



MARK W. SMITH

Direct Dial 423-785-8357
Direct Fax 423-321-1527
Mark.Smith@millermartin.com

January 14, 2022

Office of the Comptroller
Board of Equalization
Cordell Hull Building
425 Fifth Avenue North
Nashville, Tennessee 37243-3400

Attention: Ms. Arlene Hailey

RE: Economic Development Agreement – 329 Market, LLC and Steam Logistics, LLC Project – The Industrial Development Board of the City of Chattanooga

Dear Ms. Hailey:

Pursuant of T.C.A. §4-17-301, *et seq.*, we have enclosed a copy of an Agreement For Payments In Lieu of Ad Valorem Taxes with respect to the 329 Market, LLC and Steam Logistics, LLC project. and a copy of the cost-benefit analysis form.

We are including the City Mayor's copy of this letter and the Agreement as part of the closing transcripts that we are delivering to IDB and City counsel Phil Noblett, and we are forwarding the County Mayor's copy of this letter by copy of this letter to County Attorney Rheubin Taylor.

If you have any questions or need anything further, please do not hesitate to call.

Sincerely,

Mark W. Smith

MWS:cjb

Enclosures

cc: Phil Noblett, Esq. (w/enc.)
Rheubin Taylor, Esq. (w/enc.)

Volunteer Building Suite 1200
832 Georgia Avenue | Chattanooga, TN | 37402-2289
Office 423.756.6600 Fax 423.785.8480
millermartin.com

ATLANTA
CHARLOTTE
CHATTANOOGA
NASHVILLE

**AGREEMENT FOR PAYMENTS IN LIEU
OF AD VALOREM TAXES**

THIS AGREEMENT (the "Agreement") is made and entered into as of this the 5th day of January, 2022, by and among **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA** (the "Board"); **STEAM LOGISTICS, LLC** and **329 MARKET, LLC** (together, the "Companies" and each, a "Company"); the **CITY OF CHATTANOOGA** (the "City"); and **HAMILTON COUNTY** (the "County") and is joined in, for purposes of evidencing their acceptance of the agency relationship established herein, by **WILLIAM F. HULLANDER and his successors, acting in the capacity of HAMILTON COUNTY TRUSTEE** (the "Trustee"), and by **MARTY HAYNES and his successors, acting in the capacity of HAMILTON COUNTY ASSESSOR OF PROPERTY** (the "Assessor").

WITNESSETH:

WHEREAS, the Companies are contemplating (i) the acquisition and improvement of certain real property in Chattanooga, Hamilton County, Tennessee, as more particularly described on Exhibit A attached hereto (the "Real Property"); and (ii) the acquisition of equipment and other personal property (including replacements of such property), as more particularly described on Exhibit B attached hereto and incorporated herein (the "Personal Property") (the Personal Property and the new improvements to the Real Property shall be referred to as the "Project"), resulting in an investment of at least \$11,200,000 and the creation of at least 400 full-time jobs which jobs shall have an average annual wage (excluding benefits) equal to at least \$56,000 (collectively the "Investment, Jobs and Wage Projection") between October 1, 2021 and October 1, 2026 (the "Five Year Period"); and

WHEREAS, the Companies have requested the Board's assistance with the Project; and

WHEREAS, substantial economic benefits to the City and County economies will be derived from the Project; and

WHEREAS, the Board agrees to hold title to the Real Property and the Personal Property, together with all additions thereto, replacements thereof, and substitutions therefor (collectively, the "Property") and to lease the Property to the Companies pursuant to those certain Lease Agreements (each, a "Lease" and, collectively, the "Leases"), based on the documents dated of even date herewith, between the Board and each Company; and

WHEREAS, because the Property is to be owned by the Board, which is a public corporation organized under the provisions of Tennessee Code Annotated, § 7-53-101, *et seq.*, the Property will be exempt from ad valorem property taxes ("property taxes") normally paid to the City and to the County, so long as the Property is owned by the Board, pursuant to the provisions of Tennessee Code Annotated, § 7-53-305; and

WHEREAS, for the public benefit of the citizens of the City and the County, the Board has requested that the Companies make certain payments to the Board in lieu of the payment of property taxes that would otherwise be payable on the Property; and

WHEREAS, the Companies have agreed to make such payments to the Board in lieu of the property taxes otherwise payable on the Property (the "In Lieu Payments"), as more particularly set forth hereinafter; and

