

BUSINESS INCENTIVE AGREEMENT
 NORTH DAKOTA DEPARTMENT OF COMMERCE
 SFN 59686 (06/2015)

(For office use only) Project Number	File Number
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The RECIPIENT specified below has been approved to receive a business incentive from the state of North Dakota. Therefore, in fulfillment of the requirements of North Dakota Century Code § 54-60.1-03, the grantor of the business incentive (**GRANTOR**) and the entity to receive the business incentive (**RECIPIENT**) must enter into a **Business Incentive Agreement**. This Business Incentive Agreement provides project data and specifies the goals the RECIPIENT has agreed to meet in order to receive the state business incentive.

Should the value of this incentive be less than \$25,000, and should the RECIPIENT receive no additional incentives to bring the total to \$25,000 or more within twelve months, the reporting requirements outlined in North Dakota Century Code § 54-60.1-05 and in this agreement, will not go into effect.

Grantor

Name of GRANTOR/GRANT ADMINISTRATOR	On Behalf Of		
Address	City	State	ZIP Code

Recipient

Name of RECIPIENT Business	Also known as		<input type="checkbox"/> Business <input type="checkbox"/> Individual
Mailing Address	City	State	ZIP Code
Street Address	City	State	ZIP Code
Location of Project (street address, city)			
Business Classification of RECIPIENT (3 digit NAICS Code)			
Parent Company of RECIPIENT (if any)			
Street Address	City	State	ZIP Code

Recipient Contact Information

Main Contact Person	Email Address
Title	Telephone Number

Location of Recipient PRIOR to receiving this business incentive (if relocating)

Street Address	City	State	ZIP Code
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Business Owners or Shareholders

List the names and addresses of all individuals or shareholders owning twenty percent (20%) or more of this business.

Owner or Shareholder	Mailing Address	City	State	ZIP Code

Project Information

Benefit Date	Incentive Value
Project Description	
Incentive Description	
Is this incentive tax increment financing? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please explain the type of district	

Incentive Type (check only one)

<input type="checkbox"/>	Direct cash transfer, loan, or equity investment
<input type="checkbox"/>	Contribution of property or infrastructure
<input type="checkbox"/>	Reduction or deferral of tax or fee
<input type="checkbox"/>	Guarantee of payment under loan, lease, or other obligation
<input type="checkbox"/>	Preferential use of a government facility
<input type="checkbox"/>	Interest buy-down

Public Purpose (check only one)

<input type="checkbox"/>	Assisting community development
<input type="checkbox"/>	Increasing tax base
<input type="checkbox"/>	Directly creating employment opportunities
<input type="checkbox"/>	Indirectly creating employment opportunities through increased economic activity
<input type="checkbox"/>	Job Retention (only in cases where job loss is specific and demonstrable)

Is this a new business or a business with no full-time employees? Yes No

If yes, please enter '0' for the current number of jobs, average hourly wage, and average hourly benefits below.

If no, please enter the current number of jobs, average hourly wage and average hourly benefits below.

Current Employment, Wages, Benefits and Compensation

Current Number of Full Time Equivalent Employees (FTE's) ¹	Average Hourly Wage ²	Average Hourly Benefits ³	Average Hourly Compensation (Wage plus Benefits) ⁴
<input type="checkbox"/> Seasonal Please explain:			

Goal Information

In exchange for the incentive provided by the GRANTOR, the RECIPIENT agrees to, within 2 years, (check only one)			
<input type="checkbox"/> Create Jobs <input type="checkbox"/> Retain Jobs <input type="checkbox"/> Neither create nor retain jobs ⁵			
Number of jobs (FTE's) to be created or retained	Average Hourly Wage	Average Hourly Benefits	Average Hourly Compensation (Wage plus Benefits)

¹ Full time equivalent employees (FTE's) work 32 hours per week or greater. The exception is when a single position is filled by two people. In this instance each person needs to work 20 hours per week or greater to be considered an FTE. Please round job numbers to the nearest 0.5 FTE.

²Wage includes wages, salary, bonuses and commissions.

³ Benefits include health, disability, life and retirement benefits or insurance premiums paid by the employer; an employee's share of payroll taxes paid by the employer; and other fringe benefits such as housing allowance and transportation expense.

⁴Wage plus benefits.

⁵If 'Neither create nor retain jobs' is checked, please enter '0' for number of jobs, wage and benefits goals. All RECIPIENTS must file recipient reports as described on page 3 of this document, including those with no job, wage or benefits goals.

In addition to meeting the goals outlined in this document, the RECIPIENT agrees to the following terms as specified by [N.D.C.C. §54-60.1](#):

1. The RECIPIENT shall continue operation in the jurisdiction in which the business incentive is used for five years or more after the benefit date.
2. RECIPIENT reports requesting current job, wage and benefit information will be mailed to the RECIPIENT by the GRANTOR. The RECIPIENT shall complete, sign and return this annual recipient report to the GRANTOR within 60 days of the annual anniversary of the benefit date for a period of two years or until the goals specified in the Business Incentive Agreement have been met, whichever is later.

If the recipient report is not received within those 60 days, the GRANTOR shall mail the RECIPIENT a warning letter. The RECIPIENT then has 14 days from the postmarked date of that warning letter to file a report. If the recipient report is still not received, the RECIPIENT may be charged one hundred dollars (\$100) from the GRANTOR for each subsequent day until the report is received. The maximum penalty under this section may not exceed one thousand dollars (\$1,000).

3. If, after 2 years, the job and compensation goals listed in the Business Incentive Agreement are not met, the RECIPIENT shall continue to provide recipient reports to the grantor until the incentive is repaid to the grantor. At a minimum, a recipient that fails to meet business incentive agreement goals shall pay back the value of the incentive to the GRANTOR prorated to reflect any partial fulfillment of the job and compensation goals. There is an exception to this financial obligation for any unmet goals that result from an act of God or terrorism.
4. The Business Incentive Agreement shall only be modified or extended by the GRANTOR pursuant to N.D.C.C. §54-60.1-04.
5. If the terms of the Business Incentive Agreement are not met, RECIPIENT, including all individuals or shareholders owning twenty percent (20%) or more of the business, will not be eligible to receive a business incentive from any GRANTOR for a period of five years from the date of failure or until RECIPIENT satisfies its repayment obligation.

By signing this document, RECIPIENT agrees to the terms noted herein, verifies that it has not failed to meet the terms of any business incentive agreement in the last five years and confirms that it has disclosed, in Attachment "A" of this agreement, all additional financial assistance received from state or political subdivision GRANTORS for this project.

GRANTOR

Title	Authorized Signature	Date
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RECIPIENT

Title	Authorized Signature	Date
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Each person signing this Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligation hereunder have been duly authorized and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

ATTACHMENT "A"

RECIPIENT verifies it has received additional financial assistance from state or political subdivision GRANTORS from the following entities for this project since its inception. A listing of incentives from past projects (i.e. past expansions) is not required.

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
Description of Assistance		

GRANTOR		On Behalf Of
Benefit/Pending Benefit Date	Value of Assistance	Type of Incentive
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