

INCENTIVE AGREEMENT

This Incentive Agreement is effective July 14, 2022, and is entered into between the following parties:

GO TOPEKA: GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

719 S. Kansas Ave., Suite 100
Topeka, KS 66603
Phone: (785) 234-2644
Fax: (785) 234-8656
Contact Person/Title: Molly Howey, President, GO Topeka

RYDER INTEGRATED LOGISTICS, INC.

11690 NW 105 Street
Miami, FL 33178

WHEREAS, RYDER INTEGRATED LOGISTICS, INC. is a corporation that is in good standing and qualified to do business under the laws of the state of Kansas; and

WHEREAS, RYDER INTEGRATED LOGISTICS, INC. is contemplating investing approximately Two Million Five Hundred Dollars (\$2,500,000.00) to develop a location in Shawnee County, Kansas; and

WHEREAS, RYDER INTEGRATED LOGISTICS, INC. intends to commence operations locally and, in the process, create fifty-five (55) full time jobs over the next approximately three (3) years; and

WHEREAS, GO TOPEKA desires to assist and promote RYDER INTEGRATED LOGISTICS, INC. by offering up to Three Hundred Seventy Three Thousand Dollars (\$373,000.00) in employment, capital investment and training incentives; and

WHEREAS, RYDER INTEGRATED LOGISTICS, INC. acting in reliance upon the incentives set forth in this Agreement, has decided to locate its operations in Shawnee County, Kansas; and

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

WITNESSETH:

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

1. **Local Employment Incentive.** GO TOPEKA agrees to provide to RYDER INTEGRATED LOGISTICS, INC. an employment incentive of up to Three Hundred Two Thousand Five Hundred Dollars (\$302,500.00) (the “Employment Incentive”) for new Full Time Employment Positions created by RYDER INTEGRATED LOGISTICS, INC. over three (3) years, subject to the limitations and requirements outlined herein. The eligibility for Employment Incentive for a new Full Time Employment Position is based on average annual compensation as follows:

<u>Annual Average Compensation</u>	<u>Total Employment Incentive</u>	<u>Per Year</u>
• \$55,000	\$5,500	\$1,833.33

. Average annual compensation for the new facility shall be \$55,000 or more.

As used in this agreement, a “Full Time Employment Position” is an employee position that includes approximately 2,080 paid hours of service in Shawnee County, Kansas, during each calendar year. For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, bonuses or other cash incentives paid by RYDER INTEGRATED LOGISTICS, INC. to a full-time employee 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 RYDER INTEGRATED LOGISTICS, INC., and paid time off. Nothing herein shall require that a Full Time Employment Position be held by the same person, nor shall this Agreement preclude other requirements identified herein, including compensation. Each Full Time Employment Position must be one in which RYDER INTEGRATED LOGISTICS, INC. withholds and pays all federal, state and local employment taxes attributable to the employee. More than one position cannot be aggregated to qualify for an Employment Incentive.

Only new Full Time Employment Positions shall be eligible for the Employment Incentive. A “new” Full Time Employment Position is an otherwise eligible Full Time Employment Position that is in excess of and in addition to the Zero (0) Full Time Employees employed by RYDER INTEGRATED LOGISTICS, INC. as of July 14, 2022. To qualify for the Employment Incentive, the Full Time Employment Positions must commence on or after July 14, 2022 and be hired and receiving compensation by December 31, 2025.

A Full Time Employment Position shall not fail to qualify for the Employment Incentive if the position is vacated (voluntarily or otherwise) and RYDER INTEGRATED LOGISTICS, INC. is undertaking an open and active search and such position is filled within one hundred eighty (180) days after the vacancy during the calendar year. If unfilled for longer than one hundred eighty (180) 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 Three Hundred Two Thousand Five Hundred Dollars (\$302,500.00) in the aggregate. Generally, the maximum annual Employment Incentive payment shall be One Hundred Thousand Eight Hundred Thirty Three and 33/100 Dollars (\$100,833.33); however, if RYDER INTEGRATED LOGISTICS, INC. is experiencing faster than anticipated growth and the GO TOPEKA budget allows, the yearly Employment Incentive may exceed the noted maximum at the direction of the President of GO TOPEKA.

GO TOPEKA will endeavor to make incentive payments according to the following schedule:

- New Full Time Employment Positions hired between July 14, 2022 and December 31, 2022 will be eligible to receive the first incentive payment installment in 2023;
- New Full Time Employment Positions hired between January 1, 2023 and December 31, 2023 will be eligible to receive the first incentive payment installment in 2024;
- New Full Time Employment Positions hired between January 1, 2024 and December 31, 2024 will be eligible to receive the first incentive payment installment in 2025;
- New Full Time Employment Positions hired between January 1, 2025 and December 31, 2025 will be eligible to receive the first incentive payment installment in 2026;

provided, however, that RYDER INTEGRATED LOGISTICS, INC. must first provide GO TOPEKA with sufficient documentation relating to such employment levels (as required elsewhere herein). GO TOPEKA shall make all reasonable efforts to complete payment of all incentive payments within sixty (60) days of the receipt of such sufficient documentation relating to employment levels.

