

TENNESSEE STATE FUNDING BOARD

MAY 26, 2015

AGENDA

1. Call meeting to order
2. Approval of minutes from the April 15, 2015, meeting
3. Report from the Department of Economic and Community Development (ECD) for approval of funding for the following projects:
 - **Cirrus Design Corporation – Maryville (Blount Co.)**

FastTrack Economic Development	\$ 1,249,000.00
FastTrack Job Training Assistance	\$ 901,000.00
 - **Community Health Systems Professional Services Corporation – Nashville (Davidson Co.)**

FastTrack Economic Development	\$ 6,750,000.00
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 - **The Lampo Group, Inc. – Brentwood (Williamson Co.)**

FastTrack Job Training Assistance	\$ 1,279,600.00
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 - **FICOSA North America – Cookeville (Putnam Co.)**

FastTrack Economic Development	\$ 2,272,600.00
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 - **Amazon.com.dedc, LLC – Cleveland (Bradley Co.)**

FastTrack Job Training Assistance	\$ 38,500.00
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 - **Volkswagen Group of America, Inc. – Chattanooga (Hamilton Co.)**

FastTrack Infrastructure Development	\$ 1,972,339.81
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4. Consideration and approval of Other Post Employment Benefit Trusts for the following entities:
 - City of Elizabethton
 - Middle Tennessee Natural Gas Utility District
5. Adjourn

TENNESSEE STATE FUNDING BOARD
April 15, 2015

The Tennessee State Funding Board (the "Board") met on Wednesday, April 15, 2015, at 1:20 p.m., in the Executive Conference Room, Ground Floor, Tennessee State Capitol, Nashville, Tennessee. The following members were present:

The Honorable Tre Hargett, Secretary of the State of Tennessee
The Honorable Justin Wilson, Comptroller of the Treasury
The Honorable David Lillard, State Treasurer

The following members were absent:

The Honorable Bill Haslam, Governor
Commissioner Larry Martin, Department of Finance and Administration

Seeing a physical quorum present Mr. Wilson called the meeting to order and asked for approval of minutes from the February 26, 2015, Board meeting. Mr. Hargett made a motion to approve the minutes. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. Allen Borden, Assistant Commissioner, Department of Economic and Community Development ("ECD"), to present FastTrack projects for consideration and Mr. Paul VanderMeer, Senior Financial Advisor, ECD, to present the FastTrack funding report. Mr. VanderMeer reported that as of the date of the last Board meeting the FastTrack balance was \$122.7 million and since that time \$20.2 million in grants or loans were approved which left an adjusted FastTrack balance available for funding grants or loans of \$102.5 million as of this meeting. Mr. VanderMeer reported that there were \$91.4 million in commitments, leaving an uncommitted FastTrack balance of \$11.1 million. Mr. VanderMeer reported that the projects to be considered at this meeting totaled \$4.6 million, and if these projects were approved the uncommitted balance would be approximately \$6.5 million, or 93.7% of FastTrack funds committed.

Mr. Borden stated the projects under consideration needed to be considered and approved by the Board because state law required that FastTrack projects in amounts exceeding \$750,000 per eligible business within any three-year period be reviewed and approved by the Board. Mr. Borden then presented the following FastTrack projects:

● Jackson Kayak, Inc. – Sparta (White Co.)	
FastTrack Economic Development	\$1,250,000
● Automotive Lighting, LLC – Pulaski (Giles Co.)	
FastTrack Economic Development	\$1,000,000
FastTrack Job Training Assistance	\$2,385,000

Mr. Wilson stated that the Board received a signed letter from Mr. Randy Boyd, Commissioner of ECD, which stated that the projects met all the statutory requirements; and a FastTrack Checklist was completed and signed by Mr. Boyd for the projects under consideration. Mr. Wilson inquired if the information contained in the letter and checklists was true and correct. Mr. Borden responded affirmatively. Mr. Hargett made a motion to approve the FastTrack grants for the projects presented. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. VanderMeer then discussed a request by ECD to revise commitments of FastTrack funding. Mr. VanderMeer reported that a letter signed by Commissioner Boyd was presented to the Board and requested the Board's concurrence with ECD's intent to commit up to 110% of the available balance of the FastTrack appropriations. Mr. VanderMeer explained that in the past four years, about 28% of commitments made were not accepted. He stated that the ability to commit up to 130% is outlined in Tennessee Code Annotated 4-3-716(g). Mr. Lillard inquired as to what the Department would do if it appeared that more commitments were being accepted than the average would indicate. Mr. VanderMeer responded that the Department would closely monitor the available balance, and in no situation would they actually disburse awards in excess of appropriations. Mr. Wilson made to motion that the Board concur with the request to commit up to 110%. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. Wilson then recognized Mr. William Wood, Budget Admin Analyst, Comptroller of the Treasury, who presented a staff analysis of "An Economic Report to the Governor of the State of Tennessee" (the Economic Report"). Mr. Wood stated that Tennessee Code Annotated 9-4-5202 directs the Board to secure estimates of economic growth from the Tennessee econometric model published by Tennessee's Center for Business and Economic Research (CBER) in its annual Economic Report and to comment on the reasonableness of CBER's estimate of the rate of growth of Tennessee's economy. Mr. Wood stated that based on review of the Economic Report and evaluation of current economic conditions and trends, the Economic Report's forecast of 4.00% nominal personal income growth for fiscal year 2015, 4.24% for calendar year 2015, and 4.38% for calendar year 2016, are not unreasonable. Mr. Wilson made a motion that the Board accept that the forecasts presented in the Economic Report are not unreasonable. Mr. Lillard seconded the motion, and it was unanimously approved.

Mr. Wilson then acknowledged that the Board received from the Attorney General the "List Identifying State Tax and Non-Tax Revenue Sources". The Board acknowledged and accepted the letter. No further action was necessary.

After requesting other business and hearing none, Mr. Wilson adjourned the meeting.

Approved on this _____ day of May 2015.

Respectfully submitted,

Sandra Thompson
Assistant Secretary

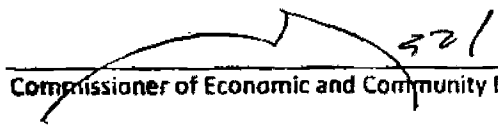
Fast Track Report to State Funding Board

5/15/2015

1. Previous FastTrack Balance, as of Last Report	102,529,593.62
2. + New Appropriations:	15,000,000.00
3. + Newly Deobligated Funds:	0.00
4. + Funds Transferred to FastTrack:	0.00
5. - Funds Transferred from FastTrack:	0.00
6. - FastTrack Grants or Loans Approved Greater Than \$750,000:	(1,600,000.00)
7. - FastTrack Grants or Loans Approved Less Than \$750,000:	(2,790,349.00)
8. Adjusted FastTrack Balance Available for Funding FastTrack Grants or Loans:	113,139,244.62
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9. Total Amount of Commitments:	88,447,620.54
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10. Uncommitted FastTrack:	24,691,624.08
11. Percentage Committed:	78.2%
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12. Amount of Proposed Grants or Loans:	14,418,039.81
13. Uncommitted FastTrack Balance if Proposed Grants or Loans Approved:	10,273,584.27
14. Percentage Committed:	90.9%

See next page for explanations of the above questions.

I have reviewed the above and believe it to be correct:


 Commissioner of Economic and Community Development

Date: 5/15/15



DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

RANDY BOYD
COMMISSIONER

BILL HASLAM
GOVERNOR

May 15, 2015

Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

The Department of Economic & Community Development (the "Department") seeks approval by the State Funding Board (the "Board") pursuant to T.C.A. § 4-3-717(a) authorizing FastTrack infrastructure, training and economic development grants where there is a commitment by an eligible business to create or retain private sector jobs or engage in private investment or where the Commissioner of Economic and Community Development determines that such investment will have a direct impact on employment and investment opportunities in the future. The following projects meet the statutory requirements and the Department presents these projects to the Board pursuant to the mandates of T.C.A. § 4-3-717(e), which requires approval of grants and loans under the FastTrack Infrastructure Development Program, the FastTrack Job Training Assistance Program, and the FastTrack Economic Development Program that exceed \$750,000 per eligible business within a three (3) year period.

