

AGREEMENT FOR PRIVATE DEVELOPMENT

THIS AGREEMENT FOR PRIVATE DEVELOPMENT (“Agreement”), is made on or as of the ____ day of _____, 2020, by and between the CITY OF JOHNSTON, IOWA, a municipality (the “City”), established pursuant to the Code of Iowa and acting under the authorization of Chapters 15A and 403 (“Urban Renewal Act”) of the Code of Iowa, 2019, as amended, and IMPACT 7G, INC., an Iowa corporation having offices for the transaction of business at 9550 Hickman Road, Suite 105, Clive, Iowa 50325 (“Developer”). The City and Developer are the Parties to this Agreement.

WITNESSETH:

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the City has undertaken a program for the development of an economic development area in the City and is engaged in carrying out urban renewal project activities in an area known as the Windsor Office Park Urban Renewal Area (the “Urban Renewal Area” or “Area”), which is described in the Urban Renewal Plan originally approved for such area by Resolution No. 02-142 on August 19, 2002, and amended by Amendment No. 1 adopted by Resolution No. 16-261 in 2016 (the “Urban Renewal Plan” or “Plan”); and

WHEREAS, the City has also adopted Ordinance No. 655 (the “Ordinance”), under which incremental tax revenues from the Urban Renewal Area are to be deposited into a special tax increment fund of the City pursuant to Section 403.19 of the Code; and

WHEREAS, the City has been presented with a proposal to be undertaken by the Developer to develop the property legally described in Exhibit A attached hereto and made a part hereof (which property as so described is hereinafter referred to as the “Development Property”), which is located within the Urban Renewal Area; and

WHEREAS, under the terms of the proposal the Developer will undertake certain construction activities as described on the attached Exhibit B and thereafter operate its business at the Development Property and commit to hire and retain employees in the community (hereinafter the “Project”) in return for a forgivable loan as specified in Article II of this Agreement (the “Forgivable Loan”); and

WHEREAS, the City believes that the development of the Development Property pursuant to this Agreement and the fulfillment of this Agreement are in the vital and best interests of the City and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the foregoing project has been undertaken and is being assisted.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the Parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

DEVELOPER REPRESENTATIONS AND COVENANTS

1. Minimum Improvements. Developer will cause the improvements described in Exhibit B to this Agreement (the “Minimum Improvements”) to be constructed in accordance with the terms of this Agreement, the Urban Renewal Plan, and all local, State, and federal laws and regulations. Developer shall obtain or cause to be obtained, in a timely manner, all required permits, licenses, and approvals, and shall meet, in a timely manner, all requirements of all applicable local, State, and federal laws and regulations which must be obtained or met before the Minimum Improvements may be lawfully constructed and completed.

2. Employment. Following completion of construction of the Minimum Improvements, Developer shall operate its business within the Minimum Improvements on the Development Property. Development shall create a minimum of 30 Jobs on the Development Property by no later than September 1, 2021, and thereafter Developer shall retain a total Monthly Average of 30 Jobs working at the Development Property until at least the Termination Date. Developer’s Annual Certifications shall show a Monthly Average of at least 30 Jobs at the Development Property from September 1, 2021 until the Termination Date.

For the purposes of this Agreement, “Jobs” means the employment of one natural person, and “Monthly Average” means the average number of Jobs employed as of October 1 of each year and as of the first day of each of the preceding eleven (11) months, as shown in the Developer’s Annual Certifications (submitted pursuant to Article I, Section 13).

3. No Violations or Claims. To its knowledge and with respect to the Project, the Developer is not in material violation of any local, state or federal environmental law or regulation and is not aware of any pending or threatened claim against the Developer with respect to such laws.

4. Total Investment. The Developer represents that its total investment in the Development Property will be not less than \$2,100,000, and that without the Forgivable Loan contemplated herein, Developer would not undertake the Project.

5. Insurance. The Developer agrees during construction of the Minimum Improvements and thereafter until the Termination Date to maintain builder’s risk, property damage, and liability insurance coverages with respect to the Minimum Improvements in such amounts as are customarily carried by like organizations engaged in activities of comparable size and liability exposure with insurance companies reasonably satisfactory to the City, together with such additional coverages as the City may reasonably request, and shall provide evidence of such coverages to the City upon request.