WHEREAS, the Board has been authorized to receive the In Lieu Payments in lieu of property taxes by resolutions adopted by the City and the County, acting through their duly elected Council and Commission, respectively, which resolutions delegate to the Board the authority to accept the In Lieu Payments upon compliance with certain terms and conditions, including, without limitation, the requirement that the Board collect and expend such payments in furtherance of the public purposes for which the Board was created; and

WHEREAS, the Companies and the Board have agreed that all In Lieu Payments made to the Board by the Companies shall be paid to the City of Chattanooga Treasurer (the "Treasurer") and the Trustee, who shall disburse such amounts to the City and the County in accordance with the requirements specified herein; and

WHEREAS, the Board wishes to designate the Assessor as its agent to appraise the Property and assess a percentage of its value in the manner specified herein; and

WHEREAS, the Board wishes to designate the Treasurer and the Trustee as its agents to receive the In Lieu Payments in accordance with the terms of this Agreement;

NOW, THEREFORE, IN CONSIDERATION OF the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

1. Designation of Assessor; Appraisal and Assessment of Property. The Board hereby designates the Assessor as its agent to appraise and assess the Property. The Assessor shall appraise and assess the Property in accordance with the Constitution and laws of the State of Tennessee as though the Property were subject to property taxes. The Assessor shall give the Treasurer, the Trustee, the Board, and the Companies written notice of any changes in appraisals of the Property in the same manner that notices are given to owners of taxable property. The Assessor shall make available to the Board and the Companies all records relating to the appraisal and assessment of the Property.

2. Designation of Trustee; Computation and Billing of Payments In Lieu of Taxes. The Board hereby designates the Treasurer and the Trustee and as its agents to compute the amounts of the In Lieu Payments, to receive such payments from the Companies and to disburse such payments to the City and the County. On or about October 1 of each year during the term of this Agreement, the Treasurer and the Trustee shall compute the taxes which would be payable on the Property if it were subject to property taxes, in accordance with the Constitution and laws of the State of Tennessee and in accordance with the appraisal and assessment of the Assessor. Each year hereunder, the Treasurer and the Trustee shall send the Board and each Company bills for appropriate amounts of In Lieu Payments (the "Tax Bill").

3. Payments in Lieu of Taxes. After receipt of the Tax Bill, each Company shall pay to the Treasurer and the Trustee the amounts indicated on the Tax Bills for its respective portion of the Property which amounts shall be determined in accordance with the provisions set forth

below in Section 4. The In Lieu Payments shall be made by each Company in lieu of the property taxes which would otherwise be payable on the Property if it were subject to property taxes.

4. Amount of Payments by the Companies. For the nine (9) year period covering and inclusive of years 2023 through 2031 (the "Tax Abatement Period"), each Company shall make In Lieu Payments with respect to its respective portion of the Project in an amount, as determined by the Assessor, the Treasurer and the Trustee, equal to the following percentage of the taxes that would have been payable on the portion of the Project if it were subject to property taxes for the respective years shown:

Year	City General Fund	County General Fund	County School Fund
2023	0%	0%	100%
2024	25%	25%	100%
2025	40%	40%	100%
2026	50%	50%	100%
2027	50%	50%	100%
2028	50%	50%	100%
2029	50%	50%	100%
2030	50%	50%	100%
2031	50%	50%	100%

For the avoidance of doubt, the parties intend that the Companies shall make (i) In Lieu Payments in an amount equal to one hundred percent (100%) of all ad valorem taxes that would be dedicated to the support of the County school system, which the Companies and County acknowledge and agree currently equates to 45.22% of the amount of the total County taxes that would have been payable on the Project if it were subject to property taxes (the "School Portion"), and (ii) In Lieu Payments in an amount equal to the above graduated amounts for all other ad valorem taxes of County that would have been payable on the Project if it were subject to property taxes, excluding the educational portion of the County ad valorem taxes.

For any portion of the Property other than the Project, each Company shall make In Lieu Payments in an amount, as determined by the Assessor, the Treasurer and the Trustee, equal to one hundred percent (100%) of the amount of taxes that would have been payable on its portion of the Property if it were subject to property taxes. For the avoidance of doubt, the parties intend that the reduced In Lieu Payments under this Agreement shall only apply to the Personal Property and to any new improvements in the Real Property that are undertaken pursuant to this Agreement.