1. **Cirrus Design Corporation – Maryville (Blount County)**

Cirrus Design Corporation is a major manufacturer of private aircraft. The company plans to build a new facility at the McGee Tyson Airport. The operation will be a multi-functional facility for sales, service training and maintenance. The Company will have an average wage rate of \$30.24 per hour for the new positions.

Cirrus Design Corporation has committed to create 170 new jobs and to make a \$15,000,000 capital investment within five years.

FastTrack Economic Development Program funds will be used to assist the project with construction and improvements for the new facility in Blount County. **(\$1,249,000)**

FastTrack Job Training Assistance Program funds will be used to train the new workforce. **(\$901,000)**

Total FastTrack funds for this project - \$2,150,000

2. Community Health Systems Professional Services Corporation – Nashville (Davidson County)

Community Health Systems Professional Services Corporation is a major hospital corporation. The company plans to expand their Tennessee operation. The operation will increase its shared services operation. The Company will have an average wage rate of \$19.52 per hour for the new positions.

Community Health Systems Professional Services Corporation has committed to create 1,500 new jobs and to make a \$66,100,000 capital investment within five years.

FastTrack Economic Development Program funds will be used to assist the project with construction and improvements for the new expansion in Davidson County. **(\$6,750,000)**

Total FastTrack funds for this project - \$6,750,000

3. The Lampo Group, Inc. – Brentwood (Williamson County)

The Lampo Group, Inc. is a major media operation in Tennessee. This expansion to their current operation will provide jobs throughout their many divisions. The Company will have an average wage rate of \$34.33 per hour for the new positions.

The Lampo Group, Inc. has committed to create 398 new jobs and to make a \$58,576,878 capital investment within five years.

FastTrack Job Training Assistance Program funds will be used to train the new workforce needed for the expansion. **(\$1,279,600)**

Total FastTrack funds for this project - \$1,279,600

4. FICOSA North America – Cookeville (Putnam County)

FICOSA North America is a manufacturer of automotive parts. The company plans to expand their Tennessee operation. The manufacturing operation will increase its mirror assemblies production. The Company will have an average wage rate of \$13.51 per hour for the new positions.

FICOSA North America has committed to create 550 new jobs and to make a \$57,947,584 capital investment within five years.

FastTrack Economic Development Program funds will be used to assist the project with construction and improvements for the new expansion in Putnam County. **(\$2,272,600)**

Total FastTrack funds for this project - \$2,272,600

5. Amazon.com.dedc, LLC – Cleveland (Bradley County)

Amazon.com.dedc, LLC is one of the largest on-line customer order fulfillment operations. The company is expanding their operation in Cleveland and will have an average wage rate of \$21.59 per hour for the new positions.

Amazon.com.dedc, LLC has committed to create 77 new jobs and to make a \$13,661,660 capital investment within five years.

FastTrack Job Training Assistance Program funds will be used to train the new workforce needed for the expansion. **(\$38,500)**

Total FastTrack funds for this project - \$38,500

6. Volkswagen Group of America, Inc. – Chattanooga (Hamilton County)

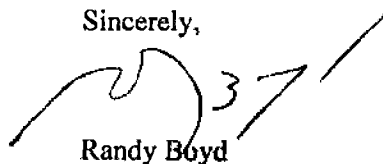
Volkswagen Group of America, Inc. has constructed an automobile manufacturing and assembly facility that employs more than 2,000 employees with a capital investment of approximately \$1,000,000,000. They have an average wage rate of \$16.03 per hour. The state and local governments committed to assist with rail infrastructure necessary to transport finished vehicles. Rail improvements may include, but are not limited to spurs, switches, signaling, rehabilitation of existing track or railbed, turnout, etc.

FastTrack Infrastructure Development Program funds will be used to provide rail access to Tyner Branch. Funds will be provided through the Hamilton County Government. **(\$1,927,339.81)**

Total FastTrack funds for this project - \$1,927,339.81

In conclusion, I would like to thank the Board for its assistance and continued support of ECD as we strive to create job opportunities for the citizens of our State.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Boyd", with a stylized flourish extending to the right.

Randy Boyd



DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

RANDY BOYD
COMMISSIONER

BILL HASLAM
GOVERNOR

May 15, 2015

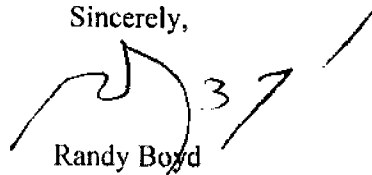
Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding an Economic Development Grant to the Blount Partnership for the benefit of Cirrus Design Corporation in the amount of \$1,249,000 to assist the company with construction and improvements for the new facility. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of new jobs and substantial capital investment. Cirrus Design Corporation has committed to create 170 new jobs and to make a \$15,000,000 capital investment within five years. The company will have an average wage of \$30.24 per hour for the new positions. This project will have an exceptional impact due to the high wages on this rural area of the State.

Sincerely,



Randy Boyd

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount.

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*	Cirrus Design Corporation	\$901,000	
ECONOMIC DEVELOPMENT	Blount Partnership	\$1,249,000	
TOTAL		\$2,150,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary (for training only).)

*ELIGIBLE BUSINESS BENEFICIARY (If different than Recipient Entity): Cirrus Design Corporation

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)? Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)? Yes No

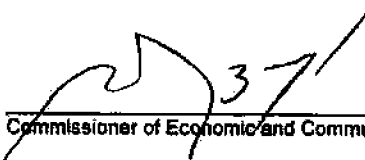
Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

5-15-15

Date



April 16, 2015

Cirrus Design Corporation
Mr. Bill King
4515 Taylor Circle
Duluth, MN 55811

Dear Mr. King,

Please sign and date the following, as this letter serves as notice that Cirrus Design Corporation intends, in good faith, to create 170 private sector jobs and make a capital investment of \$15,000,000 in Blount County, Tennessee in exchange for incentives that will be memorialized in a grant agreement between Cirrus Design Corporation and the State of Tennessee.

Signature: _____

Date: _____

Thank you,

A handwritten signature in black ink, appearing to read 'Randy Boyd'.

Randy Boyd, Commissioner, Tennessee Department of Economic and Community Development



DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

RANDY BOYD
COMMISSIONER

BILL HASLAM
GOVERNOR

May 15, 2015

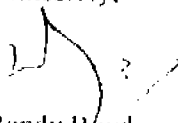
Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding an Economic Development Grant to the Industrial Development Board of the Metropolitan Government of Nashville and Davidson County for the benefit of Community Health Systems Professional Services Corporation in the amount of \$6,750,000 to assist the company with construction and improvements for the new facility. The project activities would not be eligible for the Fast Track Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of new jobs and substantial capital investment. Community Health Systems Professional Services Corporation has committed to create 1,500 new jobs and to make a \$66,100,000 capital investment within five years. The company will have an average wage of \$19.52 per hour for the new positions. This project will have an exceptional impact on this area of the State.

Sincerely,



Randy Boyd

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*			
ECONOMIC DEVELOPMENT	Industrial Development Board of the Metropolitan Government of Nashville and Davidson County	\$6,750,000	
TOTAL		\$6,750,000	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary (for training only))

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Community Health Systems Professional Services Corporation

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

- 1 Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No
- 2 Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
- 3 Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
- 4 Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

Yes No

7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)?

Yes No

8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)?

INFRASTRUCTURE

Yes No

9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)?

Yes No

10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)?

Yes No

11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)?

Applicant must answer "Yes" to a or b.

12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?

b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

Yes No

13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)?

Yes No

14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)?

Yes No

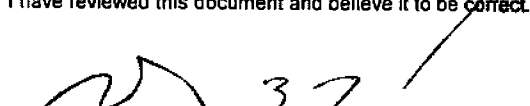
15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)?

Yes No

16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact.