6. Cooperation. Developer will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Minimum Improvements.

7. Completion Date. Developer expects that, barring delays resulting from acts or occurrences outside its reasonable control, including but not limited to storms, floods, fires, explosions or other casualty losses, unusual weather conditions, extraordinary project conditions,

strikes, boycotts, lockouts or other labor disputes, delays in transportation or delivery of material or equipment, litigation commenced by third parties, or the acts of any federal, State or local governmental unit (other than the City), the Minimum Improvements will be completed by September 1, 2021.

8. Operation of Minimum Improvements. Developer will occupy the Minimum Improvements on the Development Property until at least the Termination Date as that term is defined in Article VI, Section 10.

9. Compliance with Laws. Developer will comply with all state, federal, and local laws, rules, and regulations relating to the Minimum Improvements, including laws prohibiting discrimination against any applicant, employee, or tenant because of age, color, creed, national origin, race, religion, marital status, sex, physical disability, or familial status.

10. Available Information. Upon request, Developer shall promptly provide the City with copies of information requested by City that are related to this Agreement so that City can determine compliance with the Agreement.

11. Inspection. Developer agrees that it shall permit designated representatives of the City, upon reasonable notice (which does not have to be written), to enter upon the Development Property during the construction of the Minimum Improvements to inspect such construction and the progress thereof.

12. Real Property Taxes and Assessments. Developer or its successors shall pay, when due, all real property taxes and assessments payable with respect to all and any parts of the Development Property acquired and owned or leased by them and pursuant to the provisions of this Agreement. Until Developer's obligations have been assumed by any other person pursuant to the provisions of this Agreement or legal title to the property is vested in another person, Developer shall be solely responsible for all assessments and taxes. Developer agrees that prior to the Termination Date:

- a. Developer will not seek administrative review or judicial review of the applicability or constitutionality of any tax statute relating to the taxation of real property contained on the Development Property determined by any tax official to be applicable to the Development Property, Minimum Improvements, or Developer, or raise the inapplicability or constitutionality of any such tax statute as a defense in any proceedings, including delinquent tax proceedings;
- b. Developer will not seek any tax exemption deferral or abatement either presently or prospectively authorized under any State, federal, or local law with respect to taxation of real property contained on the Development Property between the date of execution of this Agreement and the Termination Date; and
- c. Developer will not seek to change the current land assessment category from commercial/industrial, or the zoning classification, of the Development Property or the Minimum Improvements.

13. Annual Certification. To assist the City in monitoring the Agreement and performance of Developer hereunder, duly authorized officer of Developer shall provide Annual Certification to the City.

Developer shall annually provide to the City (i) proof that all ad valorem taxes on the Development Property have been paid for the prior fiscal year and any taxes due and payable for the current fiscal year as of the date of certification; (ii) the date the Minimum Improvements were first fully assessed, the value at such assessment and the current assessed value; (iii) a certification of the number of Jobs employed at the Development Property as of October 1 and as of the first day of each of the preceding eleven (11) months (pro-rated for the first Annual Certification); and (iv) a certification that such officer is familiar with the terms and provisions of this Agreement and that at the date of such certification, there is no Event of Default by Developer hereunder, or if the signer is aware of any such Event of Default, said officer shall disclose in such statement the nature thereof, its period of existence and what action, if any, has been taken or is proposed to be taken with respect thereto.

Such statement, proof and certificates required above shall be provided not later than October 15 of each year, commencing October 15, 2022 and ending on October 15, 2026, both dates inclusive. Developer shall provide supporting information germane of its Annual Certification upon request of the City. *See Exhibit D for the form required for Developer's Annual Certification.*

ARTICLE II. **FORGIVABLE LOAN AND PROMISSORY NOTE**

1. Forgivable Loan. For and in consideration of the obligations of the Developer as set forth herein, and as a necessary means of achieving the goals and objectives of the Urban Renewal Plan, the City agrees (subject to the conditions set forth in this Article and this Agreement) to make a Forgivable Loan to the Developer in the amount and calculated according to the formula set forth below in Section 2 (the "Forgivable Loan"). Such loan shall be made as soon as possible after all the Conditions Precedent in Section 3 have been satisfied.