For any periods before the Tax Abatement Period or after the Tax Abatement Period that the Property is owned by the Board and leased to the Companies, the Companies shall make In Lieu Payments in an amount, as determined by the Assessor, the Treasurer and the Trustee, equal to one hundred percent (100%) of the amount of taxes that would have been payable on the Property if it were subject to property taxes.

Notwithstanding the above, any amounts assessed as property taxes against the Property shall be credited against any In Lieu Payments due under this Agreement.

5. Penalties and Late Charges. Each Company shall make its In Lieu Payments for each year during the term before March 1 of the following year. All In Lieu Payments shall be subject to penalties, late charges, fees and interest charges as follows:

(a) If a Company fails to make its In Lieu Payment when due, then a late charge shall be charged and shall also be immediately due and payable. The late charge shall be in the amount of one and one-half percent (1-1/2%) of the owed amount. Additional late charges of one and one-half percent (1-1/2%) of the amount shall accumulate and become immediately due and payable upon the expiration of each subsequent thirty (30) day period when there remains any outstanding unpaid amount.

(b) If a Company should fail to pay all amounts and late charges due as provided hereinabove, then the Board, the City or the County may bring suit against the Company in the Chancery Court of Hamilton County to seek to recover the In Lieu Payments due, late charges, expenses and costs of collection in addition to reasonable attorneys' fees.

6. Minimum Requirements; Annual Review; Increase in Amount of In Lieu Payments. The companies covenant as follows for the benefits included in this Agreement:

(a) Minimum Requirements. Steam Logistics, LLC must meet one hundred percent (100%) of the Minimum Job Requirement and the Companies must meet one hundred percent (100%) of the Minimum Investment Requirement by the end of the Five Year Period (the "Determination Date") and during each calendar year thereafter during the Tax Abatement Period. For purposes of this Section, the "Minimum Jobs Requirement" equals 360 full-time jobs, and the "Minimum Investment" equals \$10,080,000. For purposes of meeting the Minimum Investment Requirement and the Minimum Jobs Requirement, Steam Logistics, LLC may also include jobs created and the Companies may also include capital expenditures made at other facilities of the Companies in the City in connection with the Project.

(b) Annual Employment Review. If Steam Logistics, LLC fails to achieve the Minimum Jobs Requirement during the calendar year immediately following the Determination Date or during in any calendar year thereafter during the Tax Abatement Period, the City and the County reserve the right but are not obligated to increase the amount of the general fund In Lieu Payments applicable to the Project for the same calendar year in which such failure occurs by a percentage equal to 100% less " Steam Logistics, LLC's Job Performance" for such calendar year (the "Job In Lieu Payment Percentage Increase"). " Steam Logistics, LLC's Job Performance" for any calendar year means the proportion, expressed as a percentage, that the average number of full-time jobs actually maintained by Steam Logistics, LLC bears to the Minimum Job Requirement. In no event shall the Companies' annual General Fund In Lieu Payments exceed one hundred percent (100%) of the general fund taxes that would be assessed against the Project if it were subject to general fund taxes.

Example 1:

Total number of full-time jobs as of December 31, 2027 = 400
Minimum Job Requirement = 360
No increase in In Lieu Payments for 2027
(Minimum Job Requirement has been exceeded)

Example 2:

Total number of full-time jobs as of December 31, 2027 = 342
Minimum Job Requirement = 360
Job Performance = 95%
Job In Lieu Payment Percentage Increase for 2027 = 5%
(In Lieu Payment Percentages for 2027 for the City General Fund and the County General Fund may be increased by 5%, and in this example, the In Lieu Payment Percentage for 2027 for the City General Fund and for the County General Fund may be increased from the current requirement of 50% to 55%)

(c) Annual Investment Review. If the Companies fail to achieve the Minimum Investment Requirement during the calendar year immediately following the Determination Date or during in any calendar year thereafter during the Tax Abatement Period, the City and the County reserve the right but are not obligated to increase the amount of the general fund In Lieu Payments applicable to the Project for the same calendar year in which such failure occurs by a percentage equal to 100% less the "Companies' Investment Performance" for such calendar year (the "Investment In Lieu Payment Percentage Increase"). The "Companies' Investment Performance" for any calendar year means the proportion, expressed as a percentage, that the actual aggregate capital investment made by the Companies through the end of such calendar year, including all capital investment made in the preceding calendar years in connection with the Project, bears to the Minimum Investment Requirement. In no event shall the Companies' annual General Fund In Lieu Payments exceed one hundred percent (100%) of the general fund taxes that would be assessed against the Project if it were subject to general fund taxes.