17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

5-15-15

Date



May 14, 2015

CHS/Community Health Systems, Inc.
Mr. Marty Schweinhart
4000 Meridian Boulevard
Franklin, Tennessee 37067

Dear Mr. Shweinhart,

Please sign and date the following, as this letter serves as notice that CHS/Community Health Systems, Inc. intends, in good faith, to create 1,500 private sector jobs and make a capital investment of \$66,100,000 in Davidson County, Tennessee in exchange for incentives that will be memorialized in a grant agreement between CHS/Community Health Systems, Inc. and the State of Tennessee.

Signature:

A handwritten signature in black ink, appearing to be 'Randy Boyd', written over a horizontal line.

Date:

5/14/15

Thank you.

A handwritten signature in black ink, appearing to be 'Randy Boyd', written in a cursive style.

Randy Boyd, Commissioner, Tennessee Department of Economic and Community Development

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING		RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
	INFRASTRUCTURE			
	TRAINING*	The Lampo Group, Inc.	\$1,279,600	
	ECONOMIC DEVELOPMENT			
TOTAL			\$1,279,600	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary (for training only).)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): The Lampo Group, Inc.

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(h)(2-3)? Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(i)? Yes No

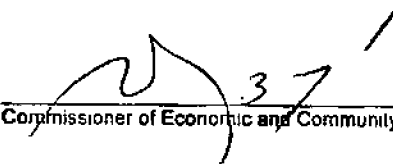
Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

I have reviewed this document and believe it to be correct



Commissioner of Economic and Community Development

5-15-15

Date

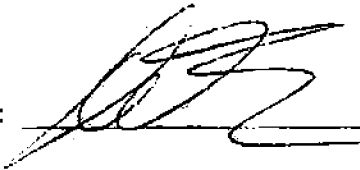


May 12, 2015

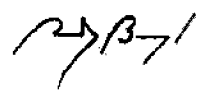
The Lampo Group, Inc.
Mr. Winston Cruze
1749 Mallory Lane
Brentwood, TN 37027

Dear Mr. Cruze,

Please sign and date the following, as this letter serves as notice that The Lampo Group, Inc. intends, in good faith, to create 398 private sector jobs and make a capital investment of \$58,576,878 in Williamson County, Tennessee in exchange for incentives that will be memorialized in a grant agreement between The Lampo Group, Inc. and the State of Tennessee.

Signature:  _____ Date: 5-19-15

Thank you.



Randy Boyd, Commissioner, Tennessee Department of Economic and Community Development



DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

RANDY BOYD
COMMISSIONER

BILL HASLAM
GOVERNOR

May 15, 2015

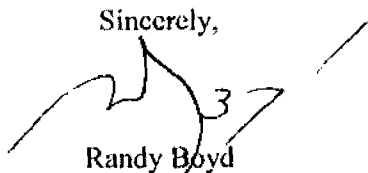
Comptroller Justin Wilson
First Floor, State Capitol
Nashville, TN 37243

Dear Comptroller Wilson:

Pursuant to Tennessee Code Annotated §4-3-717 (d)(1)-(2), I am writing to inform you that the Department of Economic and Community Development is awarding an Economic Development Grant to the Industrial Development Board of the City of Cookeville, Tennessee for the benefit of FICOSA North America in the amount of \$2,272,600 to assist the company with construction and improvements for the new expansion. The project activities would not be eligible for the FastTrack Infrastructure Development Program.

This project will yield a proportionately significant impact on the community due to the number of new jobs and substantial capital investment. FICOSA North America has committed to create 550 new jobs and to make a \$57,947,584 capital investment within five years. The company will have an average wage of \$13.51 per hour for the new positions. This project will have an exceptional impact on this Tier 3 County and the Upper Cumberland area of the State.

Sincerely,



Randy Boyd

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(a).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*			
ECONOMIC DEVELOPMENT	Industrial Development Board of the City of Cookeville	\$2,272,600	
TOTAL		\$2,272,600	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary (for training only))

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): FICOSA North America

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants) Yes No
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)? Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)? Yes No

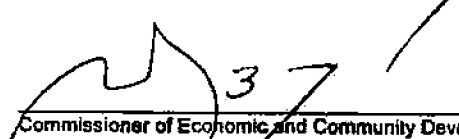
Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

5-15-15

Date



May 12, 2015

FICOSA North America
Mr. Fred Zicard
87 Wyatt Court
Crossville, TN 38555

Dear Mr. Zicard,

Please sign and date the following, as this letter serves as notice that FICOSA North America intends, in good faith, to create 550 private sector jobs and make a capital investment of \$57,947,584 in Putnam County, Tennessee in exchange for incentives that will be memorialized in a grant agreement between FICOSA North America and the State of Tennessee.

Signature: _____ Date: *May 12, 2015*

Thank you.

A handwritten signature in black ink, appearing to be 'Randy Boyd'.

Randy Boyd, Commissioner, Tennessee Department of Economic and Community Development

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount:

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE			
TRAINING*	Amazon.com.dedc, LLC	\$38,500	
ECONOMIC DEVELOPMENT			
TOTAL		\$38,500	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Amazon.com.dedc, LLC

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

6. a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)? Yes No
10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)? Yes No

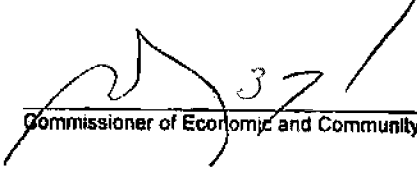
Applicant must answer "Yes" to a or b.

12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
-
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact Yes No
17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

I have reviewed this document and believe it to be correct



Commissioner of Economic and Community Development

5-15-15

Date



May 18, 2015

Amazon.com.dedc, LLC
Mr. Mike Grella
P.O. Box 81226
Seattle, WA 98108

Dear Mr. Grella,

Please sign and date the following, as this letter serves as notice that Amazon.com.dedc, LLC intends, in good faith, to create 77 private sector jobs and make a capital investment of \$13,661,660 in Bradley County, Tennessee in exchange for incentives that will be memorialized in a grant agreement between Amazon.com.dedc, LLC and the State of Tennessee.

Signature: DocuSigned by:
Michael Grella
4B2B3BA7CC6A449 _____ Date: 5/18/15 _____

Thank you,

A handwritten signature in black ink, appearing to read 'Randy Boyd'.

Randy Boyd, Commissioner, Tennessee Department of Economic and Community Development

State Funding Board FastTrack Checklist

FastTrack grants or loans exceeding seven hundred fifty thousand dollars (\$750,000) per eligible business within a three-year period require state funding board approval T.C.A. § 4-3-717(e).

Please identify the type of FastTrack funding requested and the grant or loan amount.

TYPE OF FUNDING	RECIPIENT ENTITY	GRANT AMOUNT	LOAN AMOUNT
INFRASTRUCTURE	Hamilton County	\$1,927,339.81	
TRAINING*			
ECONOMIC DEVELOPMENT			
TOTAL		\$1,927,339.81	

(Recipient entity must be a local government, their economic development organization, a political subdivision of the state, or an eligible business beneficiary [for training only].)

*ELIGIBLE BUSINESS BENEFICIARY (if different than Recipient Entity): Volkswagen Group of America Chattanooga Operations, LLC

Complete the General Statutory Compliance section below and the section(s) that corresponds with the type of funding indicated above. General Statutory Compliance items apply to all types of funding represented above.

