

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (this “Agreement”), dated for purposes of reference as of August 1, 2024, is by and among the **FAYETTE COUNTY DEVELOPMENT AUTHORITY** (the “**Issuer**”), a development authority and public body corporate and politic duly created under the Constitution and laws of the State of Georgia, the **CITY OF PEACHTREE CITY, GEORGIA** (the “**City**”), a municipal corporation of the State, and **GERRESHEIMER PEACHTREE CITY (USA), L.P.** (the “**Company**”), a Georgia limited partnership, each a “**Party**” and collectively the “**Parties**”.

WHEREAS, the Company has previously acquired, constructed and installed a capital project in Fayette County, Georgia (the “**County**”) consisting of certain land described in Exhibit B attached hereto (the “**Existing Leased Land**”), improvements, fixtures and equipment which is currently being used as a medical device manufacturing facility for the Company (the “**Existing Improvements**” and, together with the Leased Land, the “**Existing Facilities**”); and

WHEREAS, the Company desires to acquire, construct and install an expansion to the Existing Facilities, as shown on the site plan attached hereto as Exhibit C (the “**Phase 1 Improvements**”) and to acquire certain additional equipment and fixtures located thereat (the “**Phase 1 Leased Equipment**” and, together with the Phase 1 Leased Improvements, the “**Phase 1 Project**”); and

WHEREAS, the Company desires to acquire certain additional land described in Exhibit B attached hereto (the “**Phase 2 Leased Land**”) and acquire, construct and install improvements and related building fixtures and building equipment thereat (collectively, the “**Phase 2 Project**” and, together with the Existing Facilities and the Phase 1 Project, the “**Projects**”); and

WHEREAS, the Projects shall be leased by the Issuer to the Company for use as part of its medical device manufacturing facility and an economic development project under O.C.G.A. § 36-62-2(6)(N), pursuant to the terms of a Lease Agreement, dated as of August 1, 2024 (the “**Lease Agreement**”), between the Issuer and the Company a copy of which is attached hereto as Exhibit D; and

WHEREAS, the Issuer, the City and the Company entered into a Memorandum of Understanding, dated as of December 21, 2023 (the “**MOU**”), a copy of which is attached as Exhibit A hereto and incorporated herein by reference (All terms that are used but not defined herein, but which are defined in the MOU, shall have the same meaning herein as in the MOU); and

WHEREAS, the MOU provides that an Economic Development Agreement shall be entered into in connection with each Project Phase; and

NOW, THEREFORE, the Parties hereto agree as follows:

1. EDA.

This document constitutes the “Economic Development Agreement” and the “EDA” referred to in the MOU. This document is an addendum to the MOU as it relates to the Phase 1 Project and the Phase 2 Project.

2. Project Phase 1.

(a) Project Phase 1 shall consist of the Phase 1 Leased Improvements and the Phase 1 Leased Equipment.

(b) The estimated costs of acquiring, construction and installing the Project Phase 1 shall be \$65,840,360.

3. Project Phase 2.

(a) Project Phase 2 shall consist of the Phase 2 Leased Land, the Phase 2 Leased Improvements and the Phase 2 Leased Equipment.

(b) The estimated costs of acquiring, construction and installing the Project Phase 2 shall be \$92,840,350.

4. Jobs Goal.

The Jobs Goal for Project Phase 1 and Project Phase 2, as measured from by the aggregate number of new jobs created by the Company in connection with Project Phase 1 and Project Phase 2 after November 15, 2023, shall be 214.

5. Project Bonds.

The Project Bonds for the Phase 1 Project and the Phase 2 Project shall be in the aggregate principal amount of \$176,000,000. Notwithstanding the foregoing, only \$17,319,300 of such aggregate principal amount of the Project Bonds for Project Phase 1 and Project Phase 2 shall be applied to not to exceed aggregate principal amount of \$235,000,000 for the Project Bonds for all Project Phases as provided in the MOU.

6. Obligations.

The Company hereby agrees that it shall be liable for *ad valorem* property taxes on the Existing Facilities, the Project Phase 1 and the Phase 2 Project. The Company shall timely provide to the Board of Assessors complete and accurate information regarding the improvements and equipment relating to the Existing Facilities, the Phase 1 Project and the Phase 2 Project in order for the Board of Assessors to make its determination of value. However, if the Company shall fail to pay any such amounts when due, the Issuer (as landlord under the Bond Lease for the Existing Facilities, the Project Phase 1 and the Phase 2 Project) and the Tax Commissioner, as applicable, shall have recourse against the Company.

