available to the State of Kansas or its agencies at law, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose.
8. **Representative's Authority to Contract:** By signing this contract, the representative of the contractor thereby represents that such person is duly authorized by the contractor to execute this contract on behalf of the contractor and that the contractor agrees to be bound by the provisions thereof.
9. **Responsibility for Taxes:** The State of Kansas and its agencies shall not be responsible for, nor indemnify a contractor for, any federal, state or local taxes which may be imposed or levied upon the subject matter of this contract.
10. **Insurance:** The State of Kansas and its agencies shall not be required to purchase any insurance against loss or damage to property or any other subject matter relating to this contract, nor shall this contract require them to establish a "self-insurance" fund to protect against any such loss or damage. Subject to the provisions of the Kansas Tort Claims Act (K.S.A. 75-6101, *et seq.*), the contractor shall bear the risk of any loss or damage to any property in which the contractor holds title.
11. **Information:** No provision of this contract shall be construed as limiting the Legislative Division of Post Audit from having access to information pursuant to K.S.A. 46-1101, *et seq.*
12. **The Eleventh Amendment:** "The Eleventh Amendment is an inherent and incumbent protection with the State of Kansas and need not be reserved, but prudence requires the State to reiterate that nothing related to this contract shall be deemed a waiver of the Eleventh Amendment."
13. **Campaign Contributions / Lobbying:** Funds provided through a grant award or contract shall not be given or received in exchange for the making of a campaign contribution. No part of the funds provided through this contract shall be used to influence or attempt to influence an officer or employee of any State of Kansas agency or a member of the Legislature regarding any pending legislation or the awarding, extension, continuation, renewal, amendment or modification of any government contract, grant, loan, or cooperative agreement.