GENERAL STATUTORY COMPLIANCE

1. Will this new commitment cause the FastTrack appropriations to be over-committed T.C.A. § 4-3-716(g)?
If "yes," state funding board concurrence is required. Attach the commissioner's rationale used to determine the amount of actual commitments unlikely to be accepted based on historical program trends (maximum allowed is 130% of the appropriations available for new grants). Yes No
2. Will this new commitment place in jeopardy compliance with the legislative intent that actual expenditures and obligations to be recognized at the end of the fiscal year not exceed available reserves and appropriations of the programs T.C.A. § 4-3-716(g)? Yes No
3. Does this grant or loan comply with the legislative intent to distribute FastTrack funds in all areas of the state to the extent practicable T.C.A. § 4-3-716(f)? Yes No
4. Has the commissioner of economic and community development provided to the commissioner of finance and administration (with copies transmitted to the speaker of the house of representatives, the speaker of the senate, the chairs of the finance, ways and means committees, the state treasurer, the state comptroller, the office of legislative budget analysis, and the secretary of state) the most recent quarterly report regarding the status of the appropriations for the FastTrack fund T.C.A. § 4-3-716(h)? Yes No

Identify which of the following apply:

5. a. Does the business export more than half of their products or services outside of Tennessee T.C.A. § 4-3-717(h)(1)(A)?
- b. Do more than half of the business' products or services enter into the production of exported products T.C.A. § 4-3-717(h)(1)(B)?
- c. Does the use of business' products primarily result in import substitution on the replacement of imported products or services with those produced in the state T.C.A. § 4-3-717(h)(1)(C)?
- d. Has the commissioner of economic and community development determined the business has other types of economic activity that contributes significantly to community development education and has a beneficial impact on the economy of the state T.C.A. § 4-3-717(h)(1)(D)? If "yes," attach the commissioner's rationale.

Applicant must answer "Yes" to a or b.

- 6 a. Is there a commitment by a responsible official in an eligible business for the creation or retention of private sector jobs and investment T.C.A. § 4-3-717(a)? If "yes," attach documentation.
- b. Has the commissioner of economic and community development determined that this investment will have a direct impact on employment and investment opportunities in the future T.C.A. § 4-3-717(a)? If "yes," attach the commissioner's rationale.

TRAINING

- 7. Will the grant support the training of new employees for locating or expanding industries T.C.A. § 4-3-717(c)(1)? Yes No
- 8. Will the grant support the retraining of existing employees where retraining is required by the installation of new machinery or production processes T.C.A. § 4-3-717(c)(2)? Yes No

INFRASTRUCTURE

- 9. Is the land to be improved publicly owned and not subject to a purchase option by a private entity where the purchase option covering the land may be exercised within a period of five (5) years following the date of the infrastructure grant? T.C.A. § 4-3-717(b)(2-3)? Yes No
- 10. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 11. In determining the level of assistance for infrastructure and site preparation, was consideration given to local ability-to-pay with areas of lesser ability being eligible for higher grant rates T.C.A. § 4-3-717(f)? Yes No

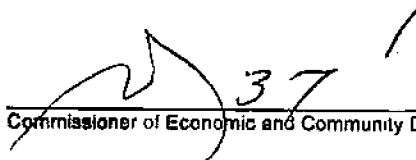
Applicant must answer "Yes" to a or b.

- 12. a. Will the grant or loan address infrastructure, such as, water, wastewater, transportation systems, line extensions, industrial site preparation or similar items where it is demonstrated that such improvements are necessary for the location or expansion of business or industry T.C.A. § 4-3-717(h)(2)?
- b. Has the commissioner of economic and community development determined the funds make significant technological improvements such as digital switches or fiber optic cabling that would have a beneficial impact on the economy of this state T.C.A. § 4-3-717(h)(2)? If "yes," attach the commissioner's rationale.

ECONOMIC DEVELOPMENT

- 13. Is this grant or loan made to a local government, a local government economic development organization or other political subdivision of the state T.C.A. § 4-3-717(d)(1)? Yes No
- 14. Is this grant or loan eligible for FastTrack infrastructure development or job training assistance funds T.C.A. § 4-3-717(d)(1)? Yes No
- 15. Will this grant or loan be used to facilitate economic development activities that include, but are not limited to, retrofitting, relocating equipment, purchasing equipment, building repairs and improvements, temporary office space or other temporary equipment related to relocation or expansion of a business T.C.A. § 4-3-717(d)(1)? Yes No
- 16. Will the funds be used in exceptional circumstances wherein the funds will make a proportionally significant economic impact on the affected community T.C.A. § 4-3-717(d)(1)? If "yes," attach an explanation of the exceptional circumstances and the proportionally significant economic impact. Yes No
- 17. The department of economic and community development is required to notify and provide the state funding board a detailed written explanation of the purpose for which this economic development grant or loan is being awarded or used T.C.A. § 4-3-717(d)(2). Attach documentation.

I have reviewed this document and believe it to be correct.



Commissioner of Economic and Community Development

5-15-15

Date

SITE LOCATION AND DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF UNDERSTANDING (this "*Agreement*") is hereby executed this ___ day of January, 2009, effective as of the 15th day of July, 2008, by and among VOLKSWAGEN GROUP OF AMERICA, INC., a New Jersey corporation, or its assignee (the "*Company*") and the STATE OF TENNESSEE (the "*State*"), HAMILTON COUNTY, TENNESSEE (the "*County*"), the CITY OF CHATTANOOGA, TENNESSEE (the "*City*"), and together with the "*County*", the "*Local Governments*", the CHATTANOOGA AREA CHAMBER OF COMMERCE (the "*Chamber*"), the INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA, (the "*IDB*") and those certain agencies or departments of the Government of the State described herein, including the Chamber and the IDB, and who are signatories hereto (the "*Agencies*" and together with the State and the Local Governments, collectively, the "*Public Authorities*"). The Company and the Public Authorities may from time to time be referred to individually as a "*Party*" and collectively as the "*Parties*."

WITNESSETH:

WHEREAS, the Company is engaged principally in the design, production and sale of automobiles; and

WHEREAS, the Company is contemplating the establishment of an automobile manufacturing and assembly facility, consisting of initial and subsequent phases, that will serve as the Company's manufacturing headquarters in the United States (the "*Facility*"); and

WHEREAS, the Company's plans and intentions with respect to the Facility require that it be constructed and start production in accordance with the Project Schedule and that such Project Schedule and subsequent operations not be adversely impacted by undue delays or unanticipated costs associated with permitting requirements and/or site conditions; and

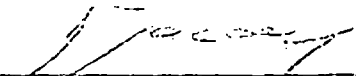
WHEREAS, the Facility, if fully implemented, has the potential to eventually employ more than two thousand (2,000) employees and to require a capital investment by, or on behalf of, the Company of approximately One Billion Dollars (\$1,000,000,000.00) at full implementation and production; and

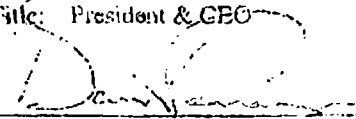
WHEREAS, the Public Authorities enthusiastically support and encourage business and industrial development within the State and are desirous of having the Company establish the Facility within the State; and

WHEREAS, the Public Authorities enthusiastically support education and training as an element of business and economic development and as an integral component to the successful operation of the Project; and

WHEREAS, the Company has narrowed its search for a suitable location for the Facility to three (3) sites in the United States, one being to establish the Facility within the State and, in particular at the Enterprise South Industrial Park (the "*Park*") in the City and the County, to be located on an approximately one thousand seventy-five (1,075) acre site within the Park; and

VOLKSWAGEN GROUP OF AMERICA, INC.

By: 
Name: Stefan Jacoby
Title: President & CEO

By: 
Name: David Geanakopoulos
Title: EVP, General Counsel & Secretary

**DECLARATION OF TRUST OF THE
CITY OF ELIZABETHTON, TENNESSEE**

INTEGRAL PART TRUST FOR OTHER POST-EMPLOYMENT BENEFITS

Declaration of Trust made as of the 14th day of May, 2015, by the City of Elizabethton (hereinafter referred to as the "Employer"). This Trust shall come into existence when the Tennessee State Funding Board created pursuant to Tennessee Code Annotated, Section 9-9-101 has approved the same.