7. Ad Valorem Tax Savings.

a. Existing Facilities. During the term of the Lease Agreement, the fair market value of the Company's leasehold interest in the Existing Facilities shall be valued at 100% of the fee interest of such assets for any year.

b. Phase 1 Project. During the term of the Lease Agreement, the Company's leasehold interest in the Phase 1 Project shall be valued in accordance with Section 2.2.1 of the MOU. It is agreed that the fair market value of the Leasehold Interest (as defined in the MOU) of the Company in the Phase 1 Project shall increase as the lease term progresses and for any year will equal the "**applicable percentage**" for such year as described above and as set forth below, multiplied by the fair market value of the fee interest of such assets in such year. The "**applicable percentage**" in each year during this ten (10)-year period will be as follows:

<u>Year</u>	<u>Applicable Percentage</u>
2025	0%
2026	10%
2027	20%
2028	30%
2029	40%
2030	50%
2031	60%
2032	70%
2033	80%
2034	90%
2035 and thereafter	100%

c. Phase 2 Project. During the term of the Lease Agreement, the Company's leasehold interest in the Phase 2 Project shall be valued in accordance with Section 2.2.1 of the MOU. It is agreed that the fair market value of the Leasehold Interest (as defined in the MOU) of the Company in the Phase 2 Project shall increase as the lease term progresses and for any year will equal the "**applicable percentage**" for such year as described above and as set forth below, multiplied by the fair market value of the fee interest of such assets in such year. The "**applicable percentage**" in each year during this ten (10)-year period will be as follows:

<u>Year</u>	<u>Applicable Percentage</u>
2026	0%
2027	10%
2028	20%
2029	30%
2030	40%
2031	50%
2032	60%
2033	70%
2034	80%
2035	90%
2036 and thereafter	100%

8. Inspection Rights.

No more often than once per year, the Issuer and its agents shall be permitted to inspect, during normal business hours and upon reasonable notice, the employment records of the Company specifically related to Project Phase 1 and the Phase 2 Project (to verify job information). The Company may reasonably redact such records to protect the confidentiality of the Company and their employees or their customers.

9. Indemnity by the Company.

The Company shall indemnify, hold harmless and defend the Issuer, and its respective officials, members, officers, employees and representatives from and against any and all loss, liabilities and claims (including, without limitation, liens and encumbrances resulting from construction and installation activities) that may arise out of or relate to: (a) any act or omission by or attributable to the Company or its vendors, contractors or subcontractors, agents, employees or representatives, related to Existing Facilities, the Project Phase 1 and the Phase 2 Project; or (b) the transactions, including the Project Bonds or the issuance thereof, or the ownership or operation of the Existing Facilities, the Project Phase 1 and the Phase 2 Project. The indemnity contained in this Section 7 shall not apply in the case of any particular indemnitee to any claim, loss or liability which is the result of the negligence or willful misconduct of such indemnitee.

10. Notices.

Any request, demand, authorization, direction, notice, consent, or other document provided or permitted by this Agreement to be made upon, given or furnished to, or filed with, the Issuer or the Company shall be sufficient for every purpose hereunder if in writing and either (i) delivered personally to the Party or, if such Party is not an individual, to an officer or other legal representative of the Party to whom the same is directed, or (ii) mailed by registered or certified mail, return receipt requested, postage prepaid, or (iii) sent via nationally recognized overnight courier for next business day delivery, as follows:

To the Issuer: Fayette County Development Authority
200 Courthouse Square
Fayetteville, Georgia 30214
Attention: Chairman

With a copy to: Glover & Davis P.A.
10 Brown Street
Newnan, Georgia 30264
Attention: Nathan Lee, Esq.

With a copy to: Gray Pannell & Woodward LLP
336 Hill Street
Athens, Georgia 30601
Attention: James R. Woodward, Esq.

To the Company: Gerresheimer Peachtree City (USA), L.P.
310 Hwy 74 South
Peachtree City, Georgia 30269
Attention: Fred Howery, President and Chief Executive Officer

With a copy to: Warner, Hooper and Ramsey, P.C.
101 World Drive, Suite 325
Peachtree City, GA 30269
Attention: Matthew L. Ramsey, Esq.

11. Project Phase Closing; Effective Date.

This Agreement is being executed and delivered, and shall be effective, as of the Project Phase Closing (as defined in the MOU) for Project Phase 1 and the Phase 2 Project (such date, the “Effective Date”).

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement and caused it to be delivered as of the Effective Date.

The “Issuer”:

**FAYETTE COUNTY DEVELOPMENT
AUTHORITY**

By: _____
Chairman

ATTEST:

Secretary

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The “City”:

CITY OF PEACHTREE CITY, GEORGIA

By: _____
Mayor

ATTEST:

City Clerk

[SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

The “Company”:

**GERRESHEIMER PEACHTREE CITY
(USA), L.P.**

By: _____
Title:

ATTEST:

By: _____
Title:

[SEAL]

Exhibit A

Memorandum of Understanding

(ATTACHED)

Exhibit B

Existing Leased Land

(ATTACH LEGAL DESCRIPTION)

Phase 2 Leased Land

(ATTACH LEGAL DESCRIPTION)

Exhibit C

Lease Agreement

(ATTACHED)

Exhibit D

Site Plan

(ATTACHED)