2. Calculation of Loan Amount. The amount of the Forgivable Loan will be calculated based on 70% of the Tax Increment generated by the construction of the Minimum Improvements for five (5) years based on the City's 2021-2022 TIF tax rate. Tax Increment is defined as the property tax revenues generated by the construction of the Minimum Improvements (building only) based on the TIF tax rate for the City of Johnston. The formula to be used is as follows: ((January 1, 2022 assessed value of Development Property (building only, after rollback) following completion of Minimum Improvements - \$1,630 (the January 1, 2020 assessed value of the Development Property, after rollback)) x (the City's 2021-2022 TIF tax rate) x 70%) x 5 = Forgivable Loan amount. The calculation will be done one time using the TIF tax rate shown above and will not be adjusted in future years based on a varying TIF tax rate. The estimated increase in taxable value of the Development Property caused by construction of the Minimum Improvements is expected to be approximately \$2.6 Million. The actual amount of the Forgivable Loan will be finalized once the Development Property is assessed by the Polk County Assessor following completion of the Minimum Improvements and the amount of the Forgivable Loan is

calculated, but in no event shall it exceed the Maximum Amount established by Article II, Section 8.

3. **Conditions Precedent.** Notwithstanding the provisions of Article II, Section 2, the City's obligation to grant Developer the Forgivable Loan under this Agreement shall be subject to satisfaction of the following conditions precedent:

- a. The Developer shall be in material compliance with all the terms and provisions of this Agreement; and
- b. The Minimum Improvements shall be completed and fully assessed, and a certificate of occupancy shall have been issued for the Minimum Improvements; and
- c. The Developer shall have commenced its business operations on the Development Property; and
- d. The Developer shall have executed a Promissory Note in the form attached as Exhibit C.

4. **Forgiveness of the Forgivable Loan.** The Forgivable Loan shall be forgiven at the rate of 20% of the total amount of the Forgivable Loan initially granted to Developer, per year, for five years, beginning on December 31, 2022 and on each December 31st thereafter, provided:

- a. Developer is in compliance with all terms, conditions and obligations of this Agreement as of the date the loan forgiveness is to be granted, including the employment obligations in Article I, Section 2; and
- b. The Minimum Improvements are assessed at a value at or exceeding the assessed valuation of January 1, 2022; and
- c. Developer has paid all ad valorem taxes due with respect to the Development Property and Minimum Improvements; and
- d. Developer has timely filed the Annual Certification required under Section 1.13 hereof and the Council approves thereof.

The City will, on an annual basis beginning the year the Minimum Improvements are fully assessed, make a determination whether Developer is in compliance with the terms, conditions and obligations of this Agreement, (and Developer will supply to the City the Annual Certification and any other substantiation documentation reasonably requested by the City in order to make this determination) and will notify Developer by each December 1 if the Developer does not qualify for that year's loan forgiveness.

5. **Forgivable Loan Default.** If the loan is not forgiven and/or repaid by Developer pursuant to the terms of this Agreement, then an Event of Default has occurred, in which event the City has all the rights under this Agreement and under the terms of the Promissory Note.

6. **Promissory Note.** The Developer will execute a Promissory Note in the form attached as Exhibit C to this Agreement as a condition precedent to the grant of the Forgivable Loan (See Article II, Section 3(d)). Assuming Developer's compliance with this Agreement, the Promissory Note will be reduced by 20% of the initial balance of the Forgivable Loan by each December 31 for five (5) years. The City will provide notice to Developer by December 1 if Developer fails to qualify for that year's loan forgiveness as described in this Article.

Should Developer fail to qualify for loan forgiveness in whole or in part during any year, the remaining balance of the loan that has not been forgiven will become immediately due and payable within thirty (30) days of the date the City sends notice to the Developer of Developer's failure to qualify for loan forgiveness. All unpaid sums will accrue interest at the rate of 4% per annum accruing from the date payment is due.