RECITALS

WHEREAS, the Governmental Accounting Standards Board issued Statements 43 and 45, which set forth standards on accounting and reporting for post-employment benefits (other than pensions) by governmental entities; and

WHEREAS, these standards require political subdivisions of the State of Tennessee to report such post-employment benefits on an actuarial basis during an employee's career rather than on a pay-as-you-go basis during retirement; and

WHEREAS, the Tennessee General Assembly enacted Chapter 771 of the Tennessee Public Acts of 2006 that authorized Tennessee political subdivisions that offer other post-employment benefits to create an Investment Trust whereby the political subdivision may begin financing those benefits in advance; and

WHEREAS, the Employer is a political subdivision of the State of Tennessee that is exempt from Federal Income Tax under the Internal Revenue Code of 1986, as amended from time to time, and whose chief governing body has passed a Resolution authorizing the

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:
:

establishment of this Investment Trust for the exclusive purpose of funding other post-employment benefits accrued by employees of the Employer, to be paid as they come due in accordance with the arrangements between the Employer, the Participants and their Beneficiaries, as such terms are defined in Section 1.1 below.

NOW, THEREFORE, in consideration of the premises, the Employer does hereby establish this Trust to be known as the **CITY OF ELIZABETHTON POST-EMPLOYMENT BENEFITS TRUST.**

ARTICLE I

DEFINITIONS

1.1 Definitions. For Purposes of this Declaration of Trust, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.

- (a) "Beneficiary" means the Spouse, Dependents, or any other person who is entitled to benefits pursuant to the terms of a post-employment benefits plan on account of his or her relationship with a Participant..
- (b) "Board" means the Board of Trustees created pursuant to Section 5.1 of this Trust.
- (c) "Dependent" means an individual who is a person described in Section 152(a) of the Internal Revenue Code of 1986, as may be amended from time to time.
- (d) "Employee" means an individual who performs services for the Employer, and who has been designated as eligible to participate in, and receive benefits under a post-employment benefits plan.

- (e) "Other post-employment benefits" or "post-employment benefits" means non-pension benefits paid on behalf of a former Employee or a former Employee's Beneficiary after separation from service. Such benefits may include, but shall not be limited to, medical, prescription drugs, dental, vision, hearing, Medicare Part B or Part D premiums, life insurance, long-term care, and long-term disability.
- (f) "Participant" means an Employee or former Employee of the Employer who satisfies the requirements for participation in a post-employment benefits plan sponsored by the Employer.
- (g) "Spouse" means the Participant's lawful spouse as determined under the laws of the State of Tennessee.
- (h) "State Funding Board" or "Funding Board" means the Board created pursuant to Tennessee Code Annotated, Section 9-9-101.

ARTICLE II

PURPOSE AND SCOPE OF TRUST

2.1 This Trust is established exclusively for the purpose of funding other post-employment benefits accrued by Employees of the Employer, to be paid as they come due in accordance with the terms of the Employer's respective post-employment benefits plan.

2.2 Nothing in this Trust shall be construed to define or otherwise grant any rights or privileges to post-employment benefits. Such rights and privileges, if any, shall be governed by the terms of the Employer's respective post-employment benefits plan.

ARTICLE III
TRUST ASSETS

3.1 This Trust shall consist of all contributions paid or otherwise delivered to it, and all investment income and realized and unrealized gains and losses, less any amounts paid out of the Trust pursuant to Article IX or to pay reasonable expenses of maintaining the Trust. The Trust's earnings, profits and appreciation shall be exempt from federal taxation as income derived from a governmental function in accordance with Section 115 of the Internal Revenue Code of 1986, as amended.

ARTICLE IV
TRUST CONDITIONS

4.1 Any Trust created under this part shall be irrevocable, and the assets thereof shall be preserved, invested and expended solely pursuant to and for the purposes of this Declaration of Trust and shall not be loaned or otherwise transferred or used for any other purpose. The assets of the Trust shall be expended solely to:

- (a) Make payments for other post-employment benefits pursuant to and in accordance with the terms of the post-employment benefits plan; and
- (b) Pay the cost of administering this Trust.

4.2 All assets, income and distributions of the Trust shall be protected against the claims of creditors of the Employer, Employees, Former Employees, Participants or their Beneficiaries, and shall not be subject to execution, attachment, garnishment, the operation of bankruptcy, the insolvency laws or other process whatsoever, nor shall any assignment thereof be enforceable in any court.

ARTICLE V
BOARD OF TRUSTEES

5.1 The general administration and responsibility for the proper operation of this Trust shall be governed by a Board of Trustees (hereinafter the "Board"). The Board shall consist of five (5) members as follows:

- (a) Mayor
- (b) City Manager
- (c) Finance Director
- (d) Human Resource Manager
- (e) City Attorney

All members of the Board of Trustees shall be appointed by the City Council of the City of Elizabethton, and, further, no individual shall serve as a member of the Board of Trustees until they have accepted such appointment in writing. A Board Member shall automatically be removed from the Board of Trustees upon his resignation or removal from the position set forth in (a) – (e) above.

5.2 The Board shall annually elect from its membership a chair and a vice-chair and shall designate a secretary who need not be a member of the Board. Written minutes covering all meetings and actions of the Board shall be prepared by the secretary and shall be kept on file, open to public inspection pursuant to the provisions of Tennessee Code Annotated, Title 10, Chapter 7.

5.3 Members of the Board shall serve without compensation but shall receive reasonable reimbursement for actual and necessary travel expenses in accordance with the Employer's travel regulations.

5.4. The Board shall discharge its duties solely in the interest of the eligible Participants and for the exclusive purpose of pre-funding and providing Plan benefits to such persons and defraying reasonable expenses of administering the Trust.

5.5 A majority of the voting members of the Board serving shall constitute a quorum for the transaction of business at a meeting of the Board. Voting upon action taken by the Board shall be conducted by a majority vote of the voting members present at the meeting of the Board. The Board shall meet at the call of the chair, or upon the call of a majority of the members, and as may be otherwise provided in any operating policies or procedures adopted by the Board.

5.6 The business of the Board shall be conducted at meetings of the Board held in compliance with Tennessee Code Annotated, Title 8, Chapter 44.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD

6.1 In addition to the powers granted by any other provisions of this Trust, the Board shall have the powers necessary or convenient to carry out the purposes and objectives of this Trust including, but not limited to, the following express powers:

(a) "Invest any funds of the Trust in any instrument, obligation, security or property that constitutes legal investments for assets of the Trust as described in applicable law, including without limitation Tennessee Code Annotated, Section 8-50-1201 et seq., as

amended from time to time, provided that any such investment is authorized in the Investment Policy adopted, and from time to time amended, by the City.”

(b) Contract for the provision of all or any part of the services necessary for the management and operation of the Trust, including, but not limited to, investment management services;

(c) Contract with financial consultants, auditors, and other consultants as necessary to carry out its responsibilities under the provisions of this Trust;

(d) At the Board’s sole discretion, contract with an actuary or actuaries for the benefit of the Employer in determining the level of funding necessary for the Employer to fund the other post-employment benefits offered by the post-employment benefits plan;

(e) Prepare annual financial reports, including audited financial statements, following the close of each fiscal year relative to the activities of the Trust. Such statements and reports shall contain such information as shall be prescribed by the Board and be prepared in accordance with the standards established by the Governmental Accounting Standards Board; and

(f) Upon the request of the State Funding Board, file the annual report and financial statements with the Secretary of the State Funding Board. The report and statements shall be filed with the Secretary of the State Funding Board within ninety (90) calendar days from the date of the request, unless the Secretary of the State Funding Board extends such time in writing.

ARTICLE VII
INVESTMENTS

7.1 The Board shall be responsible for investing the assets of the Trust funds in accordance with Section 6.1(a) above.

7.2 Subject to the limitations in Section 6.1(a) above, the Board, or its nominee, has full power to hold, purchase, sell, assign, transfer, or dispose of any of the securities or investments in which the assets of the Trust have been invested, as well as of the proceeds of such investments and any moneys belonging to the Trust.

7.3 All of the Board's business shall be transacted, all of the Trust funds invested, all warrants for money drawn, any payments made, and all of the cash and securities and other property of the Trust shall be held;

(a) In the name of the Board as title holder only, or as Trustee;

(b) In the name of its nominee, provided, that the nominee is authorized by Board resolution solely for the purpose of facilitating the transfer of securities and restricted to members of the Board, or a partnership composed of any such members; or

(c) For the account of the Board or its nominee in such forms as are standard in the investment community for the timely transaction of business or ownership identification, such as book entry accounts.