The parties recognize there may be some turnover and fluctuations in RYDER INTEGRATED LOGISTICS, INC.'s 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 RYDER INTEGRATED LOGISTICS, INC. hires one (1) new Full Time Employment Position between July 14, 2022 and December 31, 2022 and maintains that position through 2024, plus hires two (2) new Full Time Employment Positions throughout the period between January 1, 2023 and December 31, 2023 and the compensation among all three (3) positions is at least Fifty-Five Thousand Dollars (\$55,000) per position, RYDER INTEGRATED LOGISTICS, INC. would be eligible to receive an Employment Incentive installment in the amount of three thousand nine hundred dollars (\$3,900) (3 x \$1,300) in 2024 upon receipt and verification of appropriate documentation.

2. Employment Incentive Calculation Documentation. When and as reasonably requested by GO TOPEKA, RYDER INTEGRATED LOGISTICS, INC. shall provide GO TOPEKA with state and federal employment tax returns and/or other information reasonably necessary to establish employment levels in Shawnee County, Kansas, for purposes of calculating Employment Incentives and monitoring RYDER INTEGRATED LOGISTICS, INC.'s performance hereunder. GO TOPEKA is granted the right to audit payroll and human resources records during the term of this Agreement during regular business hours and upon providing prior written notice to RYDER INTEGRATED LOGISTICS, INC. for the purpose of reviewing records and documents (which may be redacted to protect Private Information such as personal identifying information for any employee). Such records and documents shall be provided as requested on a "view only" basis without duplication and Go Topeka will not be entitled to copy, photograph, duplicate or retain any records or documents provided in connection with the exercise of access rights under this Agreement. GO TOPEKA is granted the right to reduce payments made to RYDER INTEGRATED LOGISTICS, INC. by amounts found to be improper, unauthorized or unsubstantiated. GO TOPEKA shall have sole authority in this regard (to be exercised reasonably) and shall base its decision upon information submitted, including absence of documents to substantiate expenditure.

3. Employee Training Incentive. In addition to the foregoing, RYDER INTEGRATED LOGISTICS, INC. may earn an Employee Training Incentive in an amount not to exceed Fifty Five Thousand Dollars (\$55,000.00) (the "Employee Training Incentive").

For the Full Time Employee Training Incentives, GO Topeka shall reimburse RYDER INTEGRATED LOGISTICS, INC. for verifiable training costs including, but not limited to, tuition, registration fees, computer software for in-house training and other direct training costs to include wages of supervisors and trainers for RYDER INTEGRATED LOGISTICS, INC. incurred from July 14, 2022 to July 13, 2025 in accordance with the following provisions. RYDER INTEGRATED LOGISTICS, INC. shall be eligible for One Thousand Dollars (\$1,000.00) in Employee Training Incentive for each net new Full Time Employment Position (as defined in Section 1 "Local Employment Incentive"), up to fifty-five (55), created by RYDER INTEGRATED LOGISTICS, INC.. Thus, for RYDER INTEGRATED LOGISTICS, INC. to receive all Fifty-Five Thousand Dollars (\$55,000.00) in Full Time Employee Training Incentive the company's full time employment would need to increase to at least fifty-five (55).

A Full Time Employee Training Incentive payment may be made to RYDER INTEGRATED LOGISTICS, INC. starting in 2023 for training costs incurred for any full-time employee (new or existing) at RYDER INTEGRATED LOGISTICS, INC. in 2022 upon proof of approved training expenses in the form of paid invoices, or other verifiable records confirming payment for approved training expenses. The amount of Full Time Employee Training Incentive available in 2023 will be based on net new Full Time Employment Positions created by RYDER INTEGRATED LOGISTICS, INC. in 2022. For example, if RYDER INTEGRATED LOGISTICS, INC. created ten (10) net new Full Time Employment Positions in 2022, increasing the company's full time employee count to ten (10), RYDER INTEGRATED LOGISTICS, INC. could receive a reimbursement of up to \$10,000.00 for expenses incurred to train any existing or new full time employee. Payment for training expenses incurred shall be available on a yearly basis thereafter through 2026 based on the previous year's net new job creation and verifiable training costs. GO TOPEKA shall not reimburse RYDER INTEGRATED LOGISTICS, INC. for wages paid to an employee while they are in training or incidental costs associated with training such as travel expenses, meals, and lodging.

