

Board Summary**Sunpreme, Inc.**

615 Palomar Avenue, Sunnyvale, CA 94085
 Moris Kori, Advisor to the CEO
 Solar Energy Manufacturing

Date: July 17, 2017
 Main Location: Carson City

Business Type: New County: Clark County Development Authority Representative: Morgan Bunker, LVGEA

APPLICATION HIGHLIGHTS

- Sunpreme, Inc. plans to open a 100,000 square foot manufacturing facility in Clark County.
- Demand for the company's products has began to exceed its ability to supply, hence its need to open a new factory.
- Over the forthcoming 3-4 years, the company hopes to triple its manufacturing capacity in Nevada and potentially hire another 300 or more employees.

PROFILE

Sunpreme Inc. is a privately owned, Silicon Valley based, cell and module manufacturer. The company has developed one of the most advanced solar cell technologies in the world and has been successfully manufacturing solar modules in its pilot plant. It designs, develops, and manufactures hybrid cell technology products used primarily for commercial and industrial applications such as large rooftops and ground mounted power plants. The company's solutions are deployed Globally. Sunpreme Inc. has a strategic partnership with Polar Solar, Inc. and has research and development facilities in Sunnyvale, California; and manufacturing facilities in Shanghai, China. In its 2015 annual report, updated October 2016, Fraunhofer ISE ranked Sunpreme, Inc. among the top three providers of highest efficiency commercial PV modules. *Source: Sunpreme, Inc.*

SIGNIFICANCE OF ABATEMENTS IN THE COMPANY'S DECISION TO RELOCATE/EXPAND

Nevada's state incentives are a critical factor in the company's decision-making process, as its executes its solar cell factory expansion plans. The company based its decision, to locate in Nevada, on the incentive programs offered by the state in conjunction with Nevada's proximity to California where the company is based. *Source: Sunpreme, Inc.*

REQUIREMENTS	Statutory	Application	Sufficient	% Over / Under
Job Creation	50	200	Yes	300%
Average Wage	\$21.35	\$24.14	Yes	13%
Equipment Capex (SU & MBT)	\$1,000,000	\$29,930,000	Yes	2893%
Equipment Capex (PP)	\$5,000,000	\$29,930,000	Yes	499%

INCENTIVES	Requested Terms	Estimated \$ Amount
Sales Tax Abmt.	2% for 2 years	\$1,840,695
Modified Business Tax Abmt.	50% for 4 years	\$323,115
Personal Property Tax Abmt.	50% for 10 years	\$989,221
Total		\$3,153,031

JOB CREATION	Contracted	24-Month Projection	5-Year Projection
	50	200	1000

OTHER CAPITAL INVESTMENT	Land	Building Purchase	BTS / Building Improvements
	\$0	\$0	\$700,000

ECONOMIC IMPACT ESTIMATES (10-Year Cumulative)	Total	Construction
Total Jobs Supported	1,464	72
Total Payroll Supported	\$502,447,461	\$3,222,239
Total Output Estimate	\$1,462,406,496	\$11,107,480

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)	Direct	Indirect	Total
Local Taxes			
Property	\$1,623,280	\$15,565,447	\$17,188,727
Sales	\$279,825	\$8,998,040	\$9,277,865
Lodging	\$0	\$435,573	\$435,573
State Taxes			
Property	\$88,784	\$906,319	\$995,103
Sales	\$689,600	\$3,115,174	\$3,804,774
Modified Business	\$4,338,976	\$2,074,743	\$6,413,719
Lodging	\$0	\$13,612	\$13,612
Total	\$7,020,465	\$31,108,908	\$38,129,373

IMPACT ASSESSMENT	Economic Impact per Abated Dollar	New Total Tax per Abated Dollar
	\$464	\$12.09

EMPLOYEE BENEFITS

- Percentage of health insurance covered by company: 80%.
- Health care package cost per employee - \$18,000 annually with options for dependents.
- Overtime, PTO/Sick/Vacation, COLA Adjustments, Merit Increases, Bonus.