7.4 Except as otherwise provided, no Board member or employee of the Board shall have any personal interest in the gains or profits of any investment made by the Board, nor shall any Board member or employee of the Board, directly or indirectly, for such member or employee or as an agent, in any manner for such member or employee or as an agent, in any

manner use the same except to make such current and necessary payments as are authorized by the Board.

ARTICLE VIII

EMPLOYER CONTRIBUTIONS TO TRUST

8.1 Notwithstanding Section 6.1(d) above, it shall be the sole and exclusive responsibility of the Employer to determine the level of contributions the Employer will make to the Trust for the purpose of financing the post-employment benefits accrued by its respective Employees. Neither the Trust, nor the Board shall be responsible for collecting or otherwise determining the level of contributions needed by the Employer to finance any post-employment benefits offered the Employer.

ARTICLE IX

WITHDRAWALS FOR PAYMENT OF OTHER POST-EMPLOYMENT BENEFITS

9.1 The Board shall upon the request of the Employer reimburse the Employer for payments made for other post-employment benefits upon the Board's receipt of certified documentation evincing the payment. Such payments shall be made by the Board on no more than a quarterly basis.

9.2 Notwithstanding anything in this part to the contrary, the Board shall not honor a request for reimbursement made by the Employer under this Article if assets credited to the Trust are not equal to or greater than the amount requested. Retroactive payments shall be paid by the Board upon accumulation of sufficient assets.

ARTICLE X

BOOKS AND RECORDS

10.1 The books and records of the Trust shall be maintained in accordance with generally accepted accounting principles and shall be open to public inspection. The annual report, including financial statements, all books, accounts and financial records of the Trust shall be subject to audit by the State Comptroller of the Treasury.

10.2 The Board may, with the prior approval of the State Comptroller of the Treasury, engage a licensed Certified Public Accountant to perform the audits. The audit contract between the Board and the Certified Public Accountant shall be on a contract form prescribed by the State Comptroller of the Treasury. Reimbursement of the costs of audits prepared by the State Comptroller of the Treasury and the payment of fees for audits prepared by a licensed Certified Public Accountant shall be the responsibility of the Board, which may be paid from the assets of the Trust.

ARTICLE XI

AMENDMENT

11.1 The Employer shall have the right at any time and from time to time to amend, in whole or in part, any or all of the provisions of this Trust; however, no such amendment shall authorize or permit the assets of the Trust (other than such part as may be used to pay the expenses of administering the Trust) to be used for or diverted to purposes other than those expressed in this Declaration of Trust. No such amendment shall be effective until approved by resolution of the chief governing body of the Employer, and by the State Funding Board.

ARTICLE XII

PLAN TERMINATION OR MODIFICATION

12.1 In the event the other post-employment benefits plan is terminated or substantially modified, rendering the assets of this Trust to be unnecessary to fund the plan, the assets shall be distributed pursuant to Section 12.2 below.

12.2(a) If the plan is terminated, the Employees and former Employees who have met all the conditions for other post-employment benefits as set out in the plan document in existence immediately preceding plan determination (including any deceased Employee or former Employee's surviving Beneficiaries) shall be vested in a proportionate share of the accumulated assets based on the present value of the plan benefit in existence immediately preceding plan termination as determined by an independent consulting actuary.

(b) If a substantial plan modification is adopted that because of a reduction of benefits or eligibility results in the plan moving from a funded status of less than seventy-five (75%) percent to an over-funded status of at least one hundred fifty (150%) percent and continues in such overfunded level for two (2) consecutive actuarial valuations, then such action shall be considered a plan termination and the excess assets shall be distributed in the same manner as in subsection (a) above.

12.3 Actuarial valuations contemplated by this Article shall be performed by the plan's independent consulting actuary in accordance with actuarial methods recognized by the Governmental Accounting Standards Board for other post-employment benefits.

ARTICLE XIII
PARTICIPANT OR BENEFICIARY
CONTRIBUTIONS TO TRUST

13.1 If Participant or Beneficiary contributions are required or permitted under the terms of the other post-employment benefits plan, such contributions shall be assets of this Trust and subject to all the provisions of this Trust.

ARTICLE XIV
PROTECTIVE CLAUSE

14.1 Neither the Employer, the Board, nor the Trust shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the post-employment benefits plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

ARTICLE XV
CONSTRUCTION

15.1 This Trust created herein shall be governed by and construed in accordance with the laws of the State of Tennessee.

15.2 If any terms and conditions of this Trust are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Trust shall not be affected thereby and shall be construed to effectuate the purpose of this Trust.

EMPLOYER: CITY OF ELIZABETHTON

BY: Deborah B. Kessler

DEBORAH B. KESSLER

TITLE: CITY CLERK OF THE CITY OF ELIZABETHTON, TN

TRUSTEE:

Art Alex Mayor

Johnnie Kitchens City Manager

Deborah B. Kessler Finance Director

Angela D. Lyons Human Resource Director

R. G. City Attorney

APPROVED:

Joel White

DATE: May 26, 2015

CHIEF OF STATE FUNDING BOARD

Sworn

**DECLARATION OF TRUST
FOR
OTHER POST-EMPLOYMENT BENEFITS**

A Declaration of Trust made as of the 25th day of March, 2015, by Middle Tennessee Natural Gas Utility District hereinafter referred to as the "Employer"). This Trust shall come into existence when the Tennessee State Funding Board created pursuant to Tennessee Code Annotated, Section 9-9-101 has approved the same.

RECITALS

WHEREAS, the Governmental Accounting Standards Board issued Statements 43 and 45, which set forth standards on accounting and reporting for post-employment benefits (other than pensions) by governmental entities; and

WHEREAS, these new standards will require political subdivisions of the State of Tennessee to report such post employment benefits on an actuarial basis during an employee's career rather than on a pay-as-you-go basis during retirement; and

WHEREAS, the Tennessee General Assembly enacted Chapter 771 of the Tennessee Public Acts of 2006 that authorized Tennessee political subdivisions that offer other post employment benefits to create an investment trust whereby the political subdivisions may begin financing those benefits in advance; and

WHEREAS, the Employer is a political subdivision of the State of Tennessee that is exempt from federal income tax under the Internal Revenue Code of 1986, as amended from time to time, and whose chief governing body has passed a resolution authorizing the establishment of this investment trust for the exclusive purpose of funding other post employment benefits accrued by employees of the Employer, to be paid as they come due in accordance with the arrangements between the Employer, the Participants and their Beneficiaries, as such terms are defined in Section 1.1 below.

NOW, THEREFORE, in consideration of the premises, the Employer does hereby establish this Trust to be known as the Middle Tennessee Natural Gas Utility District Post-Employment Benefits Trust.

ARTICLE I DEFINITIONS

- 1.1. Definitions. For purposes of this Declaration of Trust, the following terms shall have the respective meanings set forth below unless otherwise expressly provided.
- (a) "Beneficiary" means the Spouse, Dependents, or the person or persons designated by a Participant pursuant to the terms of a post-employment benefits plan to receive any benefits payable under the plan.
 - (b) "Committee" means the OPEB Committee created pursuant to Section 5.1 of this Trust.
 - (c) "~~Dependent~~" means an individual ~~who is a person described~~ in Section 152(a) of the Internal Revenue Code of 1986, as may be ~~amended from time to time~~.
 - (d) "Directed Trustee" means Home Federal Bank, and its successors and assigns, or such other entity as may be appointed by the Committee to provide trust services pursuant to Section 6.1(b) of this Trust.
 - (e) "Employee" means an individual who performs services for the Employer, and who has been designated as eligible to participate in, and receive benefits under a post-employment benefits plan.
 - (f) "Other post employment benefits" ("OPEB") or "post employment benefits" means non-pension benefits paid on behalf of a former Employee or a former Employee's Beneficiary after separation from service. Such benefits may include, but shall not be limited to, medical, prescription drugs, dental, vision, hearing, Medicare Part B or Part D premiums, life insurance, long-term care, and long-term disability.
 - (g) "Participant" means an Employee of the Employer who satisfies the requirements for participation in a post-employment benefits plan sponsored by the Employer.
 - (h) "Spouse" means the Participant's lawful spouse as determined under the laws of the State of Tennessee.
 - (i) "State Funding Board" or "Funding Board" means the board created pursuant to Tennessee Code Annotated, Section 9-9-101.