Example 3:

Total amount of capital investment through December 31, 2027 = \$12,500,000
Minimum Investment Requirement = \$10,080,000
No increase in In Lieu Payments for 2027 (Minimum Investment Requirement has been exceeded)

Example 4:

Total amount of capital investment through December 31, 2027 = \$9,072,000

Minimum Investment Requirement = \$10,080,000

Companies' Investment Performance = 90%

Investment In Lieu Payment Percentage Increase for 2027 = 10%

(In Lieu Payment Percentages for 2027 for the City General Fund and the County General Fund may be increased by 10%, the In Lieu Payment Percentage for 2027 for the City General Fund and for the County General Fund may be increased from the current requirement of 50% to 60%)

Such formula shall be evaluated on an annual basis until the Minimum Investment Requirement has been met or exceeded, whereupon no further evaluations or increase in the amount of the In Lieu Payments pursuant to this Section 6(c) shall occur.

(d) Single Adjustment Regarding Tax Abatement; Issuance of Supplemental Bill to the Companies. If both the annual employment review under Section 6(b) and the investment review under Section 6(c) for any calendar year indicate an increase in the In Lieu Payments for the same calendar year in which such failure occurs, and if the City and the County elect to increase the In Lieu Payments for such calendar year, then the City and the County shall determine whether the increase under Section 6(b) or Section 6(c) shall apply, which shall be the sole remedy for a shortfall in the Investment, Jobs and Wage Projection. The increase under Section 6(b) and Section 7(c) shall not be combined. If the City and the County increase the amount of the In Lieu Payments pursuant to the annual employment review under Section 6(b) for any calendar year, then they may not, in the same year, also increase the amount of the In Lieu Payments pursuant to Section 6(c), and vice versa. For example, using Examples 2 and 4 shown above, the City and the County may elect to either (i) increase the amount of the In Lieu Payments to the City General Fund and the County General Fund under Section 6(b) by 5% or (ii) increase the amount of the In Lieu Payments to the City General Fund and the County General Fund under Section 6(c) by 10%. In accordance with the foregoing and once a determination has been made of the Jobs In Lieu Payment Percentage Increase or the Investment In Lieu Payment Percentage Increase, whichever is determined to be applicable, the Trustee shall compute the amount of the additional In Lieu Payment resulting therefrom and will issue a supplemental bill to the Companies for that payment.

(e) Project Closure. In the event the Project closes or moves from the City and/or the County during the Tax Abatement Period, the City and the County reserve the right to immediately terminate the tax abatements provided by this Agreement and require the partial repayment of amounts from each Company that would have been payable on its respective portion the Property during the Tax Abatement Period as if it were subject to property taxes. The provisions of this subsection (e) shall be the sole remedy for a closure or relocation of the Project.

7. Talent Development and Local Opportunity.

(a) Steam Logistics, LLC will make good faith efforts, in consultation with the City, County and Chattanooga Area Chamber of Commerce (the "Chamber") to work with area

workforce development partners jointly designated by the City, County and Chamber to develop a talent pipeline for future job opportunities at the Project.

(b) Steam Logistics, LLC will make good faith efforts, in consultation with the City, County and Chamber to publicize available job opportunities at the Project so as to maximize the opportunities for qualified residents of Hamilton County, Tennessee to seek and gain employment at the Project.

(c) Steam Logistics, LLC will make good faith efforts, in consultation with the City, County and Chamber, to publicize available construction and service contract opportunities at the Project so as to maximize the opportunities for qualified contractors located in Hamilton County, Tennessee to seek and gain contracts in connection with the Project.