NOTES

- Percentage of market outside of Nevada: 80%.
- The company is also considering Washington and California as potential locations.



June 14, 2017

Mr. Steve Hill
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, Nevada 89101

Dear Mr. Hill,

Sunpreme Inc. is applying to the State of Nevada for tax abatement incentives to include the Sales and Use Tax Abatement, Modified Business Tax Abatement, and Personal Property Tax Abatement. We request that Sunpreme be placed on the agenda for the July GOED Board meeting.

Sunpreme will hire 200 new employees in the first 24 months of operations, making an average hourly wage of \$24.14. The company will make a capital investment of just under \$30 million dollars in equipment.

The Las Vegas Global Economic Alliance has reviewed Sunpreme Inc's application and found it to be in compliance to receive incentive abatements. Sunpreme Inc has the full support and endorsement of the Las Vegas Global Economic Alliance.

Sincerely,

A handwritten signature in black ink, appearing to read "Morgan Bunker", with a long, sweeping underline.

Morgan Bunker
VP Community and Economic Development
Las Vegas Global Economic Alliance

702.791.0000
800.634.6858

6720 VIA AUSTI PARKWAY, SUITE 330
LAS VEGAS, NEVADA 89119

LVGEA.ORG

Sunpreme Inc.

Premium Bifacial Thin Film Solar

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Sunnyvale, CA 94085
www.sunpreme.com
+1-408-245-1112 *Phone*
+1-408-245-2760 *Fax*



June 14, 2017

Mr. Steve Hill
Executive Director
Nevada Governor's Office of Economic Development
555 E. Wahington Ave., Suite 5400, Las Vegas, NV 89101

Dear Mr. Hill:

Sunpreme, Inc., a solar cell and module manufacturer based in Sunnyvale, California, is planning to open a factory in Nevada in 2018, pending availability of the required capital. The choice of Nevada was based on abatement incentives and vicinity to California.

The products to be manufactured will be sold across the United States as well as in other regions of the world. We expect more than 70% of the output to be sold outside Nevada.

Initially, the factory capacity will be 100MW per year and will require a minimum of 200 employees. We want to hire them mainly in Nevada and hope to minimize employee relocation from other states. Our expectation is 80% will be hired in Nevada. Over the following 3-4 years, we hope to triple our manufacturing capacity in Nevada and potentially hire another 300 or more employees.

Sunpreme is a privately owned Silicon Valley based company that developed one of the most advanced solar cell technologies in the world and has been successfully manufacturing solar modules in its pilot plant. Sunpreme modules offer the highest performance to cost ratio available in the market. They are used primarily for commercial and industrial applications such as large rooftops and ground mounted power plants. Over 62MW of our modules have been installed in various locations, mostly in the US, and another 18MW is in progress for the rest of 2017. The demand for our products began to exceed our ability to supply, hence our need and plan to open a new factory in September 2018 and expand it over 2019-2021.

We look forward to joining Nevada's business community as a manufacturing job and revenue provider. We also look forward to contributing to Nevada in social and environmental initiatives.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Ashok K Sinha".

Dr. Ashok Sinha
Chairman & CEO
Sunpreme, Inc.

SUNPREME CONFIDENTIAL

ECONOMIC DEVELOPMENT

Incentive Application

Company Name: SUNPREME INC.
 Date of Application: June 13, 2017

Company is an / a: (check one)
 New location in Nevada
 Expansion of a Nevada company

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

- Sales & Use Tax Abatement
- Modified Business Tax Abatement
- Personal Property Tax Abatement
- Sales & Use Tax Deferral
- Recycling Real Property Tax Abatement
- Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) SUNPREME INC.		FEDERAL TAX ID # 94-3489347	
CORPORATE ADDRESS 615 PALOMAR AVENUE	CITY / TOWN SUNNYVALE	STATE / PROVINCE CA	ZIP 94085
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER 408 245 1112	WEBSITE WWW.SUNPREME.COM		
COMPANY CONTACT NAME MORIS KORI	COMPANY CONTACT TITLE Advisor to the CEO		
E-MAIL ADDRESS mkori@sunpreme.com	PREFERRED PHONE NUMBER (408) 802-1809		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? Yes No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter following quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In urban areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage. In rural areas, the average hourly wage will equal or exceed the lesser of the county-wide average hourly wage or statewide average hourly wage.

