

INCENTIVE AGREEMENT

This Incentive Agreement is effective December 13, 2017, and is entered into between the following parties:

GO TOPEKA:

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.
120 SE 6th Avenue, Suite 110
Topeka, KS 66603-3515
Phone: (785) 234-2644
FAX: (785) 234-8656
Contact Person/Title: Mathew Pivarnik, President/CEO

BUSINESS:

THE PREMIER ADVISORY GROUP, INC.
3620 SW Fairlawn
Topeka, KS 66614

Contact Person: Earl D. Kemper
Phone: 970-222-9455

WHEREAS, BUSINESS is a Colorado corporation in good standing and qualified to do business under the laws of the State of Kansas; and

WHEREAS, BUSINESS is contemplating moving its operations within Topeka, Kansas, and investing approximately Two Million Dollars (\$2,000,000) to acquire, renovate and equip an office at 100 S. Kansas Ave., Topeka, Kansas; and

WHEREAS, in connection with such move, BUSINESS is contemplating creating an estimated Forty-five (45) new full

time employment positions with an estimated average annual salary of \$52,000, in addition to the existing 17 Topeka, Kansas, employees; and

WHEREAS, GO TOPEKA desires to assist and promote BUSINESS by offering up to Two Hundred Twenty-five Thousand Dollars (\$225,000) in employment incentives; and

WHEREAS, the parties wish to memorialize their understanding regarding the details of the incentive package by this legally enforceable contract.

WITNESSETH:

NOW, THEREFORE, in consideration of such mutual benefits and of the mutual covenants and agreements expressed herein, the parties covenant and agree as follows:

1. **Local Employment Incentive.** GO TOPEKA agrees to provide to BUSINESS an employment incentive ("Employment Incentive") for new Full Time Employment Positions maintained by the BUSINESS for a calendar year, subject to the limitations and requirements below. As of September 13, 2017, BUSINESS employed seventeen (17) employees, so only Full Time Employment Positions in excess of that number shall qualify for an incentive hereunder. To qualify for the Employment Incentives available pursuant to this Agreement, the new Full Time Employment Positions must have average annual compensation of at least \$52,000 per position, when averaged against all of the new Full Time Employment Positions. Each new Full Time Employment Position is eligible to receive up to \$5000, paid in \$1000 increments over five years upon maintaining the position for each of five consecutive calendar years.

As used herein, a "Full Time Employment Position" is an employee position that includes approximately 2080 paid hours of service in Shawnee County, Kansas, during each calendar year. Notwithstanding the foregoing if: (A) a new Full Time Employment Position is created before June 30 of a particular year (within the timeframe permitted in this Agreement); and (B) has at least 1040 paid hours of service in Shawnee County, Kansas, in that same year; the position may qualify for the first incentive installment in the next year, but shall be required to be maintained for full calendar years thereafter to qualify for future incentive installments. To the extent incentives are claimed for these partial year positions, the compensation for those positions shall be annualized for purposes of determining the average compensation of all claimed new Full Time Employment Positions. For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, bonuses or other cash incentives paid by BUSINESS to the Full Time Employment Position in a calendar year, but does not include benefits. Each position shall be eligible to receive health insurance benefits, at least part of the premiums of which are paid by the BUSINESS, and paid holiday and vacation leave. Nothing herein shall require that a Full Time Employment Position be held by the same person, nor shall this Agreement preclude BUSINESS from changing the title, purpose or utility of a position (as long as it meets the other requirements identified herein, including compensation). Each Full Time Employment Position must be one which has the BUSINESS withholding and paying all federal, state and local employment

taxes attributable to the employee. More than one position cannot be aggregated to qualify for an Employment Incentive.

A Full Time Employment Position shall not fail to qualify for the Employment Incentive if the position is vacated (voluntarily or otherwise) and BUSINESS is undertaking an open and active search and such position is filled within ninety (90) days after the vacancy during the calendar year. If the position is filled within that time at a qualifying salary, the vacancy will not preclude the availability of the Employment Incentive. (If unfilled for longer than ninety (90) days during a calendar year, the position will cease to qualify as Full Time Employment Position and will not be eligible for an Employment Incentive for that year).