8. Disbursements by the Treasurer and Trustee. All sums received by the Treasurer pursuant to Section 3 for the benefit of the City General Fund shall be disbursed to the general funds of the City in accordance with this Section and in accordance with the normal requirements of law governing the settlement and paying over of taxes to counties and municipalities. All sums received by the Trustee pursuant to Section 3 for the benefit of the County general fund shall be disbursed to the general fund of the County in accordance with this Section and in accordance with the normal requirements of law governing the settlement and paying over of taxes to counties and municipalities. All such sums received by the Treasurer shall be placed into an account for the use and benefit of the City. All such sums received by the Trustee shall be divided into an account for the use and benefit of the County. The account for the use and benefit of the City shall be funded with the proportionate amount to which the In Lieu Payments are attributable to property taxes which would otherwise be owed to the City, and the account for the use and benefit of the County shall be funded with the proportionate amount to which the In Lieu Payments are attributable to property taxes which would otherwise be owed to the County. All sums received by the Trustee pursuant to Section 3 for the benefit of the County school system shall be disbursed to the County and thereafter deposited into an account for the educational use and benefit of the County schools. The parties acknowledge and agree that all disbursements to the City and County pursuant to this Agreement are in furtherance of the Board's purposes as set forth in Tennessee Code Annotated § 7-53-305.

9. Economic Development Lease Payments to City and County. For each calendar year in which the In Lieu Payment Percentage as to the City General Fund and as to the County General Fund (see chart in Section 4) is less than 100%, an Economic Development Payment to the City and to the County equal to 15% of their respective general fund property taxes (but, for clarity, expressly excluding the School Portion) that would otherwise be payable for such year on the Project if it were subject to property taxes as calculated by the Treasurer and Trustee pursuant to Section 2 above, shall be computed and collected by the Treasurer and Trustee; provided, however, in no event shall the total of the Companies' annual City General Fund and County General Fund In Lieu Payments plus the Economic Development Payment to the City and the County exceed one hundred percent (100%) of the respective City and County general fund taxes that would be assessed against the Project if it were subject to general fund taxes. Beginning in 2023, this Economic Development Payment will be paid for each year that the Property is owned by the Board through and including 2031 if the In Lieu Payment Percentage as to the City General Fund and as to the County General Fund (see chart in Section 4) for such calendar year is less than

100%. If the Board's ownership ceases during any calendar year, then that year's Economic Development Payment will be prorated, but in no event shall the total of the Companies prorated tax payments, prorated City and County In Lieu Payments plus the prorated Economic Development Fee exceed one hundred percent (100%) of the prorated City and County property taxes that would be assessed against the Project if it were subject to City and County taxes. The Trustee shall add the Economic Development Payment as a separate line item on the Tax Bill, and the Companies shall pay their respective portions of the Economic Development Payment for each such year during the term before March 1 of the following year. Any failure to pay the Economic Development Payment on or before March 1 shall result in penalties and late charges calculated in the same manner as penalties and late charges are calculated for In Lieu Payments under this Agreement.

The Trustee shall not deduct any part of the Economic Development Payment from the School Portion of the In Lieu Payments. The Trustee shall disburse the County's Economic Development Payment to the County.

10. Contest by the Companies. The Companies shall each have the right to contest the appraisal or assessment of the Property by the Assessor, the computation by the Treasurer and the Trustee of the amount of the In Lieu Payment and the calculation of the Economic Development Payments. If the Companies contest any such appraisal or assessment, then it shall present evidence to the Assessor in favor of its position. If the In Lieu Payments, or the Economic Development Payments, as applicable, being contested shall be or become due and payable, the Companies shall make such payments under protest. The Companies and the Assessor, the Treasurer or the Trustee, as the case may be, shall negotiate in good faith for a period not to exceed sixty (60) days to resolve any disputes as to appraisal, assessment or computation of the In Lieu Payment or the Economic Development Payments, as applicable. If the Companies and the Assessor, the Treasurer or the Trustee, as the case may be, are unable to resolve a dispute, then the Companies may file suit in the Chancery Court of Hamilton County to ask that the provisions of this Agreement, including those covering appraisal, assessment and computation, be construed or applied to the relevant facts by the Chancery Court in order to resolve such dispute.

11. Lien on the Property. Any amounts which remain payable under this Agreement shall become a lien on the Property, and such lien shall be enforceable against the Property in the event that any payment owing hereunder is not timely made in accordance with this Agreement.

12. Term. This Agreement shall become effective on the date that the Board leases the Property to the Companies and shall continue for so long as the Board holds title to any of the Property and leases such property to the Companies or the Companies have made all payments required hereunder, whichever shall later occur.