Note: Criteria is different depending on whether the business is in a county whose population is 100,000 or more or a city whose population is 60,000 or more (i.e., "urban" area), or if the business is in a county whose population is less than 100,000 or a city whose population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

- Headquarters
- Technology
- Back Office Operations
- Research & Development / Intellectual Property
- Service Provider
- Distribution / Fulfillment
- Manufacturing
- Other: _____

PERCENT OF COMPANY'S NEVADA LOCATION MARKET OUTSIDE OF NEVADA 80%	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) Sep-2018		
NAICS CODE / SIC 334413	INDUSTRY TYPE SOLAR ENERGY - MANUFACTURING		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS SOLAR CELL AND MODULE MANUFACTURING FACILITY WITH 100-300MW ANNUAL OUTPUT CAPACITY			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS TBD	CITY / TOWN	COUNTY	ZIP

WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?

Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)

Check the applicable box when form has been completed.

- 5 (A) Equipment List
- 5 (B) Employment Schedule
- 5 (C) Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.

Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u>Yes</u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p>What year(s)? <u>2018-2028</u></p> <p>How much space (sq. ft.)? <u>100,000</u></p> <p>Annual lease cost of space: _____</p> <p>Do you plan on making building tenant improvements? <u>Yes</u></p> <p>If No, skip to Part 2. If Yes *, continue below:</p> <p>When to make improvements (month, year)? <u>Jan-July 2018</u></p> <hr/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>Purchase date, if buying (month, year): _____</p> <p>How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>When to make improvements (month, year)? _____</p> <hr/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? _____</p> <p>If Yes *, continue below:</p> <p>When to break ground, if building (month, year)? _____</p> <p>Estimated completion date, if building (month, year): _____</p> <p>How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? _____</p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p>What year(s)? _____</p> <p>How much space (sq. ft.)? _____</p> <p>Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p>Expanding at the current facility or a new facility? _____</p> <p>What year(s)? _____</p> <p>How much expanded space (sq. ft.)? _____</p> <p>Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>When to make improvements (month, year)? _____</p> <hr/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p>How much space (sq. ft.)? _____</p> <p>Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p>When to make improvements (month, year)? _____</p> <hr/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? <u>No</u></p> <p>If Yes *, continue below:</p> <p>Purchase date, if buying (month, year): _____</p> <p>When to break ground, if building (month, year)? _____</p> <p>Estimated completion date, if building (month, year): _____</p> <p>How much space (sq. ft.)? _____</p>
* Please complete Section 7 - Capital Investment for New Operations / Startup.	* Please complete Section 7 - Capital Investment for Expansions below.

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):
 LEASE AN EXISTING BUILDING AND CONVERT IT TO A MANUFACTURING FACILITY AND OFFICE SPACE. MANUFACTURING AND OFFICE BUILDINGS CAN BE SEPARATE.

Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

ASHOK K. SINHA

Name of person authorized for signature

Ashok K Sinha

Signature

CHAIRMAN & CEO

Title

June 14, 2017

Date

Nevada Governor's Office of Economic Development

555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name: SUNPREME, INC.

County: Clark

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>5</u>	Transportation infrastructure:	<u>4</u>
Labor costs:	<u>3</u>	Transportation costs:	<u>3</u>
Real estate availability:	<u>2</u>	State and local tax structure:	<u>5</u>
Real estate costs:	<u>2</u>	State and local incentives:	<u>5</u>
Utility infrastructure:	<u>5</u>	Business permitting & regulatory structure:	<u>5</u>
Utility costs:	<u>5</u>	Access to higher education resources:	<u>4</u>

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

5(B) Employment Schedule

Company Name: SUNPREME, INC.