Notwithstanding anything to the contrary herein, a maximum employment incentive available hereunder shall not exceed Forty-Five Thousand Dollars (\$45,000) in any one year or Two Hundred Twenty-five Thousand Dollars (\$225,000) in aggregate for the term of this Agreement. To qualify for an incentive, a new Full Time Employment Positions must be in place by December 31, 2022.

Installments of the Employment Incentive shall be available to be earned beginning on September 14, 2017, with the Employment Incentive installment relating thereto paid in 2019, and the last qualifying year (depending when a position was added) ending on December 31, 2027 (with the Employment Incentive relating thereto paid in 2028).

GO TOPEKA will endeavor to make an incentive payment by April 31 each year (beginning in 2019, and ending in 2028), for the qualifying Full Time Employment Positions maintained for the

entire previous calendar year; provided, however, that BUSINESS must first provide GO TOPEKA with sufficient documentation relating to such employment levels (as required elsewhere herein).

The parties recognize there may be some turnover and fluctuations in the BUSINESS' employment levels. Therefore, subject to the termination provision, a position may qualify for an Employment Incentive in one year after failing to qualify in a prior year.

For purposes of illustration, if BUSINESS adds ten (10) new Full Time Employment Positions receiving qualifying averaged and annualized compensation before June 30, 2018, BUSINESS would be eligible to receive an Employment Incentive installment in the amount of \$10,000 ($\$5000/5 \text{ years} * 10 \text{ employees}$) in 2019 (if the positions were maintained as required through the end of 2018). If, for 2019 there were no changes except that there was the addition of another qualifying position (and the average compensation remained above \$52,000) BUSINESS would be eligible to receive \$11,000 in 2020. If in 2020 the average new Full Time Employment Position average compensation fell below \$52,000, then the BUSINESS would not be entitled to an Employment Incentive in 2021.

2. **Employment Incentive Calculation Documentation.**

When and as reasonably requested by GO TOPEKA, BUSINESS shall provide GO TOPEKA with state and federal employment, tax return and/or other information reasonably necessary to establish employment levels in Shawnee County, Kansas, for purposes of calculating Employment Incentives and monitoring BUSINESS's

performance hereunder. GO TOPEKA is granted the right to audit financial documents at any time during this Agreement. GO TOPEKA is granted the right to reduce payments made to the BUSINESS by amounts found to be improper, unauthorized or unsubstantiated. GO TOPEKA shall have sole authority in this regard and shall base its decision upon information submitted, including absence of documents to substantiate expenditure.

3. **Use of Funds.** The funds received by BUSINESS pursuant hereto shall be used for the purpose of employment or training of persons to be employed in Shawnee County, Kansas.

4. **Termination.** If BUSINESS fails to maintain at least a minimum of seventeen (17) (new or established) Full Time Employment Positions in Shawnee County, Kansas, after the effective date of this Agreement until the earlier of (a) the end of the 2028, which is the last year in which to qualify for an Employment Incentive), or (b) at such time as all possible incentives have been earned (or are no longer available), this Agreement shall be deemed terminated and GO TOPEKA shall not be required to make any further Employment Incentive payments to BUSINESS under this Agreement.

5. **Notices.** Any notices required or permitted to be given pursuant to this Agreement may be delivered in person or mailed, certified mail, return receipt requested, to the addresses identified above.