7. **Cancellation of Promissory Note.** The Promissory Note will be cancelled when no outstanding balance of the Promissory Note exists. No outstanding balance will exist upon occurrence of any of the following:

- a. The entire Forgivable Loan has been forgiven;
- b. The Developer has paid the City the full amount of the Forgivable Loan; or
- c. A portion of the Forgivable Loan has been forgiven, and the Developer has paid the entire remaining balance of the Forgivable Loan to the City.

8. **Maximum Amount.** The total amount of the Forgivable Loan paid by the City to Developer shall not exceed the amount calculated under Article II, Section 2 above, or \$245,000, whichever is less. The City makes no guarantee as to the actual amount of the Forgivable Loan which Developer shall receive. The Forgivable Loan shall be the only monetary consideration given by the City to the Developer in connection with this Agreement.

The Forgivable Loan is only for the Minimum Improvements described in this Agreement and not any future expansions which, to be eligible for additional incentives, would be the subject of an amendment or new agreement, at the sole discretion of the City Council.

ARTICLE III **INDEMNIFICATION**

1. **Release and Indemnification.** Developer releases the City and the governing body members, officers, agents, servants and employees thereof (hereinafter, for purposes of this Article III, the "Indemnified Parties") from, covenants and agrees that the Indemnified Parties shall not be liable for, and agrees to indemnify, defend, and hold harmless the Indemnified Parties against,

any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Minimum Improvements or Development Property.

Except to the extent arising from any willful misrepresentation, gross negligence, or any willful or wanton misconduct or any unlawful act of the Indemnified Parties, Developer agrees to protect and defend the Indemnified Parties, now or forever, and further agree to hold the Indemnified Parties harmless, from any claim, demand, suit, action or other proceedings whatsoever by any person or entity whatsoever arising or purportedly arising from: (i) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand or other proceeding brought by Developer against the City to enforce its rights under this Agreement); (ii) the acquisition and condition of the Development Property and the construction, installation, ownership, and operation of the Minimum Improvements and Development Property; or (iii) any hazardous substance or environmental contamination located in or on the Development Property.

The Indemnified Parties shall not be liable for any damage or injury to the persons or property of Developer or its officers, agents, servants or employees or any other person who may be about the Minimum Improvements or Development Property due to any act of negligence of any person, other than any act of negligence on the part of any such indemnified party or its officers, agents, servants or employees.

The provisions of this Article III shall survive the termination of this Agreement.

ARTICLE IV **PROHIBITION AGAINST ASSIGNMENT AND TRANSFER**

1. Status of Developer; Transfer of Substantially All Assets; Assignment. As security for the obligations of Developer under this Agreement, Developer represents and agrees that, prior to the Termination Date, Developer will maintain its existence as a company and will not wind up or otherwise dispose of all or substantially all of its assets or transfer, convey, or assign its interest in the Development Property, Minimum Improvements, or this Agreement to any other party unless: (i) the transferee partnership, corporation, limited liability company or individual assumes in writing all of the then-outstanding obligations of Developer under this Agreement; and (ii) the City consents thereto in writing in advance thereof. Notwithstanding the foregoing, however, or any other provisions of this Agreement, Developer may pledge any and/or all of its assets as security for any financing of the Minimum Improvements, and the City agrees that Developer may assign the proceeds of the Forgivable Loan under this Agreement for such purpose.

2. Prohibition Against Use as Non-Taxable or Centrally Assessed Property. During the term of this Agreement, Developer, or its successors or assigns, agree that the Development Property cannot be transferred or sold to a non-profit entity or used for a purpose that would exempt the Development Property or Minimum Improvements from property tax liability. Nor can the Development Property or Minimum Improvements be used as centrally assessed property (including but not limited to, Iowa Code § 428.24 to 428.29 (Public Utility Plants and Related Personal Property); Chapter 433 (Telegraph and Telephone Company Property); Chapter 434 (Railway Property); Chapter 437 (Electric Transmission Lines); Chapter 437A (Property Used in

the Production, Generation, Transmission or Delivery of Electricity or Natural Gas); and Chapter 438 (Pipeline Property)).