13. Leasehold Taxation. The Board, the City, the County, the Treasurer, the Trustee and the Assessor acknowledge and agree that the Companies' real and personal property leasehold interests in the Property under the Lease shall not be subject to assessment for ad valorem tax purposes. If the leasehold interests of the Companies in the Property should be subject to ad valorem taxation for any year hereunder, then any amounts assessed as taxes thereon shall be credited against any In Lieu of Tax Payments and Economic Development Payments paid under this Agreement and carried forward from year to year until fully utilized.

14. Notices, etc. All notices and other communications provided for hereunder shall be written (including facsimile transmission and telex), and mailed or sent via facsimile transmission or delivered addressed as follows:

Board:	The Industrial Development Board of the City of Chattanooga 100 E. 11 th Street, Suite 200 Chattanooga, Tennessee 37402 Attention: Phil Noblett
The City:	Emily O'Donnell City Attorney City of Chattanooga 100 E. 11 th Street, Suite 200 Chattanooga, Tennessee 37402
The County:	Rheubin M. Taylor County Attorney Hamilton County Government Room 204, County Courthouse Chattanooga, Tennessee 37402
Steam Logistics, LLC	Jason Provonsha CEO 325 Market Street, Suite 204 Chattanooga, Tennessee 37402
With a Copy to:	Colton Sadler General Counsel 325 Market Street, Suite 204 Chattanooga, Tennessee 37402
329 Market, LLC	329 Market, LLC c/o Todd Phillips 832 Georgia Avenue, Suite 300 Chattanooga, Tennessee 37402
With a Copy to:	Noon Management, LLC c/o General Counsel 832 Georgia Avenue, Suite 300 Chattanooga, Tennessee 37402
The Assessor	Hamilton County Assessor of Property Hamilton County Courthouse Chattanooga, Tennessee 37402

The Treasurer: City of Chattanooga Treasurer
101 East 11th Street
Chattanooga, TN 37402

The Trustee: Hamilton County Trustee
Hamilton County Courthouse
Chattanooga, Tennessee 37402

Any such person may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent. All such notices and communications shall, when mailed by registered and certified mail, return receipt requested, Express Mail, or facsimile, be effective when deposited in the mails or if sent upon facsimile transmission, confirmed electronically, respectively, addressed as aforesaid.

15. No Waiver; Remedies. No failure on the part of any party hereto, and no delay in exercising any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. The remedies provided in this Agreement are cumulative and are not exclusive of any remedies provided by law.

16. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court or jurisdiction, the invalidity of any such clause or provision shall not affect any of the remaining provisions of this Agreement.

17. No Liability of Board, City and County Officers. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any incorporator, member, official, director or officer, as such, of the Board, the City or the County, whether past, present or future, either directly or through the Board, the City or the County. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, director or officer, as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

18. Assignment.

(a) Except in the event of the conveyance of all or a portion of the Property or all or a portion of a leasehold interest in the Property as a result of a foreclosure or deed in lieu of foreclosure or except as otherwise provided in this Section, each Company may only assign its portion of this Agreement, or any part hereof, with the prior consent of the Mayor of the City, the Mayor of the County, and the Board. The Mayor of the City, the Mayor of the County and/or the Board shall not withhold such consent upon the occurrence of all of the following conditions: (i) there is no default under this Agreement at the time of the assignment, (ii) all requirements of the applicable Company under this Agreement have been satisfied as of the date of the assignment, and (iii) any assignee agrees to provide proof of sufficient assets to fund the applicable Company's portion of the business plan for the Project and agrees to be bound by the terms of this Agreement from and after the date of assignment (the "Consent Requirements"). If the applicable Company

provides the Mayor of the City, the Mayor of the County and the Board (x) a certificate of an officer of the Company certifying that the requirements of (i) and (ii) have been satisfied and (y) proof of sufficient assets to fund the business plan for the Project and a copy of an assignment and assumption agreement pursuant to which the assignee agrees to be bound by the terms of this Agreement, the Mayor of the City, the Mayor of the County and the Board shall each have the option, upon at least seven (7) days' prior notice to the Company, to meet with a representative of the Company within forty-five (45) days of receipt of the Company's certificate for purposes of determining whether the Company has satisfied the Consent Requirements. Unless the Mayor of the City, the Mayor of the County and the Board meet with the Company and all state in writing within such forty-five (45) day period that the Company has not satisfied the Consent Requirements, the Company may assign this Agreement in accordance with the terms and conditions described in the Company's certificate without any further action of the Mayor of the City, the Mayor of the County and/or the Board. In the event that the Mayor of the City, the Mayor of the County and the Board timely state in writing that the Company has not satisfied the Consent Requirements, the Company and the assignee may, upon the Company's request, appear before the City Council of the City, the Board of Commissioners of the County and the Board to request approval of such assignment pursuant to the terms of this Section, which consents shall not be unreasonably withheld. Upon satisfaction of the requirements of this Section, the assignment shall relieve the Company from liability for any of its obligations hereunder as of the effective date of the assignment.