6. **Miscellaneous.** The following miscellaneous provisions shall apply to this Agreement:

a. BUSINESS agrees to make every reasonable effort to use Shawnee County, Kansas-based vendors for the purchase or procurement of the machinery and equipment.

b. BUSINESS agrees to make every reasonable effort to use, if qualified, Shawnee County residents to fill the new Full Time Employment Positions in Shawnee County, Kansas.

c. BUSINESS shall provide prompt advance notice to GO TOPEKA of any material change in BUSINESS's ownership, control or management, including issues of insolvency or bankruptcy, or other material changes that could reasonably result in a default by BUSINESS under any agreement to which it is a party related to the matters set forth herein, or a change in the Full Time Employment Positions maintained in Shawnee County, Kansas.

d. BUSINESS agrees to participate in a public event with GO TOPEKA in Shawnee County, Kansas, celebrating the new business and employment expansion contemplated by this Agreement. Such event would include general recognition of JEDO's and GO TOPEKA's involvement in the project.

e. This writing contains the entire agreement reached between the parties hereto with respect to the subject matter hereof, and may be amended only in writing, duly executed by all parties concerned.

f. This Agreement shall be interpreted under the laws of the State of Kansas, with venue being solely in the state District Court of Shawnee County, Kansas. In the event any provision is found to be unenforceable or

unconstitutional, all other provisions shall remain in full force and effect.

g. Time is of the essence of this Agreement.

h. By signing this Agreement, the parties affirm that they have the authority of their respective companies to enter into this Agreement and bind their respective corporations.

i. This Agreement shall bind and inure to the benefit of the parties to this Agreement, their heirs, legal representatives, assignees, transferors and successors.

j. No failure by a party to insist on prompt performance by the other party of its obligations hereunder shall constitute a waiver of rights under the Agreement. Similarly, the waiver by a party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

k. This Agreement may be executed in counterparts, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties.

l. The parties acknowledge and agree that BUSINESS shall not assign, transfer, hypothecate or otherwise encumber this Agreement and its rights hereunder, without the prior written approval of GO TOPEKA.

m. Sarbanes-Oxley and similar legislation may have application to, or affect the accounting for, this Agreement by BUSINESS.

n. GO TOPEKA makes no representation as to the taxability or tax effect of this Agreement and the incentive payments hereunder.

o. GO TOPEKA's obligations hereunder are contingent upon approval hereof by Joint Economic Development Organization ("JEDO") and the continued funding of GO TOPEKA at adequate levels through a portion of the Shawnee County retailer's sales tax and/or by JEDO. GO TOPEKA may unilaterally reduce or eliminate any payments hereunder in the event that sufficient funds are not available (taking into account GO TOPEKA's other obligations). GO TOPEKA will endeavor to give BUSINESS advance notice of any reduction of funds when practical. BUSINESS agrees and understands that if there are not sufficient funds appropriated or available to GO TOPEKA to continue to make any payments hereunder (taking into account GO TOPEKA's other obligations), GO TOPEKA may terminate this Agreement with written notice of termination to BUSINESS. The reduction or elimination of any payments, and/or termination of this Agreement pursuant to this paragraph, shall not cause any penalty or damages to be charged to GO TOPEKA and BUSINESS waives and releases any rights, causes of action or claims it may have should such insufficiency of funds occur.

p. In carrying out the terms and provisions of this agreement, BUSINESS shall not unlawfully discriminate

against any employee, applicant for employment, recipient of service or applicant to receive or provide services because of race, color, religion, sex, age, disability, national origin or any other status protected by applicable federal or state law or local ordinance.

q. Every duty, right, or obligation contained in this Agreement imposes an obligation of good faith in its performance or enforcement. For the purposes of the Agreement, "good faith" dealing means honesty in fact in the conduct or the transaction concerned.

r. Nothing herein contained shall be construed or held to make any party a partner, joint venturer or associate of another party in the conduct of its business, nor shall either party be deemed the agent of the other, it being expressly understood and agreed that the relationship between the Parties hereto is and shall at all times remain contractual as provided by the terms and conditions of this Agreement.

s. The parties agree to execute and deliver such other documents, agreements or instruments as may be necessary or convenient to effect the purposes of this Agreement and to comply with any of the terms hereof.


IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

"BUSINESS"


"GO TOPEKA"

THE PREMIER ADVISORY GROUP, INC.

GROWTH ORGANIZATION OF
TOPEKA/SHAWNEE COUNTY, INC.

By: 

Print Name: Earl Kemper
Title: President

By: 
Molly Howey,
Senior Vice President of
Economic Development