ARTICLE V **DEFAULT AND REMEDIES**

1. **Events of Default Defined.** The following shall be “Events of Default” under this Agreement and the term “Event of Default” shall mean, whenever it is used in this Agreement, any one or more of the following events during the Term of this Agreement:

- a. Failure by Developer to cause the construction of the Minimum Improvements to be completed pursuant to the terms and conditions of this Agreement;
- b. Transfer of Developer’s interest in the Development Property, Minimum Improvements, or this Agreement in violation of the provisions of this Agreement;
- c. Failure by Developer to pay or cause to be paid ad valorem taxes on the Development Property or Minimum Improvements;
- d. Failure by Developer to substantially observe or perform any covenant, condition, or obligation under this Agreement, including but not limited to the employment obligations;
- e. The holder of any mortgage on the Development Property, or any improvements thereon, or any portion thereof, commences foreclosure proceedings as a result of any default under the applicable mortgage documents;
- f. Failure by Developer to comply with any and all obligations on the Promissory Note;
- g. Developer shall:
 - i. file any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the United States Bankruptcy Act of 1978, as amended, or under any similar federal or state law; or
 - ii. make an assignment for the benefit of its creditors; or
 - iii. admit in writing its inability to pay its debts generally as they become due; or
 - iv. be adjudicated as bankrupt or insolvent; or if a petition or answer proposing the adjudication of Developer as bankrupt or either entity’s reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be

discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of Developer or the Minimum Improvements, or part thereof, shall be appointed in any proceedings brought against Developer and shall not be discharged within ninety (90) days after such appointment, or if Developer shall consent to or acquiesce in such appointment; or

- h. Any representation or warranty made by Developer in this Agreement or in any written statement or certificate furnished by Developer pursuant to this Agreement, shall prove to have been incorrect, incomplete or misleading in any material respect on or as of the date of the issuance or making thereof.

2. **Loan Forgiveness Contingent.** The loan forgiveness set out in Article II is wholly contingent upon the Developer and its successors being and remaining in compliance with the obligations, responsibilities, and covenants of this Agreement. Under no circumstances will the Developer be entitled to, or have a claim of interest in, any past loan forgiveness for a year in which Developer was not entitled to receive that year's loan forgiveness.

3. **Developer Breach.** If the Developer fails to perform any of its obligations under this Agreement, and fails to cure said breach within thirty (30) days after written notice from the City to the Developer, the City may (i) suspend its performance under this Agreement, (ii) terminate this Agreement upon written notice to the Developer, or (iii) demand payment in full of the Forgivable Loan or otherwise enforce the terms of the Promissory Note, or (iv) take any other legal or equitable action deemed appropriate to enforce the Developer's obligations under this Agreement.

4. **No Remedy Exclusive.** No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

5. **No Implied Waiver.** In the event any agreement contained in this Agreement should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

6. **Enforcement Costs.** Whenever any Event of Default occurs and the City shall employ attorneys or incur other expenses for the collection of payments due or to become due or for the enforcement or performance or observance of any obligation or agreement on the part of Developer herein contained, Developer agrees that it shall, on demand therefor, pay to the City the reasonable fees of such attorneys and such other expenses as may be reasonably and appropriately incurred by the City in connection therewith.

ARTICLE VI **MISCELLANEOUS**

1. **Conflict of Interest.** Developer represents and warrants that, to its best knowledge and belief after due inquiry, no officer or employee of the City, or their designees or agents, nor any consultant or member of the governing body of the City, and no other public official of the City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision-making process or gain insider information with regard to the Project, has had or shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work or services to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

2. **Notices.** Notices, demands, or other communications under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- a. In the case of Developer, is addressed or delivered personally to Impact 7G, Inc. at 9550 Hickman Road, Suite 105, Clive, Iowa 50325, Attn: Ryan Peterson, President;
- b. In the case of the City, is addressed to or delivered personally to the City at 6221 Merle Hay Road, PO Box 410, Johnston, Iowa 50131, Attn: City Clerk;

or to such other designated individual or officer or to such other address as either party shall have furnished to the other in writing in accordance herewith.