**ARTICLE II
PURPOSE AND SCOPE OF TRUST**

- 2.1 This Trust is established exclusively for the purpose of funding other post employment benefits accrued by Employees of the Employer, to be paid as they come due in accordance with the terms of the Employer's respective post employment benefits plan.
- 2.2 Nothing in this Trust shall be construed to define or otherwise grant any rights or privileges to post employment benefits. Such rights and privileges, if any, shall be governed by the terms of the Employer's respective post employment benefits plan.

**ARTICLE III
TRUST ASSETS**

- 3.1 This Trust shall consist of all contributions paid or otherwise delivered to it, and all investment income and realized and unrealized gains and losses.

**ARTICLE IV
TRUST CONDITIONS**

- 4.1 This Trust shall be irrevocable, and the assets of this Trust shall be preserved, invested and expended solely pursuant to and for the purposes of this Declaration of Trust and shall not be loaned or otherwise transferred or used for any other purpose. The assets of the Trust shall be expended solely to:
 - (a) Make payments for other post employment benefits pursuant to and in accordance with terms of the post employment benefits plan; and
 - (b) Pay the cost of administering this Trust.
- 4.2 All assets, income and distributions of the Trust shall be protected against the claims of creditors of the Employer, Employees, Former Employees, Participants or their Beneficiaries, and shall not be subject to execution, attachment, garnishment, the operation of bankruptcy, the insolvency laws or other process whatsoever, nor shall any assignment thereof be enforceable in any court.

**ARTICLE V
OPEB COMMITTEE**

- 5.1 The general administration and responsibility for the proper operation of this Trust shall be governed by an OPEB committee (hereinafter the "Committee"). The Committee shall consist of members as follows:

The sitting Commissioners of Middle Tennessee Natural Gas Utility District shall compose the Committee.

- 5.2 The Committee shall annually elect from its membership a chair and a vice chair and shall designate a secretary who need not be a member of the Committee. Written minutes covering all meetings and actions of the Committee shall be prepared by the secretary and shall be kept on file, open to public inspection pursuant to the provisions of Tennessee Code Annotated, Title 10, Chapter 7.
- 5.3 Members of the Committee shall serve without compensation but shall receive reasonable reimbursement for actual and necessary travel expenses in accordance with the Employer's travel regulations.
- 5.4 A majority of the voting members of the Committee serving shall constitute a quorum for the transaction of business at a meeting of the Committee. Voting upon action taken by the Committee shall be conducted by a majority vote of the voting members present at the meeting of the Committee. The Committee shall meet at the call of the chair, or upon the call of a majority of the members, and as may be otherwise provided in any operating policies or procedures adopted by the Committee.
- 5.5 The business of the Committee shall be conducted at meetings of the Committee held in compliance with Tennessee Code Annotated, Title 8, Chapter 44.

**ARTICLE VI
POWERS AND DUTIES OF THE COMMITTEE**

- 6.1 In addition to the powers granted by any other provisions of this Trust, the Committee shall have the powers necessary or convenient to carry out the purposes and objectives of this Trust including, but not limited to, the following express powers:
- (a) Invest any funds of the Trust in any instrument, obligation, security, or property that constitutes legal investments for assets of the Trust as described in applicable law, including without limitation Tennessee Code Annotated, Section 8-50-1201, et seq., as amended from time to time, including the use of mutual funds, commingled investment funds or collective investment trusts, institutional accounts, or master trusts, provided that any such investment is authorized in the investment policy

adopted, and from time to time amended, by the chief governing body of the Employer.

- (b) Contract for the provision of all or any part of the services necessary for the management and operation of the Trust, including, but not limited to, trust and custody services and investment management services;
- (c) Contract with financial consultants, auditors, and other consultants as necessary to carry out its responsibilities under the provisions of this Trust;
- (d) At the Committee's sole discretion, contract with an actuary or actuaries for the benefit of the Employer in determining the level of funding necessary by the Employer to fund the other post employment benefits offered by the post employment benefits plan;
- (e) Prepare annual financial reports, including audited financial statements, following the close of each fiscal year relative to the activities of the Trust. Such statements and reports shall contain such information as shall be prescribed by the Committee and be prepared in accordance with the standards established by the Governmental Accounting Standards Board; and
- (f) Upon the request of the State Funding Board, file the annual report and financial statements with the secretary of the State Funding Board. The report and statements shall be filed with the secretary of the Committee within ninety (90) calendar days from the date of the request, unless the secretary extends such time in writing.

ARTICLE VII POWERS AND DUTIES OF THE DIRECTED TRUSTEE

- 7.1 The Directed Trustee shall act solely in a directed capacity hereunder and shall act solely as directed by the Committee or Employer. It shall be the duty of the Directed Trustee to receive, hold, manage, invest and reinvest the Trust funds and to make payments from the Trust in accordance with governing law and the provisions set forth herein pursuant to this Trust. The Directed Trustee shall be responsible for such sums as are actually received by it as Directed Trustee hereunder. The Directed Trustee shall have no duty or authority to ascertain whether any contributions should be made to it pursuant to the post employment benefits plan. The duties and obligations shall be limited to those expressly imposed upon it by this Trust.

**ARTICLE VIII
INVESTMENTS**

- 8.1 The Committee shall be responsible for investing the assets of the Trust funds in accordance with Section 6.1(a) above.
- 8.2 Subject to the limitations in Section 6.1(a) above, the Committee, or its nominee, has full power to hold, purchase, sell, assign, transfer, or dispose of any of the securities or investments in which the assets of the Trust have been invested, as well as of the proceeds of such investments and any moneys belonging to the Trust.
- 8.3 All of the Committee's business shall be transacted, all of the Trust funds invested, all warrants for money drawn, any payments made, and all of the cash and securities and other property of the Trust shall be held:
- (a) In the name of the Committee as title holder only, or as Trustee;
 - (b) In the name of its nominee; provided, that the nominee is authorized by Committee resolution solely for the purpose of facilitating the transfer of securities and restricted to members of the Committee, or a partnership composed of any such members; or
 - (c) For the account of the Committee or its nominee in such forms as are standard in the investment community for the timely transaction of business or ownership identification, such as book entry accounts.
- 8.4 Except as otherwise provided, no Committee member nor employee of the Committee shall have any personal interest in the gains or profits of any investment made by the Committee; nor shall any Committee member or employee of the Committee, directly or indirectly, for such member or employee or as an agent, in any manner for such member or employee or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the Committee.

**ARTICLE IX
EMPLOYER CONTRIBUTIONS TO TRUST**

- 9.1 Notwithstanding Section 6.1(d) above, it shall be the sole and exclusive responsibility of the Employer to determine the level of contributions the Employer will make to the Trust for the purpose of financing the post employment benefits accrued by its respective Employees. Neither the Trust, nor the Committee shall be responsible for collecting or otherwise determining the level of contributions needed by the Employer to finance any post employment benefits offered by the Employer.

**ARTICLE X
WITHDRAWALS FOR PAYMENT OF
OTHER POST EMPLOYMENT BENEFITS**

- 10.1 The Committee shall upon the request of the Employer reimburse the Employer for payments made for other post employment benefits upon the Committee's receipt of certified documentation evidencing the payment. Such payments shall be made by the Committee on no more than a quarterly basis.
- 10.2 Notwithstanding anything in this part to the contrary, the Committee shall not honor a request for reimbursement made by the Employer under this Article if assets credited to the Trust are not equal to or greater than the amount requested. Retroactive payments shall be paid by the Committee upon accumulation of sufficient assets.