4. Real Estate Investment Incentive. For each One Million Dollars (\$1,000,000.00) in expenditure made by RYDER INTEGRATED LOGISTICS, INC. between July 14, 2022 and December 31, 2025 for the development or improvement of real estate located in Shawnee County, Kansas GO TOPEKA shall pay an incentive to RYDER INTEGRATED LOGISTICS, INC. of Five Thousand Dollars (\$5,000.00) (The "Real Estate Investment Incentive"). The aggregate of

said real estate investment incentive payments shall not exceed Twelve Thousand Five Hundred Dollars (\$12,500.00). RYDER INTEGRATED LOGISTICS, INC.'s real estate investment is estimated to be Two Million Five Hundred Thousand Dollars (\$2,500,000.00), provided, however, it is understood that RYDER INTEGRATED LOGISTICS, INC. shall not be obligated to invest that amount. The real estate investment incentive payments shall be made to RYDER INTEGRATED LOGISTICS, INC. upon GO TOPEKA's receipt of documentary evidence showing the investment in said real estate.

5. **State Incentive Application Fees.** Upon RYDER INTEGRATED LOGISTICS, INC.'s satisfactory progress towards the development of its project in Shawnee County, GO TOPEKA shall reimburse RYDER INTEGRATED LOGISTICS, INC. for any State of Kansas Incentive Application Fees up to Three Thousand Dollars (\$3,000.00) upon RYDER INTEGRATED LOGISTICS, INC.'s demonstration of the payment of those fees to the pertinent state agency. The timing of the payment of this incentive will be in the sole discretion of the President of GO TOPEKA.

6. **Use of Funds.** The funds received by RYDER INTEGRATED LOGISTICS, INC. pursuant hereto shall be used for the purpose of improving real estate in Shawnee County, Kansas and for the employment and training of persons to be employed in Shawnee County, Kansas.

7. **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.

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

a. RYDER INTEGRATED LOGISTICS, INC. 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. b. RYDER INTEGRATED LOGISTICS, INC. shall provide prompt advance notice to GO TOPEKA of any material change in RYDER INTEGRATED LOGISTICS, INC.'s ownership, control or management, including issues of insolvency or bankruptcy, or other material changes that could reasonably result in a default by RYDER INTEGRATED LOGISTICS, INC. 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.

c. RYDER INTEGRATED LOGISTICS, INC. agrees to participate in a public announcement with GO TOPEKA in Shawnee County, Kansas, celebrating the employment expansion contemplated by this Agreement. Such event would include general recognition of JEDO's and GO TOPEKA's involvement in the project. Any such announcements or publications must be approved in advance by RYDER INTEGRATED LOGISTICS, INC.'S marketing and public affairs department.

d. 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.

e. 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.

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

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

h. 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.

i. 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.

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

k. Sarbanes-Oxley and similar legislation may have application to, or affect the accounting for, this Agreement by RYDER INTEGRATED LOGISTICS, INC..

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

m. GO TOPEKA's obligations hereunder are contingent upon approval hereof by the 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), provided that such reduction shall only apply to New Hires retained after notice thereof has been given to RYDER INTEGRATED LOGISTICS, INC. as provided in the immediately next sentence. GO TOPEKA will give RYDER INTEGRATED LOGISTICS, INC. advance notice of any reduction of funds. RYDER INTEGRATED LOGISTICS, INC. 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 solely with respect to New Hires retained after such notice has been given to RYDER INTEGRATED LOGISTICS, INC. upon written notice. 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 RYDER INTEGRATED LOGISTICS, INC. waives and releases any rights, causes of action or claims it may have should such insufficiency of funds occur. In no event shall RYDER INTEGRATED LOGISTICS, INC. be required to refund any amounts previously paid by GO TOPEKA to RYDER INTEGRATED LOGISTICS, INC..

n. In carrying out the terms and provisions of this agreement, RYDER INTEGRATED LOGISTICS, INC. 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.

o. RYDER INTEGRATED LOGISTICS, INC. agrees to make a good faith effort to provide relocating information to employees, and/or new employees with information/relocation materials regarding Topeka and Shawnee County, that support and promote residency within the Topeka/Shawnee County limits. Annual reporting of these efforts shall be provided to GO TOPEKA during the incentivized period defined in this Agreement.

p. 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.

q. Nothing herein contained shall be construed or held to make any party a partner, joint venture 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.

r. 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.

"RYDER INTEGRATED LOGISTICS, INC."

By: _____

Print Name: _____

Title: _____

"GO TOPEKA"

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

By: 

Print Name: Molly Howey

Title: President, GO Topeka