3. **Iowa Law Controlling.** This Agreement shall be governed and construed under the laws of the State of Iowa.

4. **Entire Agreement.** This Agreement and the Exhibits here referenced shall constitute the entire agreement between the City and the Developer and supersedes all other written and oral agreements, discussions and negotiations.

5. **Amendments.** This Agreement may not be amended or assigned by either party without the express written permission of the other party.

6. **Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute one and the same instrument.

7. **Severability.** In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

8. **Successors and Assigns.** This Agreement is intended to and shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

9. No Third-Party Beneficiaries. No rights or privileges of either party hereto shall inure to the benefit of any landowner, contractor, subcontractor, material supplier, or any other person or entity, and no such contractor, landowner, subcontractor, material supplier, or any other person or entity shall be deemed to be a third-party beneficiary of any of the provisions contained in this Agreement.

10. Termination. This Agreement shall terminate and be of no further force or effect after the date on which the Forgivable Loan is completely forgiven by the City or completely repaid by the Developer, unless terminated earlier under the provisions of this Agreement.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its authorized representative, all on or as of the day first above written.

[Signatures start on the next page]

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(SEAL)

CITY OF JOHNSTON, IOWA

By: _____
Paula Dierenfeld, Mayor

ATTEST:

By: _____
Cyndee Rhames, City Clerk

STATE OF IOWA)
) SS
COUNTY OF POLK)

On this _____ day of _____, 2020, before me a Notary Public in and for said State, personally appeared Paula Dierenfeld and Cyndee Rhames, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Johnston, Iowa, a Municipality created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said Municipality, and that said instrument was signed and sealed on behalf of said Municipality by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said Municipality by it voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Agreement – City of Johnston]

IMPACT 7G, INC., an Iowa corporation

By: _____
Ryan Peterson, President

STATE OF IOWA)
)
COUNTY OF POLK)

On this _____ day of _____, 2020, before me the undersigned, a Notary Public in and for said State, personally appeared Ryan Peterson, to me personally known, who, being by me duly sworn, did say that he is the President of Impact 7G, Inc., and that said instrument was signed on behalf of said corporation; and that the said Ryan Peterson as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by him voluntarily executed.

Notary Public in and for the State of Iowa

[Signature page to Agreement – Impact 7G, Inc.]

EXHIBIT A
DEVELOPMENT PROPERTY

The Development Property is described as follows:

LOT 10 WINDSOR OFFICE PARK PLAT 1 IN POLK COUNTY, IOWA

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EXHIBIT B
MINIMUM IMPROVEMENTS

Minimum Improvements means the construction of a 11,000 square foot Class A office building located on the Development Property, to be used as the corporate headquarters office for Developer's business, together with all related site improvements. The exterior of the building will include natural limestone and glass features. The construction of the Minimum Improvements is expected to be completed by September 1, 2021.

See Exhibit B-1 for site plans of the Minimum Improvements.