(b) Notwithstanding the provisions of subsection (a), above, and notwithstanding any other provision in this Agreement or the applicable Lease to the contrary, a Company may make a collateral assignment of all or any portion of its interests in this Agreement, its Lease and its portion of the Property for the benefit of one or more banks or other lenders that, from time to time, provide financing to the Company. Nothing in this Agreement or the applicable Lease shall in any way restrict any sale or transfer of the leasehold interest and other interests of the Company in its portion of the Property pursuant to a judicial or non-judicial foreclosure sale as a result of the exercise of any one or more lender's rights under the applicable loan documents. The City, the County and the Board shall cooperate with each Company, to the extent reasonable and at no additional cost to the City, County or Board, in consummating any financing for the Company that involves a pledge or assignment of the Company's interests in this Agreement, the Lease or its portion of the Property. Without limitation of the foregoing, the Mayor of the City, the Mayor of the County, and the Chairman of the Board, or any of their respective designees, are authorized, upon the Company's request, enter into or consent to such documents as are necessary to consummate such financing including, without limitation, consents to assignment, deeds of trust, estoppel certificates, subordination and non-disturbance agreements, affidavits and certificates, provided that any such documents are expressly non-recourse to the City, County and Board beyond the Board's interest in the Property.

19. Binding Effect. This Agreement shall be binding upon and inure to the benefit of each of the parties and signatories hereto and to their respective successors and assigns.

20. Governing Law. The Agreement shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

21. Amendments. This Agreement may be amended only in writing, signed by each of the parties hereto, except that the Treasurer, the Trustee and the Assessor shall not be required to join in amendments unless such amendments affect their respective duties hereunder.

22. Annual Report. On or before January 31 of each year this Agreement is in effect, the Companies shall provide a report to the Mayor of the City and to the Mayor of the County summarizing its investment in the Property and the development and operation of the Project for purposes of analyzing the Companies' progress in achieving the Investment, Jobs and Wage Projection. An independent audit of these certifications may occur if requested by the City or County during any calendar year of this Agreement.

23. Stormwater Fees. In addition to the other requirements under this Agreement, 329 Market, LLC shall be responsible for all stormwater fees assessed by the City against the Real Property within the City limits.

24. Rights and obligations of Steam Logistics, LLC; Limited liability of 329 Market, LLC. For so long as Steam Logistics, LLC subleases the Real Property from 329 Market, LLC, Steam Logistics, LLC shall be jointly liable for the liabilities of 329 Market, LLC under this Agreement, and Steam Logistics, LLC shall join in and have the same rights and obligations with respect to the Real Property as 329 Market, LLC has under this Agreement. 329 Market, LLC shall have no rights or obligations under this Agreement with respect to the Personal Property under this Agreement, and Board, the City and the County shall look solely to Steam Logistics, LLC for the performance of such obligations.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.

ATTEST:

**THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF CHATTANOOGA**

By:
Secretary

By:
Chairman

STEAM LOGISTICS, LLC

By:  _____

329 MARKET, LLC

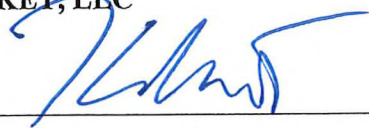
By: _____

STEAM LOGISTICS, LLC

By: _____

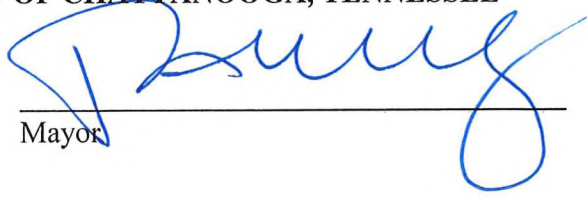
329 MARKET, LLC

By: _____

A handwritten signature in blue ink is written over the signature line for 329 MARKET, LLC. The signature is stylized and appears to be a first name followed by a last name.