**ARTICLE XI
BOOKS AND RECORDS**

- 11.1 The books and records of the Trust shall be maintained in accordance with generally accepted accounting principles and shall be open to public inspection. The annual report, including financial statements, all books, accounts and financial records of the Trust shall be subject to audit by the State Comptroller of the Treasury.
- 11.2 The Committee may, with the prior approval of the State Comptroller of the Treasury, engage a licensed certified public accountant to perform the audits. The audit contract between the Committee and the certified public accountant shall be on a contract forms prescribed by the State Comptroller of the Treasury. Reimbursement of the costs of audits prepared by the State Comptroller of the Treasury and the payment of fees for audits prepared by a licensed certified public accountant shall be the responsibility of the Committee, which may be paid from the assets of the Trust.

**ARTICLE XII
AMENDMENT**

- 12.1 The Employer shall have the right at any time and from time to time to amend, in whole or in part, any or all of the provisions of this Trust; however, no such amendment shall authorize or permit the assets of the Trust (other than such part as may be used to pay the expenses of administering the Trust) to be used for or diverted to purposes other than those expressed in this Declaration of Trust. Any such amendment shall not be effective until approved by resolution of the chief governing body of the Employer, and by the State Funding Board.

**ARTICLE XIII
PLAN TERMINATION OR MODIFICATION**

- 13.1 In the event the other post-employment benefits plan is terminated or substantially modified rendering the assets of this Trust to be unnecessary to fund the plan, the assets shall be distributed pursuant to Section 13.2 below.
- 13.2 (a) If the plan is terminated, the Employees and former Employees who have met all the conditions for other post-employment benefits as set out in the plan document in existence immediately preceding plan termination (including any deceased Employee or former Employee's surviving Beneficiaries) shall be vested in a proportionate share of the accumulated assets based on the present value of the plan benefit in existence immediately preceding plan termination as determined by an independent consulting actuary.
- (b) If a substantial plan modification is adopted that because a reduction of benefits or eligibility results in the plan moving from a funded status of less than seventy-five percent (75%) to an over-funded status of at least one hundred fifty percent (150%) and continues in such over-funded level for two (2) consecutive actuarial valuations, then such action shall be considered a plan termination and the excess assets shall be distributed in the same manner as in subsection (a) above.
- 13.3 Actuarial valuations contemplated by this Article shall be performed by the plan's independent consulting actuary in accordance with actuarial methods recognized by the Governmental Accounting Standards Board for other post-employment benefits.

**ARTICLE XIV
PARTICIPANT OR BENEFICIARY
CONTRIBUTIONS TO TRUST**

- 14.1 If Participant or Beneficiary contributions are required or permitted under the terms of the other post-employment benefits plan, such contributions shall be assets of this Trust and subject to all the provisions of this Trust. Provided, however, the Employer or its designee shall establish a record keeping account for each Participant or Beneficiary showing the amount of contributions made by such Participant or Beneficiary, and to the extent authorized under the Plan, any earnings or interest thereon. Notwithstanding Article XIII or any other provision of this Trust to the contrary, a Participant or Beneficiary shall be vested in the amount recorded to that Participant's or Beneficiary's account.

**ARTICLE XV
PROTECTIVE CLAUSE**

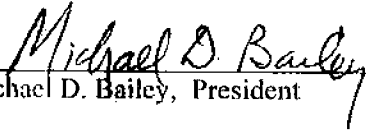
- 15.1 Neither the Employer, the Committee, nor the Trust shall be responsible for the validity of any contract of insurance or other arrangement maintained in connection with the post employment benefits plan, or for the failure on the part of the insurer or provider to make payments provided by such contract, or for the action of any person which may delay payment or render a contract void or unenforceable in whole or in part.

**ARTICLE XVI
CONSTRUCTION**

- 16.1 This Trust created herein shall be governed by and construed in accordance with the laws of the State of Tennessee.
- 16.2 If any terms and conditions of this Trust are held to be invalid or unenforceable as a matter of law, the other terms and conditions of this Trust shall not be affected thereby and shall be construed to effectuate the purpose of this Trust.

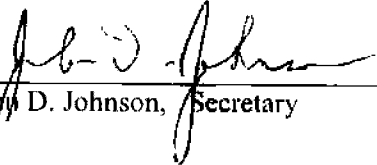
[The next and last page is the signature page]

EMPLOYER: Middle Tennessee Natural Gas Utility District



Michael D. Bailey, President

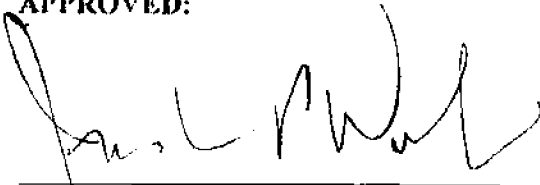
ATTESTED:



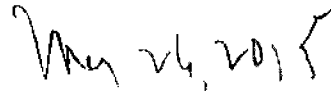
John D. Johnson, Secretary

DIRECTED TRUSTEE:

APPROVED:



Chair of State Funding Board
Secretary



Date



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DIVISION OF BOND FINANCE
SUITE 1600 JAMES K. POLK STATE OFFICE BUILDING
NASHVILLE, TENNESSEE 37243-1402
PHONE (615) 401-7872
FAX (615) 741-5986

MEMORANDUM

DATE: May 20, 2015
TO: Members of the Tennessee State **Funding Board**
FROM: Sandra Thompson, Assistant ~~Secretary~~ *Sandra Thompson*
SUBJECT: Notice of State Funding Board Meeting

The Tennessee State Funding Board (the "Funding Board") is scheduled to meet on Tuesday, May 26, 2015, at 1:00 p.m. in the Executive Conference Room, Ground Floor, Tennessee State Capitol, Nashville, Tennessee. The following members have indicated that they will attend:

Honorable Tre Hargett, Secretary of State of Tennessee
Honorable Justin Wilson, Comptroller
Honorable David Lillard, State Treasurer
Commissioner Larry Martin, Finance and Administration

At that time, the Funding Board will meet to consider the following:

- Approval of minutes from the April 15, 2015, meeting
- Report from the Department of Economic and Community Development (ECD) for approval of funding for the following projects:
 - **Cirrus Design Corporation – Maryville (Blount Co.)**

FastTrack Economic Development	\$ 1,249,000.00
FastTrack Job Training Assistance	\$ 901,000.00
 - **Project Universe – TBA**

FastTrack Economic Development	\$ 1,074,000.00
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 - **Community Health Systems Professional Services Corporation – Nashville (Davidson Co.)**

FastTrack Economic Development	\$ 6,750,000.00
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 - **The Lampo Group, Inc. – Brentwood (Williamson Co.)**

FastTrack Job Training Assistance	\$ 1,279,600.00
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 - **Project Columbus – TBA**

FastTrack Economic Development	\$ 2,272,600.00
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- **ARC Automotive, Inc. – Hartsville (Trousdale Co.)**
 - FastTrack Economic Development \$ 272,100.00
 - FastTrack Job Training Assistance \$ 132,000.00
 - FastTrack Infrastructure Development \$ 263,900.00
 - **Nissan North America – Decherd (Franklin Co.)**
 - FastTrack Infrastructure Development \$ 228,000.00
 - **Amazon.com.dedc, LLC – Cleveland (Bradley Co.)**
 - FastTrack Job Training Assistance \$ 38,500.00
 - **Volkswagen Group of America, Inc. – Chattanooga (Hamilton Co.)**
 - FastTrack Infrastructure Development \$ 1,972,339.81
- Consideration and approval of Other Post Employment Benefit Trusts for the following entities:
 - City of Elizabethton
 - Middle Tennessee Natural Gas Utility District

Should you have any questions, please let us know.



**TENNESSEE STATE FUNDING BOARD
NOTICE OF MEETING
MAY 26, 2015**

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Should you have any questions, please let us know.


Assistant Secretary

May 20, 2015

Individuals with disabilities who wish to participate in these proceedings or to review these filings should contact the Office of State & Local Finance to discuss any auxiliary aids or services needed to facilitate such participation. Such contact may be in person or by writing, telephone, or other means, and should be made prior to the scheduled meeting date, to allow time to provide such aid or service. Contact the Office of State & Local Finance for further information.

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