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EXHIBIT B -1
SITE PLANS

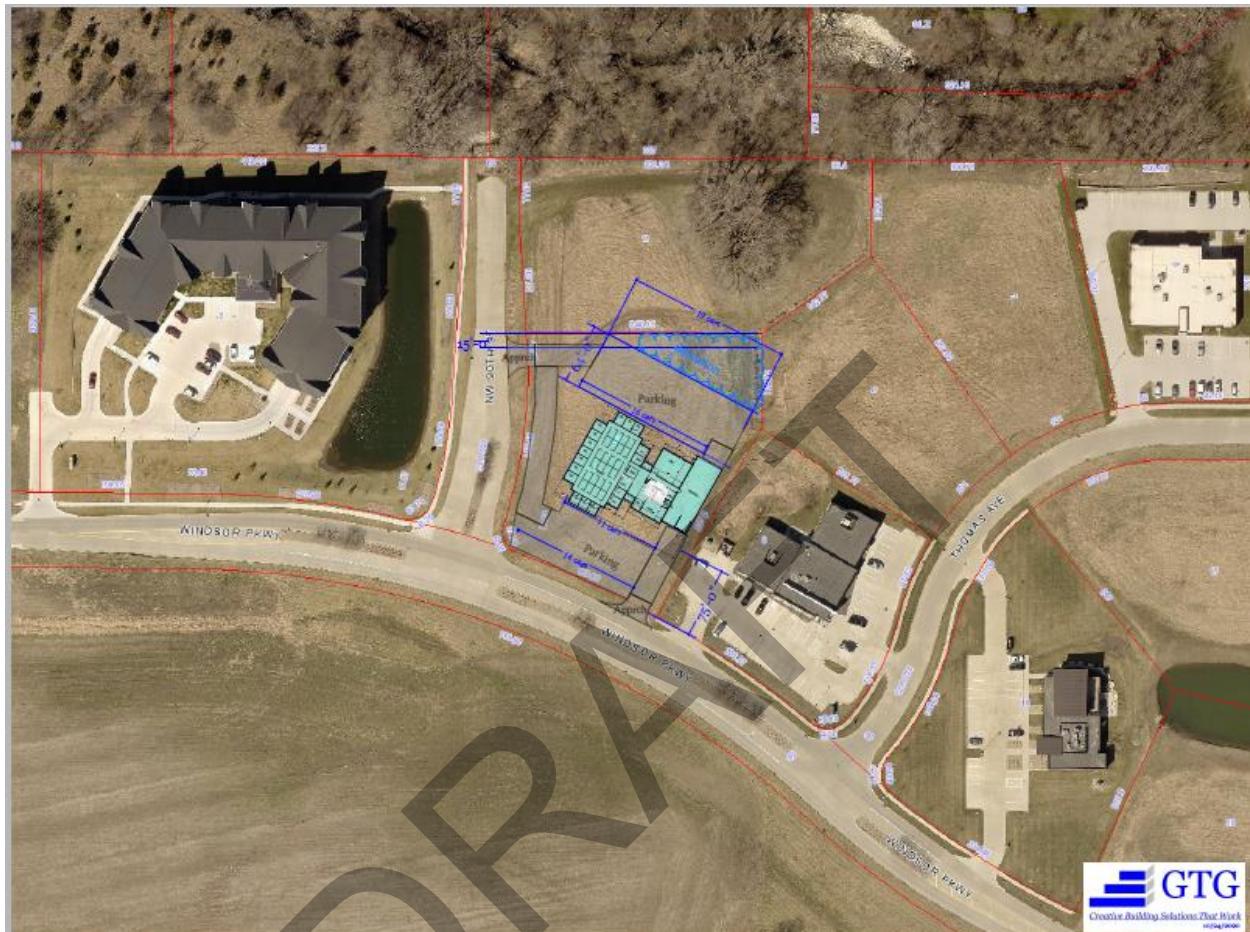


EXHIBIT C
PROMISSORY NOTE

_____, 20____

FOR VALUE RECEIVED, IMPACT 7G, INC., an Iowa corporation (the “Borrower”) agrees and promises to pay to the order of the CITY OF JOHNSTON, IOWA, a municipality (the “Lender”) the total amount of the Forgivable Loan as defined and calculated in that certain Agreement for Private Development dated _____, 2020 between the parties (“Development Agreement”). The following are the terms of this Promissory Note (“Note”).

1. The entire principal balance hereof or the portion due and owing shall be payable to the Lender according to the terms of the Development Agreement, unless this Note is forgiven or cancelled pursuant to the terms of the Development Agreement. If Lender does not forgive or cancel this Note, or if Borrower has not repaid the amount of the principal or the portion due and owing, as defined by the Development Agreement, or if Borrower defaults under any term or condition of the Development Agreement, then Borrower will be in Default and subject to the consequences for Default in Paragraph 3 of this Note and the Development Agreement.