CITY OF CHATTANOOGA, TENNESSEE

By:



A handwritten signature in blue ink, appearing to read 'D. King', is written over a horizontal line.

Mayor

HAMILTON COUNTY, TENNESSEE

By: J. M. Coppinger
County Mayor

WILLIAM F. HULLANDER

By: William F. Hullander
Hamilton County Trustee

MARTY HAYNES

By: Marty Haynes
Hamilton County Assessor of Property

EXHIBIT "A"
TO PILOT AGREEMENT

REAL PROPERTY

[Property address for reference purposes only: 329 Market Street]

IN THE CITY OF CHATTANOOGA, HAMILTON COUNTY, TENNESSEE;

The South Twenty-five (25) feet of Lot Twenty-one (21), and the North Fifty (50) feet of Lot Twenty-three (23), Market Street, Original Plan of the Town of Chattanooga, in the City of Chattanooga, Hamilton County, Tennessee, said part of lots make one tract of ground fronting 75 feet on the West line of Market Street and extending back Westwardly of uniform width a distance of 200 feet to the East line of Broad Street. LESS AND EXCEPT that part conveyed in Quitclaim Deed recorded in Book 10341, Page 150, in the Register's Office of Hamilton County, Tennessee.

EXHIBIT "B"
TO PILOT AGREEMENT

PERSONAL PROPERTY

The Project shall include all equipment and other tangible personal property that is installed or otherwise located on or about or used in connection with the real property described in Exhibit A attached to this Agreement during the Five-Year Period, together with replacements thereof and substitutions therefor, in connection with the Companies' facilities and operations on such property. Notwithstanding the foregoing, the personal property subject to this Agreement does not include any personal property that is already in service at any operation of either of the Companies in the City and the County as of the effective date of the Agreement.

Cost Versus Benefit Analysis for Payment In Lieu of Ad Valorem Tax

This form should be included with every PILOT agreement submitted to the Comptroller's Office at
<https://www.comptroller.tn.gov/boards/state-board-of-equalization/sboe-services/property-tax-incentive-programs.html>

Instructions: Complete fields shaded gray. Additional comments and information about costs or benefits associated with the project may be attached.

Date:

Person Completing the Form:
 Title:

Lessor:
 Lessee:
 Describe Abatement Term:
 Lease Term Begin Date: Lease Term End Date:

Comments/Description:

Industry Group (drop down box):
 NAICS Code (drop down box):

Step 1	<input type="text" value="400"/> Number of New Jobs	x	<input type="text" value="\$26.92"/> Average Hourly Wage	x	<input type="text" value="2080"/> Hours	=	<input type="text" value="\$22,397,440"/> Direct Income	x	<input type="text" value="1.774"/> Earnings multiplier*	<input type="text" value="\$39,739,778"/> Total New Direct, Indirect & Induced Income		
Step 2	<input type="text" value="400"/> Number of New Jobs	x	<input type="text" value="2.0113"/> Employment multiplier*	=	<input type="text" value="804.5"/> Total Number of New Direct, Indirect & Induced Jobs							
Step 3	<input type="text" value="\$39,739,778"/> Direct, Indirect & Induced Income	x	<input type="text" value="0.0942"/>	=	<input type="text" value="\$3,743,487"/> New Total Annual State Tax	x	<input type="text" value=".606"/>	=	<input type="text" value="\$2,268,553"/> New Annual State Sales Tax	x	<input type="text" value="0.162"/> Local Sales Tax	<input type="text" value="\$367,506"/> New Annual Local Sales Tax

Total New Direct, Indirect & Induced Jobs:	<input type="text" value="804.5"/>
Total Direct, Indirect & Induced Income:	<input type="text" value="\$ 39,739,777.79"/>
Total of New Annual State & Local Sales Tax:	<input type="text" value="\$ 2,636,058.78"/>

First Full Year of Service*
 PILOT Payment County:
 PILOT Payment City:

** Please attach essential terms relating to PILOT, including term and method of calculation.*

Estimated Project Cost:

Personal Property:	<input type="text" value="\$10,000,000"/>
Real Property:	<input type="text" value="\$1,200,000"/>
Total Project Cost:	<input type="text" value="\$ 11,200,000.00"/>

Clawback? Yes or No:

Delegation Resolution(s)
 Date of County Resolution:
 Date of City Resolution:

*RIMS II employment and income multipliers for the State of Tennessee