County: Clark

Section 1 - Full-Time Equivalent (FTE) Employees

Directions: Please provide an estimated list of full time employees [columns (a) through (d)] that will be hired and employed by the company by the end of the first eighth quarter of new / expanded operations. For example, if the effective date of new / expanded operations is April 1, 2015, the date would fall in Q2, 2015. The end of the first eighth quarter would be the last day of Q2, 2017 (i.e., June 30, 2017). Attach this form to the Incentives Application.

A qualified employee must be employed at the site of a qualified project, scheduled to work an average minimum of 30 per week, if offered coverage under a plan of health insurance provided by his or her employer, is eligible for health care coverage, and whose position of a "primary job" as set forth in NAC 360.474.

(a) New Hire Position Title/Description	(b) Number of Positions	(c) Average Hourly Wage	(d) Average Weekly Hours	(e) Annual Wage per Position	(f) Total Annual Wages
Management and G&A	10	\$60.00	40	\$124,800.00	\$1,248,000.00
Engineering (Process, QA, Equipment)	20	\$36.00	40	\$74,880.00	\$1,497,600.00
Operation Shift Supervisors	12	\$29.00	40	\$60,320.00	\$723,840.00
Operation Technicians and Operators	158	\$20.00	40	\$41,600.00	\$6,572,800.00
TOTAL	200			\$24.14	\$10,042,240.00

Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete [columns (b) through (c)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment.

(a) Year	(b) Number of FTE(s) Projected	(c) Average Hourly Wage	(d) Payroll
3-Year	300	\$23.50	\$14,664,000.00
4-Year	400	\$23.00	\$19,136,000.00
5-Year	1000	\$24.00	\$49,920,000.00

5(C) Evaluation of Health Plans Offered by Companies

Company Name: SUNPREME, INC.

County: _____

Total Number of Full-Time Employees:	200
Average Hourly Wage per Employee	\$24.14
Average Annual Wage per Employee (implied)	\$50,211.20
Annual Cost of Health Insurance per Employee	\$18,000.00
Percentage of Cost Covered by:	
Company	80%
Employee	20%
Health Plan Annual Out-of-Pocket Maximum	\$3,000

Generalized Criteria for Essential Health Benefits (EHB)

[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]

Covered employee's premium not to exceed 9.5% of annual wage	9.0%	<input type="checkbox"/> MMQ
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Annual Out-of-Pocket Maximum not to exceed \$7,150 (2017)	\$3,000	<input type="checkbox"/> MMQ
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Minimum essential health benefits covered (Company offers PPO):

- | | |
|--|-------------------------------------|
| (A) Ambulatory patient services | <input checked="" type="checkbox"/> |
| (B) Emergency services | <input checked="" type="checkbox"/> |
| (C) Hospitalization | <input checked="" type="checkbox"/> |
| (D) Maternity and newborn care | <input checked="" type="checkbox"/> |
| (E) Mental health/substance use disorder/behavioral health treatment | <input checked="" type="checkbox"/> |
| (F) Prescription drugs | <input checked="" type="checkbox"/> |
| (G) Rehabilitative and habilitative services and devices | <input checked="" type="checkbox"/> |
| (H) Laboratory services | <input checked="" type="checkbox"/> |
| (I) Preventive and wellness services and chronic disease management | <input checked="" type="checkbox"/> |
| (J) Pediatric services, including oral and vision care | <input checked="" type="checkbox"/> |

No Annual Limits on Essential Health Benefits	<input checked="" type="checkbox"/>
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I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached sufficient plan information highlighting where our plan reflects meeting the 65% minimum threshold for the employe paid portion of the plan for GOED to independently confirm the same.

ASHOK K. SINHA

Name of person authorized for signature

Ashok K Sinha

Signature

CHAIRMAN & CEO

Title

6/14/2017

Date