2. The Borrower may at any time prepay without penalty all or any part of the unpaid principal balance of this Note.

3. Any default under the Development Agreement shall be a Default hereunder and payment may be accelerated. Upon Default, the Lender may, at its option, exercise any and all rights and remedies available to it under this Promissory Note, or any applicable law, including, without limitation, the right to collect from the Borrower all sums due under this Note with interest accruing at an annual rate of 4% beginning 30 days following the City’s demand for payment until paid in full. The Borrower hereby waives presentment, demand for payment, notice of nonpayment, notice of dishonor, protest, and all other notices or demands in connection with the delivery, acceptance, performance, or Default of this Note.

4. If this Note is placed in the hands of an attorney for collection after Default in the payment of principal or interest, or if all or any part of the indebtedness represented hereby is proved, established, or collected in any court or in any bankruptcy, receivership, debtor relief, probate, or other court proceeding, the Borrower shall pay all reasonable costs and expenses incurred by or on behalf of Lender in connection with the Lender’s exercise of any or all of its rights and remedies under this Note, including, without limitation, court costs, and attorneys’ fees.

5. No delay or failure of the Lender to exercise any power or right shall operate as a waiver thereof, and such rights and powers shall be deemed continuous; nor shall a partial exercise preclude full exercise of such rights and powers. No right or remedy of the Lender shall be deemed abridged or modified by any course of conduct, and no waiver thereof shall be predicated thereon.

6. The obligations of the Borrower under the terms of this Note shall be binding on the successors-in-interest, legal representatives, and assigns of the Borrower, and shall inure to the benefit of the Lender and the Lender's successors-in-interest, legal representatives, and assigns.

7. This Note is also subject to the terms and conditions of the Development Agreement.

IMPORTANT: READ BEFORE SIGNING: The terms of this Note and the Development Agreement should be read carefully because only those terms in writing are enforceable. No other terms or oral promises not contained may be legally enforced. You may change the terms of this Promissory Note only by another written agreement.

Dated as of _____, 20____.

IMPACT 7G, INC., an Iowa corporation

By: _____
Ryan Peterson, President

STATE OF IOWA

COUNTY OF POLK

On this _____ day of _____, 20____, before me the undersigned, a Notary Public in and for said State, personally appeared Ryan Peterson, to me personally known, who, being by me duly sworn, did say that he is the President of Impact 7G, Inc., and that said instrument was signed on behalf of said corporation; and that the said Ryan Peterson as such officer, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by him voluntarily executed.

Notary Public in and for the State of Iowa

EXHIBIT D
DEVELOPER ANNUAL CERTIFICATION
(due by October 15th as required under terms of Development Agreement)

Developer certifies the following:

During the time period covered by this Certification, Developer is and was in compliance with the Agreement as follows:

(i) attached hereto is proof that all ad valorem taxes on the Minimum Improvements and Development Property have been paid for the prior fiscal year and any taxes due and payable for the current fiscal year as of the date of certification;

(ii) the Minimum Improvements were first fully assessed on January 1, 20____, at a full assessment value of \$_____ and are currently assessed at \$_____;

(iii) The number of Jobs employed at the Development Property as of October 1, 20____ and as of the first day of each of the preceding eleven (11) months were are follows:

October 1, 20____:
September 1, 20____:
August 1, 20____:
July 1, 20____:
June 1, 20____:
May 1, 20____:

April 1, 20____:
March 1, 20____:
February 1, 20____:
January 1, 20____:
December 1, 20____:
November 1, 20____:

(iv) the undersigned officer of Developer is familiar with the terms and provisions of this Agreement and certifies that Developer is not in default in the fulfillment of any of the terms and conditions of this Agreement, or if the signer is aware of any such Event of Default, said officer has disclosed the nature thereof, its period of existence and what action, if any, has been taken or is proposed to be taken with respect thereto.

I certify under penalty of perjury and pursuant to the laws of the State of Iowa that the preceding is true and correct to the best of my knowledge and belief.

Signed this _____ day of _____, 20____.

IMPACT 7G, INC., an Iowa corporation

By: _____
Ryan Peterson, President